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Confirmation of Your Representation: You have accessed the attached document on the basis that you have confirmed your representation to each of PT CGS-CIMB Sekuritas Indonesia, PT CLSA Sekuritas Indonesia and PT Mandiri Sekuritas (the “Joint Lead Underwriters”) that:

- (1) you are an institutional investor and you and any account you represent are (x) located outside the United States within the meaning of Regulation S under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or (y) you are a dealer or other professional fiduciary holding a discretionary account or similar account (other than an estate or trust) for the benefit and account of a person who is not, and each person on whose behalf you are viewing this transmission is not, a U.S. person as defined in Regulation S under the U.S. Securities Act (“**Regulation S**”); **AND**
- (2) you consent to delivery of the attached Offering Circular and any amendments or supplements thereto by electronic transmission.

The attached document has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of (i) PT Sarimelati Kencana Tbk (the “Company”), (ii) PT Sriboga Raturaya and Mountain High Investments Limited (the “Selling Shareholders”), (iii) the Joint Lead Underwriters and (iv) any of their respective employees, representatives or affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the document distributed to you in electronic format and the hard copy version or any difference between the Offering Circular distributed to you in electronic format and the hard copy version available on request from the Joint Lead Underwriters. Anyone wishing to acquire securities should read the Offering Circular before deciding whether to acquire the securities. You are reminded that the attached Offering Circular has been delivered to you on the basis that you are a person into whose possession the Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver or forward this document, electronically or otherwise, to any other person.

NO ACTION HAS BEEN TAKEN OR WILL BE TAKEN THAT WOULD PERMIT A PUBLIC OFFERING OF THE SHARES OF THE COMPANY TO OCCUR IN ANY JURISDICTION OTHER THAN INDONESIA, OR THE POSSESSION, CIRCULATION OR DISTRIBUTION OF THIS OFFERING CIRCULAR OR ANY OTHER MATERIAL RELATING TO THE COMPANY OR THE SHARES OF THE COMPANY IN ANY JURISDICTION WHERE ACTION FOR SUCH PURPOSE IS REQUIRED. NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SHARES OF THE COMPANY HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OR SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION (OTHER THAN INDONESIA), AND MAY ONLY BE OFFERED AND SOLD OUTSIDE THE UNITED STATES IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S.

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of any of the Company, the Selling Shareholders or the Joint Lead Underwriters to subscribe for or purchase any of the securities described herein, and access has been limited so that it shall not constitute “directed selling efforts” (within the meaning of Regulation S) in the United States. If a jurisdiction requires that the offering be made by a licenced broker or dealer and the Joint Lead Underwriters or any of their affiliates is a licenced broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Joint Lead Underwriters or their eligible affiliates (as the case may be) on behalf of the Company and the Selling Shareholders in such jurisdiction.

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

YOU ARE NOT AUTHORISED AND YOU MAY NOT FORWARD OR DELIVER THE ATTACHED OFFERING CIRCULAR, IN WHOLE OR IN PART AND ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH OFFERING CIRCULAR IN ANY MANNER WHATSOEVER, AND, IN PARTICULAR, IT MAY NOT BE FORWARDED TO ANY U.S. ADDRESS (UNLESS PURSUANT TO AN APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT) OR INDONESIAN ADDRESS. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

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PT Sarimelati Kencana Tbk

(incorporated with limited liability under the laws of the Republic of Indonesia)

918,650,000 Offer Shares

This Offering Circular (“**Offering Circular**”) has been prepared by PT Sarimelati Kencana Tbk (the “**Company**”) in connection with the offering of 918,650,000 of the Company’s common shares of par value Rp100 each (the “**Shares**”) comprising a primary offering of 604,375,000 Shares (the “**Primary Shares**”) by the Company and a private placement of 314,275,000 existing Shares (the “**Placement Shares**”) by PT Sriboga Raturaya and Mountain High Investments Limited (the “**Selling Shareholders**”). (i) The Primary Shares are being offered in connection with a public offer of Shares in the Republic of Indonesia and the Placement Shares are being offered to a limited number of investors in the Republic of Indonesia by way of a private placement (the “**Indonesian Offering**”); and (ii) the Primary Shares and the Placement Shares are also being offered to a limited number of eligible investors resident outside of the Republic of Indonesia and outside of the United States in reliance on Regulation S under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”) (the “**International Offering**” and together with the Indonesian Offering, the “**Combined Offering**”). The offering of the Primary Shares in the Combined Offering is referred to as the “**Primary Offering**” and the offering of the Placement Shares in the Combined Offering is referred to as the “**Private Placement**”. The Shares being offered in the Combined Offering are referred to as the “**Offer Shares**”.

This Offering Circular is being made available to potential investors with respect to the International Offering only. The Indonesian Offering will be conducted by a group of underwriters in Indonesia including PT CGS-CIMB Sekuritas Indonesia, PT CLSA Sekuritas Indonesia and PT Mandiri Sekuritas (the “**Joint Lead Underwriters**”) and other syndication underwriters, PT Artha Sekuritas Indonesia, PT BNI Sekuritas, PT Indosurya Bersinar Sekuritas, PT KGI Sekuritas Indonesia, PT Kresna Sekuritas, PT Magenta Kapital Sekuritas Indonesia, PT NH Korindo Sekuritas Indonesia, PT Panca Global Sekuritas and PT Valbury Sekuritas Indonesia (the “**Syndicate Underwriters**”, together with the Joint Lead Underwriters, the “**Underwriters**”). This Offering Circular may only be distributed outside of Indonesia to persons who are neither citizens of Indonesia (wherever located) nor residents of Indonesia.

The Offer Shares being offered in the Indonesian Offering are being offered in Indonesia pursuant to an Indonesian language prospectus dated 17 May 2018, prepared for use in the Indonesian Offering (the “**Indonesian Language Prospectus**”). As a courtesy, an unofficial English translation of the Indonesian Language Prospectus is attached (the “**Prospectus**”). As used in this international supplement, the term “Offering Circular” means this international supplement in combination with the Prospectus. This international supplement and the Prospectus should be read together prior to making an investment decision to buy the Offer Shares offered under the International Offering. For further details, see “Plan of Distribution” in this international supplement. The Offer Shares offered in the Combined Offering may be reallocated between these two offerings.

We have applied to have our Shares (including the Offer Shares) listed on the Indonesia Stock Exchange (“**IDX**”) upon completion of the Indonesian Offering. The Combined Offering is our initial public offering, and no public market currently exists for our Shares. The offering price may not reflect the market price of our Shares after the closing of the Combined Offering.

This Offering Circular may only be distributed outside Indonesia to persons who are neither citizens of Indonesia (wherever located) nor residents of Indonesia.

Investing in our Shares involves a high degree of risk. Before purchasing any of our Shares, prospective investors should carefully read the section entitled “Risk Factors” in the Prospectus and “Additional Risk Factors for International Investors” in this international supplement.

Offering Price: Rp1,100 per Share

Indonesian regulations only permit the cancellation of the Primary Offering in limited circumstances, and you may be required to complete your acquisition of the Primary Shares in the Combined Offering if the Primary Offering is required to proceed despite the occurrence of a material adverse change in conditions. See “Plan of Distribution” and “Additional Risk Factors for International Investors – Risks relating to an Investment in our Shares – Investors may be required to complete their acquisition of the Primary Shares in the Combined Offering if the Primary Offering is required to proceed and complete despite the occurrence of a material adverse change, including in our business or financial condition” in this international supplement. The closing of the Private Placement is conditional on the closing of the Primary Offering and the listing of our Shares on the IDX.

The Primary Shares are expected to be delivered on or about 22 May 2018 and will begin trading on the IDX on the listing date, which is expected to be on or about 23 May 2018. The Selling Shareholders expect to deliver the Placement Shares to purchasers on or about 23 May 2018.

The Offer Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any other jurisdiction other than Indonesia. The Offer Shares are being offered and sold only outside the United States in offshore transactions in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Regulation S under the U.S. Securities Act (“**Regulation S**”). The Offer Shares are not transferable except in accordance with certain restrictions described under “Plan of Distribution” in this international supplement.

Joint Lead Underwriters



**PT CGS-CIMB Sekuritas
Indonesia**



**PT CLSA Sekuritas
Indonesia**



PT Mandiri Sekuritas

Offering Circular dated 17 May 2018

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AS USED IN THIS INTERNATIONAL SUPPLEMENT, THE TERM “OFFERING CIRCULAR” MEANS THIS INTERNATIONAL SUPPLEMENT AND THE ATTACHED UNOFFICIAL ENGLISH TRANSLATION OF THE INDONESIAN LANGUAGE PROSPECTUS. AS A COURTESY, WE HAVE PREPARED THE UNOFFICIAL ENGLISH TRANSLATION OF THE INDONESIAN LANGUAGE PROSPECTUS FOR PROSPECTIVE INVESTORS IN THE INTERNATIONAL OFFERING. NONE OF US, ANY OF THE SELLING SHAREHOLDERS OR ANY OF THE JOINT LEAD UNDERWRITERS MAKES ANY REPRESENTATION OR WARRANTY AS TO THE ACCURACY OR COMPLETENESS OF THE UNOFFICIAL ENGLISH TRANSLATION. PROSPECTIVE INVESTORS SHOULD READ THIS INTERNATIONAL SUPPLEMENT AND THE PROSPECTUS TOGETHER PRIOR TO MAKING AN INVESTMENT DECISION TO BUY THE OFFER SHARES.

THE PROSPECTUS CONTAINED HEREIN IS AN UNOFFICIAL TRANSLATION OF THE INDONESIAN LANGUAGE PROSPECTUS PREPARED FOR THE INDONESIAN OFFERING BASED ON STATUTORY REQUIREMENTS AND DISCLOSURE PRACTICES IN INDONESIA. EACH PERSON RECEIVING THIS OFFERING CIRCULAR ACKNOWLEDGES THAT THE DISCLOSURE REQUIREMENTS AND PRACTICES IN INDONESIA DIFFER SIGNIFICANTLY FROM THE DISCLOSURE REQUIREMENTS AND PRACTICES IN OTHER JURISDICTIONS AND ACCORDINGLY ACKNOWLEDGES THAT THIS OFFERING CIRCULAR DOES NOT PROVIDE THE LEVEL OR TYPE OF DISCLOSURE THAT A PROSPECTIVE INVESTOR MAY REQUIRE IN CONNECTION WITH ITS INVESTIGATION OF US OR PRIOR TO MAKING AN INVESTMENT DECISION.

NOTICE TO INVESTORS

The U.S. Securities and Exchange Commission and U.S. state securities regulators have not approved of, disapproved of or recommended the Offer Shares, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Offer Shares or the accuracy or adequacy of this Offering Circular. Any representation to the contrary is a criminal offence in the United States and may be a criminal offence in other jurisdictions. In addition, the Indonesian Capital Markets and Financial Institutions Supervisory Agency (*Badan Pengawas Pasar Modal dan Lembaga Keuangan* or “**Bapepam-LK**”), which has now been subsumed into the Indonesian Financial Services Authority (*Otoritas Jasa Keuangan* or “**OJK**”) does not declare its approval or disapproval of the Offer Shares, nor does it declare the accuracy or adequacy of this Offering Circular. Any statement to the contrary is a violation of Indonesian law. For the purposes of the Indonesian Offering, the formal offering document is the Indonesian Language Prospectus.

This Offering Circular is strictly confidential and has been prepared by us solely for use in connection with the proposed International Offering. This Offering Circular is personal to you and does not constitute an offer to any person or to the public generally to purchase, or otherwise acquire, the Offer Shares. Distribution of this Offering Circular to any person other than you and those persons, if any, retained to advise such offeree with respect thereto is unauthorised and any disclosure of any of its contents without our prior written consent is prohibited. Each prospective investor, by accepting delivery of this Offering Circular, agrees to the foregoing and to make no photocopies of this Offering Circular and, if you do not purchase the Offer Shares or if the International Offering is terminated, to return this Offering Circular to the Joint Lead Underwriters.

We have prepared this Offering Circular and are solely responsible for its contents. In making an investment decision, you must rely on your own examination of the Company and the terms of the International Offering, including the merits and risks involved. By receiving this Offering Circular, you acknowledge that (i) you have been afforded an opportunity to request from us and to review, and have received, all information that you consider necessary to verify the accuracy of, or to supplement, the information contained in this Offering Circular, (ii) you have not relied on either of the Joint Lead Underwriters or any person affiliated with the Joint Lead Underwriters in connection with your investigation of the accuracy of any information in this Offering Circular or your investment decision and (iii) no person has been authorised to give any information or to make any representation concerning the Company or the Offer Shares other than as contained in this Offering Circular and, if given or made, any such other information or representation should not be relied upon as having been authorised by us or the Joint Lead Underwriters.

No representation or warranty, express or implied, is made by the Joint Lead Underwriters as to the accuracy or completeness of the information contained in this Offering Circular. Neither the delivery of this Offering Circular nor the offer of the Offer Shares shall, under any circumstances, constitute a representation or create any implication that there has been no change in our affairs since the date of this Offering Circular or that any information contained herein is correct as at any date subsequent to the date hereof.

None of us, the Selling Shareholders, the Joint Lead Underwriters and any of our or their respective affiliates and representatives, is making any representation to any investor of the Offer Shares regarding the legality of an investment by such investor under applicable laws. In addition, you should not construe the contents of this Offering Circular as legal, business or tax advice. You should be aware that you may be required to bear the financial risks of an investment in the Offer Shares for an indefinite period of time. You should consult with your own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Offer Shares.

By receiving this Offering Circular, prospective investors acknowledge that the financial statements included in this Offering Circular have been prepared in accordance with the Indonesian Financial Accounting Standards (“**Indonesian FAS**” or “**IFAS**”), which differ in certain respects from International Financial Reporting Standards (“**IFRS**”), and are subject to auditing standards established by the Indonesian Institute of Certified Public Accountants and are not comparable to the financial statements of a company prepared under IFRS. See “Summary of Certain Principal Differences between Indonesian FAS and IFRS” in this international supplement.

This Offering Circular does not constitute an offer to sell, or an invitation by or on behalf of us, the Selling Shareholders or the Joint Lead Underwriters, or any affiliate or representative of any of the foregoing persons

to purchase any of the Offer Shares, and may not be used for the purpose of an offer to, or a solicitation by, anyone, in each case, in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or is unlawful. There are restrictions on the distribution of this Offering Circular and the making of solicitations pursuant thereto in certain jurisdictions, further details of which are set out under “Plan of Distribution” in this international supplement. Recipients of this Offering Circular are required to inform themselves about and observe any applicable restrictions. By purchasing the Offer Shares, you will be deemed to have made the acknowledgements representations, warranties and agreements defined under “Plan of Distribution” and “Selling Restrictions” in this international supplement.

The Offer Shares have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. In making its purchase, each investor of the Offer Shares will be required to make or will be deemed to have made certain acknowledgements, representations and agreements. For a description of these and certain further restrictions on offers, sales and transfers of the Offer Shares and distribution of this Offering Circular, see “Plan of Distribution” in this international supplement.

Each investor of the Offer Shares must comply with all applicable laws and regulations in force in each jurisdiction in which it purchases, offers or sells such Offer Shares or possesses or distributes this Offering Circular and must obtain any consent, approval or permission required by it for the purchase, offer or sale by it of such Offer Shares under the laws and regulations in force in any jurisdictions to which it is subject or in which it makes such purchases, offers or sales and neither we, nor the Joint Lead Underwriters shall have any responsibility therefor.

This Offering Circular has not been and will not be registered with OJK. Accordingly, this Offering Circular has not been and will not be registered as a prospectus in Indonesia and may not be distributed or circulated, whether directly or indirectly, in Indonesia. The Indonesian Offering is being made pursuant to a separate prospectus in the Indonesian language.

CONVENTIONS WHICH APPLY TO THIS OFFERING CIRCULAR

In this international supplement, unless otherwise specified or the context otherwise requires, all references to “Indonesia” are references to the Republic of Indonesia. All references to the “Government” herein are references to the Government of the Republic of Indonesia. All references to the “United States” or “U.S.” herein are to the United States of America. All references to “Rupiah” and “Rp” herein are to the lawful currency of Indonesia and all references to “U.S. dollars” or “US\$” herein are to the lawful currency of the United States.

Capitalised terms used in this international supplement that are not defined herein shall have the same meaning ascribed to them in the Prospectus.

For convenience, certain Rupiah amounts in this Offering Circular have been translated into U.S. dollar amounts, based on the middle exchange rate of Rp13,548, being the average of buying and selling rates of exchange for Rupiah against U.S. dollars quoted by Bank Indonesia on 31 December 2017. Such translations should not be construed as representations that the Rupiah or U.S. dollar amounts referred to could have been, or could be, converted into Rupiah or U.S. dollars, as the case may be, at that or any other rate or at all. See “Exchange Rates and Exchange Controls” in this international supplement for further information regarding rates of exchange between Rupiah and U.S. dollars.

In this Offering Circular, unless otherwise specified or the context otherwise requires, all references to:

- “we”, “us”, “our”, “Company”, “our Company” and “the Company” refer to PT Sarimelati Kencana Tbk;
- “Sriboga” refers to PT Sriboga Raturaya;
- “Sriboga Group” refers to Sriboga and its subsidiaries;
- “Controlling Shareholder” refers to Sriboga;
- “Selling Shareholders” refers to Sriboga and Mountain High Investments Limited;
- “Shares” refers to Shares of par value Rp100 each in the capital of the Company; and
- “Offer Shares” refers to the Shares which are the subject of the Combined Offering.

In this Offering Circular, references to “2015”, “2016” and “2017” refer to the years ended 31 December 2015, 31 December 2016 and 31 December 2017, respectively.

Purwantono, Sungkoro & Surja, independent public accountants and a member firm of Ernst & Young Global Limited, has audited and rendered an unqualified audit opinion on our financial statements as at and for the years ended 31 December 2015, 2016 and 2017.

In this Offering Circular, unless otherwise stated, all operational data and financial data are presented as at 31 December 2017.

Unless otherwise stated, all financial information relating to our Company is stated in accordance with Indonesian FAS. Any discrepancies in the tables or in the narrative summary of financial information included in this Offering Circular between the listed amounts and their totals are due to rounding. In addition, unless we indicate otherwise, all percentage figures included in this Offering Circular are rounded.

FORWARD-LOOKING STATEMENTS

This Offering Circular contains “forward-looking” statements that relate to future events, which are, by their nature, subject to significant risks and uncertainties. All statements other than statements of historical fact contained in this Offering Circular including, without limitation, those regarding our future financial position and results of operations, strategy, plans, objectives, goals and targets, future developments in the markets where we participate or are seeking to participate, and any statements preceded by, followed by or that include the words “believe”, “expect”, “aim”, “intend”, “will”, “may”, “project”, “estimate”, “anticipate”, “predict”, “seek”, “should” or similar words or expressions are forward-looking statements. The future events referred to in these forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond our control, which may cause the actual results, performance or achievements, or industry results to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future and are not a guarantee of future performance. Important factors that could cause the actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, the following:

- (i) dependency on franchise agreements with YUM! Pizza Hut Asia;
- (ii) adverse changes in government policies on raw material supply;
- (iii) increases in minimum wages;
- (iv) our ability to be and remain competitive;
- (v) regulatory limitation of the number of outlets independently owned by us;
- (vi) our ability to maintain *Halal* certificate of our products;
- (vii) our ability to open new outlets, maintain existing outlets and select strategic outlet locations;
- (viii) our ability to renew outlet lease agreements at the commercially acceptable terms;
- (ix) failure of our suppliers to comply with and satisfy their contractual obligations;
- (x) competition risk from online aggregators; and
- (xi) other risks, uncertainties and factors set forth under the section entitled “Risk Factors” in the Prospectus and “Additional Risk Factors for International Investors” in this international supplement.

When relying on forward-looking statements, you should carefully consider the foregoing factors and other uncertainties and events, especially in light of the political, economic, social and legal environment in which we operate. Such forward-looking statements speak only as at the date on which they are made. We do not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. We make no representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario. Accordingly, you should not place undue reliance on any forward-looking statements.

INDUSTRY AND MARKET DATA

This Offering Circular includes industry data and forecasts that we have obtained from industry publications and surveys and internal company reports and surveys, as well as from industry data we commissioned from Euromonitor International Limited (“**Euromonitor Research**”). The information from Euromonitor Research reflects estimates of market conditions based on publicly available sources and trade opinion surveys, and has been prepared primarily as a market research tool. References to Euromonitor Research should not be considered as opinions of Euromonitor Research as to the value of any security or the advisability of investing in the Company. Industry publications and surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such information. We, the Selling Shareholders and the Underwriters have not independently verified any of the data from third parties contained in this Offering Circular or ascertained the underlying economic assumptions upon which they relied.

ENFORCEABILITY OF CIVIL LIABILITIES

We are a limited liability company incorporated under the laws of Republic of Indonesia. Substantially all of our commissioners, directors and executive officers reside in Indonesia. Substantially all of our assets and substantially all of the assets of the Indonesian-citizen/resident commissioners, directors and executive officers of our Company are located in Indonesia. As a result, it may not be possible for investors to effect service of process upon such persons, or to enforce against our Company or any of them any court judgments in whole or in part obtained in courts outside of Indonesia.

We have been advised by our Indonesian legal counsel, Assegaf Hamzah and Partners, that judgments of non-Indonesian courts based on the civil liability provision of non-Indonesian securities laws are not recognised or directly enforceable in Indonesian courts. However, such judgements could be admissible as evidence in a proceeding on the underlying claim in an Indonesian court and may be given such evidentiary weight as the Indonesian court may deem appropriate, in its sole discretion. Accordingly, to obtain an order of an Indonesian court in respect of a claim, a successful party in a foreign proceeding must commence a new action in an Indonesian court on the basis of Indonesian law and reargue the matter on its merits. There is a no assurance that Indonesian courts will enter judgements on original actions brought in Indonesian courts based solely upon the civil liability provisions of non-Indonesian securities laws. Re-examination of underlying remedies available under Indonesian law will be the same, or as extensive as those available in other jurisdictions. For further details on enforceability of civil liabilities in Indonesia, see “Additional Risk Factors for International Investors – Risks Relating to Indonesia – Judgments of a foreign court may not be enforceable against us” in this international supplement.

SUMMARY

This summary highlights information contained elsewhere in this Offering Circular and does not contain all the information that may be important to prospective investors in deciding to invest in the Offer Shares. This summary is qualified in its entirety by more detailed information and the financial statements, including the notes thereto, appearing elsewhere in this Offering Circular. For a discussion of certain risks that should be considered in evaluating an investment in the Offer Shares, see the section entitled “Risk Factors” in the Prospectus. Investors are advised to read this entire Offering Circular carefully, including the financial statements and related notes contained herein, before making an investment decision.

Overview

Pizza Hut is an international chained restaurant and franchise from the United States, which was established in 1958 by Dan Carney and Frank Carney. Pizza Hut is famous for its Italian-American menus, including pizza and pasta, and other menus. Pizza Hut has more than 16,000 outlets in more than 100 countries.

Our Company owns the right as the franchisee to develop and operate Pizza Hut chained restaurants across Indonesia, excluding a Pizza Hut outlet located in the Bali Airport, based on the franchise agreements with YUM! Pizza Hut Asia. We successfully received the Asia Franchisee of the Year awards from YUM! Pizza Hut Asia for the years 2007, 2008, 2009, 2011, 2012, 2013 and 2017.

Our Company was established in 1987 and is engaging in businesses in a consumer foodservice industry in Indonesia, particularly pizza and pasta. After having developed the Pizza Hut brand in Indonesia for two decades, our Company was acquired by Sriboga in 2004 as the Sriboga Group’s first step into the foodservice industry. Since the acquisition, our outlets have grown rapidly under the supports and guidance from the Sriboga Group.

We operate two outlet concepts, Pizza Hut Restaurant (“**PHR**”) and Pizza Hut Delivery (“**PHD**”). As of 31 December 2017, we operated 237 PHR outlets and 156 PHD outlets located in 28 provinces in Indonesia. We offer a wide range of pizza and complementary menus to our customers. According to Euromonitor Research, we were the largest pizza chained operator in Indonesia in terms of retail value in 2016 and commanded a 86.6% market share in the chained pizza consumer foodservice category with a 97% market share in the chained full-service pizza restaurant category in terms of retail value for PHRs and a 64.6% market share in the chained pizza delivery/takeaway category in terms of retail value for PHDs, in Indonesia in 2016.

We offer innovative and extensive menus that, we believe, are able to cater the needs of Indonesian consumers with a focus on middle-class and family segments. We offer dine-in, delivery and online sales services with an extensive network. We believe our current sales concepts and channels provide us flexibility in sustainable growth.

We recognise the importance of having a *Halal* certificate for a foodservice company in Indonesia as a Moslem-majority country. We have obtained the *Halal* certificate since 1997 from the Indonesian Ulama (*Islamic Scholar*) Council (*Majelis Ulama Indonesia*). We continuously maintain the *Halal* certificate as we commit to providing convenience, safety and satisfaction to our consumers.

Our Competitive Strengths

Our competitive strengths include the following:

- our position as the largest pizza chained operator in Indonesia in terms of retail value in 2016;
- strong support from our franchisor;
- well-positioned to benefit from Indonesia economic growth and shifting in demography and consumer preference;
- extensive network with 393 outlets located in 76 cities and regencies in 28 provinces in Indonesia as of 31 December 2017;
- proven ability to innovate and adapt with market preference for more than 30 years;
- solid sales growth supported by sound financial fundamentals; and

- experienced management team with extensive experiences in the restaurant business in Indonesia.

See section entitled “Description of the Company, the Company’s Business Activities, Prospects and Trends – the Company’s Business Activities and Prospects – Competitive Strengths” in the Prospectus for further details.

Business Strategies

Our key business strategies include the following:

- outlet expansion and improvement of our position as full-service family restaurants both in the existing and new areas;
- maintaining brand awareness and expanding customer base to continuously increase our sales growth;
- increasing production and storage capacities of our in-house production facilities (commissary), factories, distribution centres and integrated vertical facilities;
- optimising financing sources to support our growth;
- developing our operational restaurant system to improve customer satisfaction and operational performance; and
- developing our organisational capabilities.

See section entitled “Description of the Company, the Company’s Business Activities, Prospects and Trends – the Company’s Business Activities and Prospects – Business Strategies” in the Prospectus for further details.

Corporate Information

Our head office is located at Graha Mustika Ratu Building, 8th Floor, Jl. Jenderal Gatot Subroto Kav. 74-75, Jakarta 12870, Indonesia. Our telephone number at this address is +(62) (21) 830 6789. Our main website is www.sarimelatikencana.co.id. The information contained in our website does not form part of this Offering Circular.

SUMMARY OF THE TERMS OF THE COMBINED OFFERING

The following summary contains basic information about the Offer Shares and is not intended to be complete. It does not contain all the information that may be important to prospective investors. For a more complete understanding of the Offer Shares, please refer to the section entitled “Share Initial Public Offering” in the Prospectus and “Plan of Distribution” and “Indonesian Capital Markets” in this international supplement.

The Issuer	PT Sarimelati Kencana Tbk
The Selling Shareholder(s)	PT Sriboga Raturaya and Mountain High Investments Limited
Combined Offering	The Combined Offering consists of a concurrent International Offering and an Indonesian Offering of 918,650,000 Offer Shares. The closing of the International Offering is conditional upon the closing of the Indonesian Offering and the closing of the Private Placement is conditional on the closing of the Primary Offering and the listing of our Shares on the IDX. For more information, see “Plan of Distribution” in this international supplement.
Indonesian Offering	The Primary Shares are being offered in Indonesia through the Underwriters by way of a public offering, pursuant to Indonesian capital markets laws and the Placement Shares are being offered only to a limited number of investors in the Republic of Indonesia by way of a private placement through the Joint Lead Underwriters.
International Offering	Concurrently with the Indonesian Offering, some of the Primary Shares and the Placement Shares are being offered to a limited number of eligible investors reside outside Indonesia through the Joint Lead Underwriters. The International Offering is being made outside the United States in offshore transactions in reliance on the exemption from registration under Regulation S. The closing of the International Offering is conditional upon the closing of the Indonesian Offering. For more information, see “Plan of Distribution” in this international supplement.
Offering Price	Rp1,100 per Offer Share.
Offer Shares	918,650,000 Offer Shares of par value Rp100, the subject of the Combined Offering, comprising 604,375,000 Primary Shares to be offered by the Company in the Primary Offering and 314,275,000 Placement Shares to be offered by the Selling Shareholders in the Private Placement, in each case, at the Offering Price.
Lock-up	Our Company has agreed that, for a period of 12 months after the effective date of our registration statement with OJK, it will not issue and offer any Shares, other than the Offer Shares, without the prior written consent of the Underwriters.
Employee Stock Allocation	In conjunction with the Combined Offering, we will allocate 1.00% of the Primary Shares, or 6,043,750 Offer Shares, to eligible employees through the ESA Programme. See “Plan of Distribution” in this international supplement for more details.
Management and Employee Stock Option Programme	We will allocate of 1.00% of our issued and paid-up capital after the completion of the Combined Offering, or 30,218,750 new Shares, to eligible members of management and our employees. See “Plan of Distribution” in this international supplement for more details.

Listing and trading	We have applied to have our Shares (including the Offer Shares) approved for listing and quotation on the IDX. If listing approval is granted, trading in our Shares on the IDX would be expected to commence on or about 23 May 2018.
Use of Proceeds	The net proceeds from the Primary Offering, after deducting underwriting fees and commissions and other estimated transaction expenses, are expected to be approximately Rp641,312,500,000. We intend to use the proceeds as set forth in the section entitled “Use of Proceeds from the Public Offering” in the Prospectus. We will not receive any proceeds from the sale of the Placement Shares by the Selling Shareholders.
Voting Rights	Investors of the Offer Shares offered in this Combined Offering will be entitled to the same voting rights as all other holders of our Shares.
Dividends	The declaration, amount and any payment of future dividends on the Shares, if any, is discretionary and will be subject to the recommendation of our Board of Commissioners and approval at a general meeting of our shareholders. For more information, see the section entitled “Dividend Policy” in the Prospectus. Dividends in respect of our Shares are generally subject to Indonesian withholding tax at a rate of 20% when paid either to non-resident corporate investors or to non-resident individual investors. For more details on tax matters, see the section entitled “Taxation” in the Prospectus and “Taxation – Indonesian Taxation – Taxation of Dividends” in this international supplement. Cash dividends will be paid in Rupiah.
Payment for Primary Shares	Payment to us for the Primary Shares is expected to be made on or about 22 May 2018 in immediately available funds.
Payment for Placement Shares	Payment to the Selling Shareholders for the Placement Shares is expected to be made on or about 23 May 2018 in immediately available funds.
Delivery for Primary Shares	Delivery of the Primary Shares to successful applicants will be made in electronic (scripless) form in the Collective Depository of the Indonesian Central Securities Depository, PT Kustodian Sentral Efek Indonesia (“KSEI”). See “Indonesian Capital Markets” and “Plan of Distribution – Registration of the Shares in KSEI” in this international supplement. The Primary Shares are expected to be delivered to investors on or about 22 May 2018.
Delivery for Placement Shares	Delivery of the Placement Shares will be made against payment in electronic (scripless) form for administration in the KSEI effected through a crossing of such shares on the IDX on or about 23 May 2018.
Subscription of the Offer Shares	The Underwriters and/or any of its affiliates may subscribe for the Offer Shares in the Combined Offering for their own account.
Selling Restrictions	The Offer Shares will be subject to certain selling restrictions as described in the “Plan of Distribution – Selling Restrictions” in this international supplement.
Timetable	For information about the timetable of the Combined Offering, see “Plan of Distribution – Important Dates” in this international supplement.

Risk Factors

Prior to making an investment in the Offer Shares, prospective investors should carefully consider the risks described under the section entitled “Risk Factors” in the Prospectus and “Additional Risk Factors for International Investors” in this international supplement.

Shares

Our authorised share capital is Rp900,000,000,000 consisting of 9,000,000,000 Shares of par value Rp100 each, of which 2,417,500,000 Shares were issued and outstanding prior to the closing of the Combined Offering and 3,021,875,000 Shares will be issued and outstanding immediately following the closing of the Combined Offering.

SUMMARY FINANCIAL INFORMATION

You should read our summary financial information and other data presented below in conjunction with our financial statements and the related notes to the financial statements included elsewhere in this Offering Circular. You should also read the section entitled “Management’s Discussion and Analysis” in the Prospectus.

The following tables present the Company’s summary financial information as at the dates or for each of the periods indicated. The statements of financial position, the statements of profit or loss and other comprehensive income and the statements of cash flows as at and for the years ended 31 December 2015, 2016 and 2017 in the tables below have been derived from the audited financial statements of the Company included elsewhere in this Offering Circular.

Our Company was incorporated on 16 December 1987. For more details of the group structure and history of the Company, see the section entitled “Description of the Company, the Company’s Business Activities, Prospects and Trends – Brief History of the Company” in the Prospectus.

The audited financial statements of the Company as at and for the years ended 31 December 2015, 2016 and 2017 included elsewhere in this Offering Circular, have been audited by Purwantono, Sungkoro & Surja, independent public accountants and a member firm of Ernst & Young Global Limited, in accordance with auditing standards established by the Indonesian Institute of Certified Public Accountant (“**IICPA**”), as stated in their audit report appearing in this Offering Circular.

Our financial statements are reported in Rupiah, and our functional currency is the Rupiah. We have prepared and presented our financial statements in accordance with Indonesian FAS, which differ in certain material respects from IFRS. For a description of certain significant differences between Indonesian FAS and IFRS, see “Summary of Certain Principal Differences between Indonesian FAS and IFRS” in this international supplement.

Statements of Financial Position

	Year ended 31 December		
	2015	2016	2017
	(Rp millions)	(Rp millions)	(Rp millions)
Assets			
Current assets	372,806	397,891	515,282
Non-current assets	673,590	753,801	978,723
Total assets	1,046,396	1,151,692	1,494,005
Liabilities and Equity			
Liabilities			
Current liabilities	467,941	522,733	609,105
Non-current liabilities	291,194	290,378	515,204
Total liabilities	759,135	813,111	1,124,309
Equity			
Equity	287,261	338,581	369,696
Total liabilities and equity	1,046,396	1,151,692	1,494,005

Statements of Profit or Loss and Other Comprehensive Income

	Year ended 31 December		
	2015	2016	2017
	(Rp millions)	(Rp millions)	(Rp millions)
Net sales	2,493,742	2,695,314	3,027,007
Cost of goods sold	(832,171)	(872,601)	(1,001,536)
Gross profit	1,661,571	1,822,714	2,025,471

	Year ended 31 December		
	2015	2016	2017
	(Rp millions)	(Rp millions)	(Rp millions)
Operating income (expenses)	(1,539,391)	(1,615,827)	(1,802,953)
Income from operations	122,180	206,887	222,518
Interest income	895	2,358	699
Final tax on interest income	(179)	(472)	(140)
Interest and finance expense	(39,783)	(32,478)	(33,620)
Income before tax expense	83,113	176,295	189,457
Tax expense	(21,736)	(45,867)	(48,133)
Income for the year	61,377	130,428	141,324
Other comprehensive income	12,527	(11,108)	(24,209)
Total comprehensive income for the year	73,904	119,320	117,115

Statements of Cash Flows

	Year ended 31 December		
	2015	2016	2017
	(Rp millions)	(Rp millions)	(Rp millions)
Net cash provided by operating activities	204,616	359,576	192,867
Net cash used in investing activities	(113,151)	(131,761)	(294,669)
Net cash provided by/(used in) financing activities	(68,723)	(224,937)	76,618
Net increase (decrease) in cash and cash equivalents	22,742	2,878	(25,184)
Effect on foreign exchange rate changes	16	(7)	2
Cash and cash equivalent at the beginning of the year	21,034	43,792	46,663
Cash and cash equivalent at the end of the year	43,792	46,663	21,481

ADDITIONAL RISK FACTORS FOR INTERNATIONAL INVESTORS

An investment in the Offer Shares involves a number of risks. You should carefully consider all the information contained in this Offering Circular, including the risks described below and the factors set forth under the section entitled "Risk Factors" in the Prospectus, before making an investment decision. The risks set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Offer Shares. The risks and risk factors set forth below are not an exhaustive list of the challenges currently facing us or that may develop in the future. Additional risks, whether known or unknown, may in the future have a material adverse effect on our business, financial condition and results of operations. The market price of our Shares, including the Offer Shares, could decline due to such risks and you may lose all or part of your investment.

Limitation of this Offering Circular

The Prospectus contained herein is an unofficial English translation of the Indonesian Language Prospectus, which we have prepared as a courtesy for prospective investors in the International Offering. None of us, any of the Selling Shareholders or any of the Joint Lead Underwriters makes any representation or warranty as to the accuracy or completeness of the unofficial English translation of the Indonesian Language Prospectus. The Indonesian Language Prospectus has been prepared for the Indonesian Offering based on statutory requirements and disclosure practices in Indonesia. The disclosure requirements and practices in Indonesia differ significantly from the disclosure requirements and practices in other jurisdictions and accordingly, this Offering Circular does not provide the level or type of disclosure that a prospective investor may require in connection with its investigation of us or prior to making an investment decision.

Risks relating to Indonesia

Our Company is incorporated in Indonesia and substantially all of our operations and assets are located in Indonesia. As a result, future political, economic, legal, regulatory, and social conditions in Indonesia, as well as natural disasters, international developments in or affecting Indonesia, and certain actions or policies which the Government may, or may not, take or adopt may have a material adverse effect on our business, financial condition, results of operations and prospects.

Emerging markets such as Indonesia are subject to greater risks than more developed markets, and if those risks were to materialise, their consequences could disrupt our business and you could suffer a significant loss to your investment.

We have historically derived substantially all of our revenue from operations in Indonesia and we anticipate that we will continue to do so. Emerging markets such as Indonesia have historically been characterised by significant volatility, and their political, social and economic conditions can differ significantly from those in more developed economies. Specific risks that could have a material impact on our business, results of operations, cash flows and financial condition include:

- political, social and economic instability;
- exchange rate volatility;
- acts of warfare, terrorism and civil conflicts;
- state intervention, including tariffs, protectionism and subsidies;
- regulatory, taxation and legal structure changes;
- liability for remedial actions under health and safety regulations;
- the cost and availability of adequate insurance coverage;
- difficulties and delays in obtaining or renewing licenses, permits and authorisations;
- arbitrary or inconsistent governmental action;
- deficiencies in transportation, energy and other infrastructure; and
- expropriation of assets.

Generally, investing in emerging markets is only suitable for sophisticated investors who fully appreciate the significant of the risks involved with investing in such markets. Furthermore, political and related social developments in Indonesia have been unpredictable in the past and are subject to rapid change. Consequently, the information set out in this Offering Circular may become outdated relatively quickly.

If any of the risks associated with investing in emerging markets, and in Indonesia in particular, were to materialise, our business, results of operations and financial condition could be materially adversely affected, and the value of your investment could decline significantly.

Our operations are labour intensive and any increase in minimum wage may increase our operating costs.

Our business operations are labour intensive. As at 31 December 2017, we had 6,404 permanent employees and 1,430 contract workers. Indonesia has undergone recent changes in minimum wage policies and minimum wages in Indonesia have grown sharply in the last couple of years, possibly as a result of politicians looking for popular support ahead of regional elections. For example, the minimum wage in Jakarta increased by 35.00% from 2015 to 2018. Any national or regional increase of wages will directly and indirectly increase our operating costs and thus decrease our profit margin. Further, competition for employees may also result in higher level of wages, which could in turn result in higher operating costs. If there is any significant increase in wages and we are unable to offset the increase in our labour costs or pass along such increased labour costs to our customers, our profitability and results of operations could be materially and adversely affected.

Our operations could be adversely affected by disruptions to Indonesia's infrastructure.

Our business operations rely on the effectiveness of Indonesia's infrastructure in respect of telecommunications, transportation networks, electricity, and ports. Any disruptions to these critical infrastructures could adversely affect our business operations and financial condition. We depend on our real-time information technology systems to effectively manage our business operations and a disruption to Indonesia's telecommunications system could hinder our ability to process our business data, sales data and order fulfilment systems. We cannot assure you that any of the foregoing will not cause reputational, operational and financial risk to our business.

Depreciation in the value of the Rupiah may adversely affect our business, financial condition, results of operations and prospects.

During the period between 1 January 2015 and 31 December 2017, the Rupiah/U.S. dollar exchange rate ranged from a low of Rp12,444 per U.S. dollar to a high of Rp14,728 per U.S. dollar. We cannot assure you that further depreciation of the Rupiah against other currencies, including the U.S. dollar, will not occur.

In addition, while the Rupiah has generally been freely convertible and transferable (except that Indonesian banks may not transfer Rupiah to persons outside of Indonesia without a bona fide trade or investment purpose), from time to time, Bank Indonesia has intervened in the currency exchange markets in furtherance of its policies, either by selling Rupiah or by using its foreign currency reserves to purchase Rupiah. We cannot assure you that the current floating exchange rate policy of Bank Indonesia will not be modified or that the Government will take additional action to stabilise, maintain or increase the value of the Rupiah, or that any of these actions, if taken, will be successful. Modification of the current floating exchange rate policy could result in significantly higher domestic interest rates, liquidity shortages, capital or exchange controls or the withholding of additional financial assistance by multinational lenders. This could result in a reduction of economic activity, an economic recession, loan defaults or declining usage of our subscribers, and as a result, we may also face difficulties in funding our capital expenditures and in implementing our business strategy.

We may be exposed to uncertainty in the application of the Currency Law on the use of Rupiah for Indonesian domestic transactions.

On June 28, 2011, the Indonesian House of Representatives passed Law No. 7 of 2011 on the National Currency (the "**Currency Law**") and subsequently, Bank Indonesia issued Bank Indonesia Regulation No. 17/3/PBI/2015 on the Obligation to Use Rupiah in the Territory of Indonesia ("**PBI 17/3/PBI/2015**") and Circular Letter of Bank Indonesia No. 17/11/DKSP dated June 1, 2015 as the implementation regulation to Currency Laws, which require that an Indonesian party must use Rupiah for any cash or non-cash transactions conducted within the territory of Indonesia. This mandatory use of Rupiah includes an obligation to denominate the contract price in Rupiah and receive payment in Rupiah, subject to certain exceptions. See "Exchange Rates and Exchange Controls – Indonesian Law on Currency" in this

international supplement for further details. Failure to comply with the obligation to use Rupiah in cash transactions, under PBI 17/3/PBI/2015 and other prevailing currency regulations, may result in criminal sanctions such as fines and confinement. Failure to comply with the obligation to use Rupiah in non-cash transactions will result in administrative sanctions in the form of written warnings, fines and/or restrictions from undertaking further payment activities.

As a majority of our revenues are in Rupiah and our functional currency is Rupiah, we do not expect this regulation will have a material adverse effect on our business and financial condition. Nevertheless, we cannot assure that the prevailing currency regulations will not impact our future business or that any such application will not result in significant changes in economic facts and circumstances in turn affecting our business.

Labour activism and strikes, or failure to maintain satisfactory labour relations may adversely affect our business.

Laws and regulations which facilitate the formation of labour unions, combined with weak economic conditions, have resulted, and may continue to result, in labour unrest and activism in Indonesia. The labour law in Indonesia is mainly regulated under Law No. 13 of 2003 on Employment (“**Law 13/2003**”). In addition, Law No. 21 of 2000 on Labour Union (the “**Labour Union Law**”) permits employees to form unions without employer intervention. For details of such laws and regulations, see “Regulation” in this international supplement.

Law 13/2003 increased the amount of mandatory severance, service and compensation payments payable to terminated employees and introduced other regulations that may substantively affect labour relations in Indonesia. For example, Law 13/2003 requires companies with 50 or more employees to establish bipartite forums with participation from employers and more than 50% of the employees of a company in order for a collective labour agreement to be negotiated and creates procedures that are more permissive to the staging of strikes. However, the Indonesian Constitutional Court declared that certain provisions of Law 13/2003 were invalid. Accordingly, we may not be able to rely on certain provisions of Law 13/2003.

The Government subsequently proposed to amend Law 13/2003 in a manner which, in the view of labour activists, would result in reduced pension benefits, the increased use of outsourced employees and prohibitions on unions to conduct strikes. In April 2006, thousands of workers across Indonesia protested against these proposed revisions to Law 13/2003. In January 2007, the Government attempted to formulate a draft regulation relating to termination payments which would redefine the entitlement of employees to termination payments. The proposed regulation would have introduced salary caps that would limit the eligibility of employees to termination payments under Law 13/2003. This initiative also met with significant opposition from labour unions and workers’ interest groups. Discussions relating to the proposed regulation have been suspended indefinitely. The Government has proposed a plan to revise Law 13/2003 to the DPR as the agenda of the National Legislation Program (*Program Legislasi Nasional*). However, no specific law has been enacted to supersede the law to date.

Labour unrest and activism in Indonesia could disrupt our operations and could affect the financial condition of Indonesian companies in general, depressing the prices of Indonesian securities on the IDX or other stock exchanges and the value of the Indonesian Rupiah relative to other currencies. Such events could materially and adversely affect our businesses, financial condition, results of operations and prospects.

Indonesia is located in an earthquake zone and is subject to significant geological risk that could lead to economic loss.

The Indonesian archipelago is one of the most volcanically active regions in the world. Because Indonesia is located in the convergence zone of three major lithospheric plates, it is subject to significant seismic activity that can lead to destructive earthquakes and tsunamis, or tidal waves. In recent years, a number of natural disasters have occurred in Indonesia, including major earthquakes, which resulted in tsunamis and volcanic activity. In addition to these geological events, Indonesia has also been struck by other natural disasters, such as heavy rains and flooding. All of the above resulted in loss of life, the displacement of large numbers of people and widespread destruction of property.

Future geological occurrences could significantly impact the Indonesian economy. A significant earthquake or other geological disturbance in any of Indonesia's more populated cities could severely disrupt the Indonesian economy and undermine investor confidence, thereby materially and adversely affecting our businesses and prospects.

Terrorist activities in Indonesia could destabilise the country, thereby adversely affecting our business, financial condition, results of operations and prospects.

In Indonesia during the last two decades, there have been various bombings directed towards the Government, foreign governments and public and commercial buildings frequented by foreigners. Most recently, on 13, 14 and 16 May 2018, multiple explosions and attacks took place in East Java and Riau which killed 30 people and injured more than 60 others.

There can be no assurance that further terrorist acts will not occur in the future. Such terrorist acts could destabilise Indonesia and increase pressures on the Government as it considers responses to such instability and unrest, thereby adversely affecting investors' confidence in Indonesia and the Indonesian economy. Violent acts arising from and leading to instability and unrest have in the past had, and could continue to have, a material adverse effect on investment and confidence in, and the performance of, the Indonesian economy, and in turn our businesses. In addition, future terrorist acts may target our facilities and our insurance policies generally do not cover terrorist attacks.

Judgments of a foreign court may not be enforceable against us.

The Company is a limited liability company incorporated under the laws of Indonesia. Substantially all of our commissioners, directors and executive officers reside in Indonesia. Substantially all of our assets and substantially all of the assets of our Indonesian-citizen/resident commissioners, directors and executive officers are located in Indonesia. As a result, it may not be possible for investors to effect service of process upon such persons, or to enforce against the Company or any of them any court judgments obtained in courts outside of Indonesia.

We have been advised by our Indonesian legal counsel that decisions issued by courts outside Indonesia are not enforceable in Indonesian courts, except for the foreign arbitral awards which meet the requirements set out in Law No. 30 of 1999 on Arbitrations and Alternative Dispute Resolutions, the execution of which may be requested and certain procedures including getting exequatur should be sought. However, a foreign court judgment could be admissible as non-conclusive evidence in a proceeding on the underlying claim in an Indonesian court. The Indonesian court, however, will determine whether such evidence has strong evidentiary weight in adjudicating the case, as it deems appropriate under such circumstances. A claimant may be required to pursue claims in Indonesian courts under Indonesian law. Re-examination of the underlying claim de novo would be required before the Indonesian court.

The claims and remedies available under Indonesian law may not be as extensive as those available in other jurisdictions. There can be no assurance that the Indonesian courts would protect the interests of investors in the same manner or to the same extent as would courts in more developed countries outside Indonesia. See "Risks relating to Indonesia – The Indonesian legal system is subject to considerable discretion and uncertainty" below.

The Indonesian legal system is subject to considerable discretion and uncertainty.

Indonesian legal principles or their practical implementation by Indonesian courts differ materially from those that would apply within the United States, the European Union and other countries. Indonesia's legal system is a civil law system based on written statutes as well as judicial and administrative decisions that do not constitute binding precedent and are not systematically published. Indonesia's commercial and civil laws were historically based on Dutch law, as in effect prior to Indonesia's independence in 1945, and some have not been revised to reflect the complexities of modern financial transactions and instruments. Indonesian courts may be unfamiliar with sophisticated commercial or financial transactions, leading in practice to uncertainty in the interpretation and application of Indonesian legal principles.

The application of Indonesian law depends upon subjective criteria such as the good faith of the parties to the transaction and principles of public policy, the practical effect of which is difficult or impossible to predict. Indonesian judges operate in an inquisitorial system; have very broad fact-finding powers; and a high level of discretion in relation to the manner in which those powers are exercised. In practice, Indonesian court decisions may omit a clear articulation of the legal and factual analysis of the issues presented in a case.

As a result, the administration and enforcement of laws and regulations by Indonesian courts and Indonesian governmental agencies may be subject to considerable discretion and uncertainty. In addition, because relatively few disputes relating to commercial matters and modern financial transactions and instruments are brought before Indonesia's courts, such courts do not necessarily have the expertise and experience in dealing with such matters, leading in practice to uncertainty in the interpretation and application of Indonesian legal principles. There is no certainty as to how long it will take for proceedings in Indonesian courts to be concluded, and the outcome of proceedings in Indonesian courts may be more uncertain than that of similar proceedings in other jurisdictions. Accordingly, it may not be possible for investors to obtain swift and equitable enforcement of their legal rights.

Additionally, court services in Indonesia may not be reliable as to the assistance of material disputes, the filing of winding-up or insolvency petitions or any creditors' claims or claims with respect to the enforcement of legal awards.

The interpretation and implementation of legislation on regional governance in Indonesia is uncertain and may adversely affect us.

Indonesia is a large and diverse nation, covering a multitude of ethnicities, religions, languages, traditions and customs. Prior to 1999, the Government controlled almost all aspects of national and regional administration. The period following the end of the administration of former President Soeharto was marked by widespread demand for greater regional autonomy. In response to such demand, in 1999, the Indonesian Parliament passed Law No. 22 of 1999 on Regional Government, which has been amended by Law No. 2 of 2015 and Law No. 9 of 2015. In 1999, the Indonesian Parliament also passed Law No. 25 of 1999 on Financial Balances Between the Central and Regional Governments, which was later replaced by Law No. 33 of 2004 on the same subject matter.

Under these laws, regional autonomy was expected to give regional governments greater powers and responsibilities over the use of "national assets" and to create a balanced and equitable financial relationship between the central and regional governments. Regional autonomy laws and regulations have changed the regulatory environment for companies in Indonesia by decentralising certain regulatory, taxing and other powers from the Government to regional governments, and this creates uncertainty. These uncertainties include a lack of implementing regulations on regional autonomy and a lack of government personnel with relevant sector experience at some regional government levels. Moreover, limited precedent or other guidance exists on the interpretation and implementation of the regional autonomy laws and regulations. In addition, pursuant to the regional autonomy laws, regional governments are given the authority to adopt their own regulations and under the pretext of regional autonomy, certain regional governments have put in place various restrictions, taxes and levies which may differ from restrictions, taxes and levies put in place by other regional governments and/or are in addition to restrictions, taxes and levies stipulated by the central Government. Our business and operations are located throughout Indonesia and may be adversely affected by conflicting or additional restrictions, taxes and levies that may be imposed by the applicable regional authorities.

Indonesian accounting standards differ from those in other jurisdictions.

Our financial statements have been prepared and presented in accordance with Indonesian FAS, which differ in certain respects from IFRS and U.S. GAAP. As a result, our financial statements and reported earnings could be significantly different from those which would be reported under IFRS or U.S. GAAP. This Offering Circular does not contain a reconciliation of our financial statements to IFRS or U.S. GAAP and there is no assurance that such reconciliation would not reveal material differences. Because differences exist between Indonesian FAS and IFRS or U.S. GAAP, the financial information in respect of us contained in this Offering Circular may not be an effective means to compare us with other companies that prepare their financial information in accordance with IFRS or U.S. GAAP. See "Summary of Certain Differences

between Indonesian FAS and IFRS” in this international supplement for a summary of differences that may be applicable. In making an investment decision, investors must rely upon their own examination of us, the terms of the Combined Offering and the financial information contained in this Offering Circular. Potential investors should consult their own professional advisors for an understanding of the differences between Indonesian FAS and IFRS or U.S. GAAP, and how such differences might affect the financial information contained herein.

Downgrades of credit ratings of the Government or Indonesian companies could adversely affect our business.

Certain recognised statistical rating organisations, including Moody’s Investors Service Inc. (“**Moody’s**”) and Fitch Ratings (“**Fitch**”), have in the past downgraded Indonesia’s sovereign rating and the credit ratings of various credit instruments of the Government, as well as a large number of Indonesian banks and other companies. On 8 February 2018, Indonesia’s sovereign foreign currency long-term debt rating was raised to Baa3 (positive) by Moody’s and BBB (stable) by Fitch. These ratings reflect an assessment of the Government’s overall financial capacity to pay its obligations and its ability or willingness to meet its financial commitments as they become due. However, there is no assurance as to future performance and ratings. Any future ratings downgrade could have an adverse impact on liquidity in the Indonesian financial markets, the ability of the Government and Indonesian companies, including us, to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. Interest rates on any floating rate Rupiah-denominated debt we may have in the future would also likely increase. Such events could have material adverse effects on our business, financial condition, results of operations and prospects.

The outbreak of any severe communicable disease in Indonesia or elsewhere may have an adverse effect on the economies of certain Asian countries and may adversely affect our results of operations.

The outbreak of an infectious disease in Asia (including Indonesia) and elsewhere, together with any resulting travel restrictions or quarantines, could have a negative impact on the economy and business activity in Indonesia and thereby adversely affect our financial performance. Examples include the outbreak in 2003 of Severe Acute Respiratory Syndrome (“**SARS**”), the outbreak in 2004 and 2005 of Avian influenza, or “bird flu”, in Asia and, in April 2009, an outbreak of the Influenza A (H1N1) virus which originated in Mexico but spread globally including confirmed reports in Indonesia, Hong Kong, Japan, Malaysia, Singapore, and elsewhere in Asia, and the outbreak of the H7N9 flu virus in certain parts of the People’s Republic of China. An outbreak of avian flu, SARS, the Influenza A (H1N1) virus or another contagious disease, or the spread of the H7N9 flu virus in the Asian region, or the measures taken by the governments of affected countries, including Indonesia, against such potential outbreaks, could seriously interrupt our operations or the services or operations of our suppliers and customers, which could have a material adverse effect on our business, financial condition, results of operations and prospects. The perception is that an outbreak of avian flu, SARS, the Influenza A (H1N1) virus or another contagious disease that may occur may also have an adverse effect on the economic conditions of countries in Asia, including Indonesia.

Risks relating to an Investment in our Shares

Conditions in the Indonesian securities market may affect the price or liquidity of our Shares and the absence of a prior market in the Shares may contribute to a lack of liquidity.

We have applied to list the Shares on the IDX. There is currently no market for the Shares. There can be no assurance that a market will develop for the Shares, or if a market does develop, that the Shares will be liquid. The Indonesian capital markets are less liquid, may be more volatile, and have different reporting standards than capital markets in developed countries. Also, prices in the Indonesian capital markets are typically more volatile than in such other markets. Therefore, we cannot predict whether a trading market for the Shares will develop or how liquid that market will be.

The ability to sell and settle trades on the IDX may be subject to delays. In light of the foregoing, there can be no assurance that a holder of the Shares will be able to dispose of the Shares at prices or at times at which such holder would be able to do so in more liquid securities markets or at all.

The Shares will not be listed on the IDX for a maximum of three working days after the end of the allocation period for the Global Offering. During that period, investors will be exposed to movements in the price of the Shares without the ability to dispose of the purchased Shares.

Fluctuations in the exchange rate of the Rupiah with respect to the U.S. dollar or other currencies will affect the foreign currency equivalent of the value of the Shares and any dividends.

Fluctuations in the exchange rates between the Rupiah and other currencies will affect the foreign currency equivalent of the Rupiah price of the Shares on the IDX. Such fluctuations will also affect the amount that holders of the Shares will receive in foreign currency upon conversion of: (i) any cash dividends or other distributions we pay in Rupiah on the Shares; and (ii) any proceeds paid in Rupiah from any sale of the Shares in a secondary trading market.

Future sales of the Shares could adversely affect the market price of the Shares.

Future sales of substantial amounts of the Shares in a public market, or the perception that such sales may occur, could adversely affect the prevailing market price of the Shares or our ability to raise capital through a public offering or rights issue of additional equity or equity-linked securities. Immediately following the Combined Offering, approximately 64% of the total outstanding Shares are expected to be held directly or indirectly by our Controlling Shareholder.

The interests of our Controlling Shareholder may conflict with the interests of investors of the Offer Shares.

After the Combined Offering, our Controlling Shareholder will beneficially own approximately 64% of our outstanding Shares. Consequently, they have, and will continue to have, the power to control us, including the power to:

- approve our merger, consolidation, or dissolution;
- exercise significant influence over our business policies and affairs;
- elect a majority of our directors and commissioners; and
- determine the outcome of any action requiring shareholder approval (other than the approval of conflict-of-interest transactions in which a controlling shareholder who has a conflict of interest or is affiliated with a director, commissioner or principal shareholder (defined as a direct/indirect holder of 20% or more of the voting rights of the Company) who has a conflict of interest is required to abstain under OJK rules), including the timing and payment of any future dividends.

Our Controlling Shareholder may have other business interests outside of our operations and may take actions, which may or may not involve us, that prefer or benefit them or other companies over us, which could materially and adversely affect our business, financial condition, results of operations and prospects.

From time to time, we enter into, and expect to continue to enter into, transactions with entities controlled by our Controlling Shareholder and other related parties in the ordinary course of business. Any conflict-of-interest transaction that we undertake with related parties after the Offering must be approved by our independent shareholders and fulfil other requirements under OJK rules. There can be no assurance that any amounts we may pay in these transactions would necessarily reflect the prices that would be paid by an independent third party in comparable transactions.

Our ability to pay dividends depends upon future financial performance.

Our ability to declare dividends in relation to the Shares will depend on future financial performance, which, in turn, depends on successfully implementing our growth strategy, on competitive, regulatory, technical, environmental and other factors, general economic conditions, demand for our products and services and other factors specific to the consumer foodservice industry, many of which are beyond our control. In addition, any future debt refinancing and shareholder agreements may contain restrictions on our ability to pay dividends.

The net asset value of the Offer Shares issued in the Combined Offering is significantly less than the Offering Price and investors will incur immediate and substantial dilution.

The Offering Price is substantially higher than the net asset value per share of the outstanding Shares issued to our existing shareholders. Therefore, investors of the Offer Shares will experience immediate and substantial dilution and our existing shareholders will experience a material increase in the net asset value per share of the Shares they own. For more information, see “Dilution” in this international supplement.

Failure to comply with disclosure and internal control and financial reporting requirements, and other risk management and related practices, appropriate for a publicly listed company could harm our operations and our ability to comply with our periodic reporting obligations.

After the completion of the Combined Offering, our Company will become a public company subject to the reporting requirements of the IDX, the stock exchange on which our Shares will be listed. IDX rules and regulations require, among other things, that we maintain effective disclosure controls and procedures and relevant internal controls over financial reporting to provide regular financial and other material business updates to IDX and our investors. Commencing with the six months period ending 30 June 2018, we will need to comply with listing requirements and implement risk management and related practices which will require that we incur substantial additional professional fees and internal costs to expand our accounting and finance functions and that we expend significant management efforts. We would also need to employ sufficient personnel with an appropriate level of accounting knowledge, experience, and training commensurate with our financial reporting requirements, and a segregation of duties in our finance and accounting functions. We have not had to comply with these types of obligations in the past and they may place a significant strain on us. If we are not able to comply with the listing requirements of IDX, or if we are unable to maintain proper and effective internal controls, and otherwise implement other relevant risk management and related practices, we could be required to incur additional costs, our business and financial condition and operating results could be harmed and we could be prevented from meeting our reporting obligations. Ineffective disclosure and internal controls and risk management and related practices also could cause our shareholders and potential investors to lose confidence in our reported financial information, which would likely have a negative effect on the trading price of our Shares. In addition, investors relying upon any misinformation could make an uninformed investment decision, and we could be subject to sanctions or investigations by the IDX, OJK, or other regulatory authorities.

Investors may be subject to limitations on minority shareholders rights.

The obligations under Indonesian law of the majority shareholders, commissioners and directors with respect to minority shareholders may be more limited than those in other developed countries. Consequently, minority shareholders may not be able to protect their interests under current Indonesian law to the same extent as in other developed countries.

Principles of corporate law relating to such matters as the validity of corporate procedures, the fiduciary duties of our management, commissioners, directors and Controlling Shareholder, and the rights of our minority shareholders are governed by Law No. 40 of 2007 on Limited Liability Company (the “**Company Law**”) and its accompanying regulations, OJK and IDX rules, as well as our Articles of Association. Such principles of law may differ from those that would apply if we were incorporated in a jurisdiction other than Indonesia. In particular, concepts relating to the fiduciary duties of management are untested in Indonesian courts. Derivative actions brought in connection with the activities of directors and commissioners have almost never been brought on behalf of companies or been tested in Indonesian courts, and minority shareholders’ rights have only been defined since 1995 and are unproven in practice. Even if conduct was actionable under Indonesian law, the absence of judicial precedent could make prosecution of such civil proceeding considerably more difficult. Accordingly, there can be no assurance that legal rights or remedies of minority shareholders will be the same, or as extensive, as those available in other jurisdictions or sufficient to protect the interests of minority shareholders.

Corporate governance standards in Indonesia may differ from those in certain other countries.

Corporate governance standards in Indonesia differ from those applicable in other jurisdictions in significant ways, including the independence of the Board of Directors, the Board of Commissioners and the audit committee, as well as internal and external reporting standards. As a result of these differences in corporate governance standards, the directors and commissioners of Indonesian companies may be more likely to have

interests that conflict with the interests of minority shareholders generally, which may result in them taking actions that are contrary to the interests of shareholders.

There may be less company information available on Indonesian securities markets than on securities markets in developed countries.

There is a difference between the level of regulation and monitoring of the Indonesian securities markets and the activities of investors, brokers and other participants and that of certain developed economies. OJK and IDX are responsible for improving disclosure and other regulatory standards for the Indonesian securities markets. OJK has issued regulations and guidelines on disclosure requirements, including the type of information that must be disclosed on our Company's website, insider trading and other matters. There may still, however, be less publicly available information about Indonesian companies than is regularly made available by public companies in developed countries.

In addition, corporate governance standards and practice may not be as strict, including with regards to the independence of boards of directors, and audit and other committees.

Indonesian law may operate differently from the laws of other jurisdictions with regards to the convening of, and the right of shareholders to attend and vote at, general meetings of shareholders.

We are subject to Indonesian law and the continuing listing requirements of the IDX. In particular, the convening and conduct of general meetings of its shareholders will continue to be governed by Indonesian law.

The procedure and notice periods in relation to the convening of general meetings of our shareholders, as well as the ability of our shareholders to attend and vote at such general meetings, may be different from those of jurisdictions outside Indonesia. For instance, our shareholders who would be entitled to attend and vote at general meetings of shareholders are, by operation of Indonesian law, those shareholders appearing in our register of shareholders on the market day immediately preceding the day, or record date, on which the invitation of general meeting is issued, regardless of whether such shareholders may have disposed of their Shares following the record date and prior to the general meeting of the shareholders.

In addition, investors who may have acquired their Shares after the record date (a day before the invitation to a general meeting of shareholders) would not be entitled to attend and vote at the general meeting. Accordingly, potential investors should note that they may be subject to procedures and rights with regards to general meetings of our shareholders that are different from those to which they may be accustomed in other jurisdictions.

Investors may be required to complete their acquisition of the Primary Shares in the Combined Offering if the Primary Offering is required to proceed and complete despite the occurrence of a material adverse change, including in our business or financial condition.

Indonesian regulations permit the cancellation of the Primary Offering only in limited circumstances. See "Plan of Distribution" in this international supplement for a discussion of these circumstances. If a material adverse change in international or national monetary, financial, political or economic conditions or certain force majeure events were to occur, or any material adverse change in matters including our business or financial condition were to arise after we have obtained the OJK effectiveness of the registration statement and prior to the completion of the Primary Offering and the listing of our Shares, the Company may request permission from OJK to postpone or cancel the Primary Offering. There can be no assurance that the Company will submit such request to OJK or that OJK will grant the cancellation. As such, OJK may require the Primary Offering to proceed and be completed pursuant to Indonesian regulations.

In this situation, investors who have been allocated Primary Shares may be required to complete their acquisition of the Primary Shares even if such events limit their ability to sell the shares after the Combined Offering or cause the trading price of the shares after the Combined Offering to be at prices significantly below the Offering Price.

Investors' rights to participate in any rights offerings by us could be limited, which would cause dilution to an investor's shareholding.

Under OJK Rule No. 32/POJK.04/2015 on Capital Increases in Public Company with Pre-emptive Rights which came into effect on 22 December 2015, a publicly listed company must offer its shareholders who are registered on the record date pre-emptive rights to subscribe and pay for a proportionate number of Shares to maintain their existing ownership percentage prior to the issuance of any new Shares. To the extent that we offer our shareholders pre-emptive rights to purchase or subscribe for new Shares or otherwise distribute Shares to our shareholders, our foreign shareholders may be unable to exercise such rights, or we may be unable to extend to such rights to shareholders unless securities laws in their jurisdiction are complied with. For example, shareholders from certain jurisdictions may require an effective registration statement complying with the relevant securities laws of their jurisdiction, or an exemption from registration if available, before such rights as described above are exercisable by, or extendable to, such shareholders.

Whenever we make a rights or similar offering of Shares, we will evaluate the costs and potential liabilities associated with, and our ability to comply with, non-Indonesian regulations as well as any other factors we consider appropriate. However, we may choose not to comply with the securities laws in certain jurisdictions and, if so, and if no exemption from registration or filing requirements are available, then holders of the Offer Shares in such jurisdictions would be unable to participate in rights or similar offerings and would suffer dilution of their shareholdings. Consequently, we cannot assure investors that they will be able to maintain their proportional equity interests in our Shares. Because rights issues in Indonesia generally enable participants to purchase Shares at a large discount to the recent trading price, the inability to participate could cause holders of the Offer Shares material economic harm.

Indonesian law contains provisions that could discourage a takeover of our Company.

Under Bapepam-LK Rule No. IX.H.1, Attachment of Decision of the Chairperson of Bapepam-LK No.KEP-264/BL/2011 dated 31 May 31 2011, regarding Takeovers of Publicly Listed Companies (“**Bapepam-LK Rule No. IX.H.1**”), if there is any change of control of an Indonesian equity issuer or public company, the new controlling party must carry out a mandatory tender offer of the remaining Shares (public Shares, not including Shares of the substantial shareholder and other controlling shareholders, if any).

Bapepam-LK Rule No. IX.H.1 defines a change of control of a public company as an action which directly or indirectly changes the controlling party of that public company. A controlling party of a public company is defined as a person who owns more than 50% of the public company’s total paid-in capital or can determine by any means, directly or indirectly, the management or policy of a public company.

The new controlling shareholder will have to conduct a mandatory tender offer for all the other shares in the public company, except for:

- shares owned by shareholders which conducted the acquisition in conjunction with the new controlling shareholders;
- shares owned by other parties which received an offer on the same terms and conditions with the new controlling shareholder;
- shares owned by other parties which are conducting a tender offer at the same time on the same public company’s shares;
- shares owned by the substantial shareholder; and
- shares owned by the other controlling shareholders in the public company.

Further, in order to ensure that the public continues to hold at least 20% of the equity of the equity issuer or public company and that the public company is owned by at least 300 parties, the rule requires the new controlling party to divest its shareholding in the equity issuer or public company within two years after completion of the mandatory tender offer if, as the result of the mandatory tender offer, the new controlling party holds more than 80% of the equity in the equity issuer or public company’s total paid-up capital.

If, as a result of the takeover, the new controlling party already holds more than 80% of the equity issuer or public company’s total paid-up capital, it must still carry out a mandatory tender offer, even though it will later have to divest a portion of the Shares it acquires in the mandatory tender offer to ensure that the public company is owned by at least 300 parties within two years after completion of the mandatory tender offer.

Although such takeover provisions are intended to protect the interests of shareholders by requiring any acquisitions of the Shares that may involve or threaten a change in control of our Company to also be extended to all shareholders on the same terms, these provisions may discourage or prevent such transactions from taking place at all. Some of our shareholders, which may include you, may therefore be disadvantaged as a transaction of that kind might have allowed the sale of Shares at a price above the prevailing market price.

The projections we have provided to the IDX should not be relied upon.

As part of our listing application, we are required under IDX regulations to submit certain financial projections to the IDX and have been advised that the IDX may publish such projections. The IDX has informed us that they do not consider the projections as a part of the prospectus that will be circulated to investors for the purposes of the Indonesian Offering. You should note that the projections that we have provided to the IDX were prepared solely for the purpose of satisfying IDX requirements and do not form a part of this Offering Circular, which is the only document you should refer to in making your investment decision. Neither we, nor any of our affiliates, nor our or their respective directors, officers, employees or agents make any representation or warranty, express or implied, in relation to the accuracy nor completeness of the information contained in the projections that we have provided to the IDX and accept no responsibility, obligation or liability in relation to such information.

The projections, which have been prepared by our management, necessarily are based upon estimates and forecasts that are inherently subject to many factors including, but not limited to, business, economic and competitive uncertainties and contingencies, many of which are beyond our control, and assumptions with respect to future business decisions, which are subject to change. These factors and assumptions include, among others, those set out in “Forward-Looking Statements” in this international supplement, and other risks and uncertainties disclosed elsewhere in the Offering Circular. The projections also assume the success of our business strategy, which is subject to uncertainties and contingencies beyond our control. No assurance can be given that our strategy will be effective or that the anticipated benefits from our strategy will be realised in the periods for which the projections have been prepared.

The projections were not prepared under IFAS or any other accounting standards or with a view towards compliance with any published guidelines regarding forecasts or the preparation and presentation of prospective financial information. The projections have also not been audited, reviewed, examined or prepared with the advice of our auditors. The reports of our auditors included in the Offering Circular relate only to our historical financial information and do not extend to the projections and should not be read to do so.

You should also note that any views or terms contained in the projections that we have provided to the IDX are preliminary only and are based on assumptions and factors prevailing as at the date when we provided the projections to the IDX. The projections are therefore subject to change. However, we undertake no obligation or responsibility and do not intend to update such projections for future changes or events after the listing of our Shares. Furthermore, we do not intend to prepare or issue to the public any future projections or earnings guidance except as required under relevant laws and regulations.

For the reasons mentioned above, you should not rely in any way on any of our projections that are made available to or by the IDX.

EXCHANGE RATES AND EXCHANGE CONTROLS

Exchange Rates

Bank Indonesia is the sole issuer of the Rupiah and is responsible for maintaining its stability. Since 1970, Indonesia has implemented three exchange rate systems: (i) a fixed rate between 1970 and 1978, (ii) a managed floating exchange rate system between 1978 and 1997 and (iii) a free-floating exchange rate system since 14 August 1997. Under the second system, Bank Indonesia maintained the stability of the Rupiah through a trading band policy, pursuant to which Bank Indonesia would enter the foreign currency market and buy or sell Rupiah, as required, when trading in the Rupiah exceeded bid and offer prices announced by Bank Indonesia on a daily basis. On 14 August 1997, Bank Indonesia terminated the trading band policy and permitted the exchange rate for the Rupiah to float without an announced level at which it would intervene, which resulted in a substantial decrease in the value of the Rupiah relative to the U.S. dollar. Under the current system, the exchange rate of the Rupiah is determined by the market, reflecting the interaction of supply and demand in the market. Bank Indonesia may take measures, however, to stabilise, maintain or increase the exchange rates.

The following table shows the exchange rate of Rupiah for U.S. dollars for the periods indicated. None of us, the Selling Shareholders or the Joint Lead Underwriters makes any representations that the U.S. dollar amounts referred to in this Offering Circular could have been or could be converted into Rupiah or vice versa at the rate indicated or any other rate at all.

	<u>Period End⁽¹⁾</u>	<u>Rupiah Low⁽²⁾</u>	<u>Rupiah High⁽²⁾</u>	<u>Average⁽²⁾</u>
	(Rupiah per US\$1)			
Period:				
2011	9,068	8,460	9,185	8,779
2012	9,670	8,892	9,707	9,380
2013	12,189	9,634	12,270	10,493
2014	12,440	11,271	12,900	11,878
2015	13,795	12,444	14,728	13,392
2016	13,436	12,926	13,946	13,307
2017	13,548	13,154	13,630	13,384
January 2018	13,413	13,290	13,542	13,380
February 2018	13,707	13,402	13,707	13,590
March 2018	13,756	13,708	13,794	13,757
April 2018	13,877	13,747	13,930	13,803
May 2018	14,094	13,936	14,094	14,005
(up to 16 May 2018)				

Notes:

- (1) For full years, the period end is determined based on the middle exchange rate announced by Bank Indonesia on the last day of the year. For each month, the period end is determined based on the middle exchange rate announced by Bank Indonesia on the last day of the month.
- (2) For full years, the high and low amounts are determined, and the average shown is calculated, based on the middle exchange rate announced by Bank Indonesia on the last day of each month during the year indicated. For each month, the high and low amounts are determined, and the average shown is calculated, based on the daily middle exchange rate announced by Bank Indonesia during the month indicated.

Source: Statistik Ekonomi dan Keuangan Indonesia (Indonesian Economic and Financial Statistics) published monthly by Bank Indonesia and available on the website of Bank Indonesia (www.bi.go.id).

Exchange Controls

Indonesia has limited exchange controls. The Rupiah has been, and in general is, freely convertible within or from Indonesia. However, to maintain the stability of the Rupiah and to prevent the utilisation of the Rupiah for speculative purposes by non-residents, Bank Indonesia has introduced regulations to restrict the movement of Rupiah from banks within Indonesia to offshore banks, an offshore branch of an Indonesian bank, or any investment denominated in Rupiah with foreign parties and/or Indonesian parties domiciled or permanently residing outside of Indonesia, thereby limiting offshore trading to existing sources of liquidity. In addition, Bank Indonesia has the authority to request information and data concerning the foreign

exchange activities of all persons and legal entities that are domiciled, or who plan to be domiciled, in Indonesia for at least one year.

Bank Indonesia regulations also require companies that have total assets or total annual gross revenues of at least Rp100 billion to report to Bank Indonesia all data concerning their foreign currency activities, if the relevant transaction is not conducted through a domestic bank or domestic non-bank financial institution (for example, insurance companies, securities companies, finance companies or venture capital companies). However, if the transaction is conducted through a domestic bank and/or domestic non-bank financial institution, the requirement to report to Bank Indonesia is imposed instead on the relevant domestic bank or non-bank financial institution that carried out the transaction. The transactions that must be reported include receipt and payment of foreign currency through bank accounts outside of Indonesia.

Foreign Exchange Transactions against Rupiah with Commercial Banks in Indonesia

Pursuant to the Bank Indonesia Regulation No. 18/18/PBI/2016 on Foreign Exchange Transactions against Rupiah between Banks and Domestic Parties (“**PBI 18/18/PBI/2016**”) as implemented by Bank Indonesia Circular Letter No.18/34/DPPK, any foreign exchange transaction against Rupiah between commercial banks in Indonesia, and Indonesian citizens or non-commercial bank legal entities domiciled in Indonesia (“**Domestic Customer**”) must be based on a contract. Under this regulation, a foreign exchange transaction is defined as a sale/purchase transaction of foreign currencies against Rupiah in the form of (i) spot transactions, or (ii) foreign exchange derivatives against Rupiah which consist of standard (plain vanilla) foreign exchange derivative transactions against Rupiah in the form of forwards, swaps, options, and cross currency swap and foreign exchange structured product transactions against Rupiah in the form of call spread options.

In the event that:

- (i) the purchase of foreign currency in the form of a spot transaction is in an amount exceeding US\$25,000 (or its equivalent) per month per Domestic Customer;
 - (ii) the purchase of foreign currency in the form of a standard derivative transaction (*plain vanilla*) is in an amount exceeding US\$100,000 (or its equivalent) per month per Domestic Customer;
 - (iii) the sale of foreign currencies against Rupiah through a forward transaction is in an amount exceeding US\$5,000,000 (or its equivalent), while for through an option transaction is in an amount exceeding US\$1,000,000 (or its equivalent), per transaction per Domestic Customer; or
 - (iv) the purchase of foreign currency is in the form of a call spread option;
- then there must be an underlying transaction.

An underlying transaction is defined as an activity underlying the purchase or sale of foreign currencies against Rupiah, including: the trade of goods and services; investment in the form of direct investment, portfolio investment, loans, capital, and other investments, both domestic and overseas; and/or the provision of credit or bank financing in foreign currency and/or in Rupiah for trading and investment activity. The term “underlying transaction” includes income and expense estimation and excludes: (i) the placement of funds in commercial banks in Indonesia (among others in the form of savings, demand deposits, time deposits, and negotiable certificates of deposit); (ii) the transfer of funds by a funds transfer company; (iii) an undisbursed loan facility (in the form of standby loan and undisbursed loan, among others); and the use of the negotiable instruments of Bank Indonesia in foreign currency.

However, the requirement for having an underlying transaction is not applicable for settlements of initial derivative transactions performed through: (i) a roll over (provided that the term of the roll over is at least the same as the term of the underlying transaction); (ii) early termination; or (iii) an unwinding transaction. Further, the amount of foreign currencies that will be purchased or sold must be at the most equal to the nominal value of the underlying transaction and the term of derivative transaction may not exceed the term of the underlying transaction.

Any Domestic Customer conducting a foreign exchange transaction against Rupiah exceeding the above threshold will be required to submit certain supporting documents to the transacting bank, including among others: (i) the draft or executed underlying transaction document which can be accounted for; (ii) a copy of the customer’s identification and tax registration number (“**NPWP**”) (applicable for the purchase of foreign currency through spot or standard derivative transactions); (iii) a duly stamped written statement or

authenticated written statement confirming: (a) that the underlying transaction document referred to in (i) is authentic and valid; (b) that the purchase or sale of foreign currencies against Rupiah shall not exceed the nominal value of underlying transactions in banking system in Indonesia; and (c) where the underlying transaction document is only an estimation, the total needs, purpose of utilisation, and date of foreign currencies utilisation (applicable for the purchase of foreign currency through spot or standard (plain vanilla) derivative transactions) or the source of funds, the number of sales, and the timing of receipt of foreign currency if the document of the underlying transaction referred to in point (a) above is in the form of a draft (applicable for sale of foreign currency against Rupiah through forward or option derivative).

Similar provisions apply to foreign parties pursuant to Bank Indonesia Regulation No. 18/19/PBI/2016 on Foreign Exchange Transactions against Rupiah between Banks and Foreign Parties as implemented by Bank Indonesia Circular Letter No.18/35/DPPK. The key differences relating to provisions applicable to foreign parties include that (i) the definition of underlying transaction does not include the provision of credit or bank financing in foreign currency and/or in Rupiah for trading and investment activity, and (ii) the requirement to provide the underlying transaction only applies to the following foreign exchange transactions:

- (a) the purchase of foreign currency against Rupiah in an amount exceeding US\$25,000 (or its equivalent) per month per foreign party for spot transactions;
- (b) the sale of foreign currency in the form of a standard derivative transactions (*plain vanilla*) in an amount exceeding US\$1,000,000 (or its equivalent) per month per transaction per foreign party per outstanding amount per bank;
- (c) the sale of foreign currency in the form of forward transactions in an amount exceeding US\$5,000,000 (or its equivalent) per transaction per foreign party; and
- (d) the sale of foreign currency in the form of a call spread option.

Indonesian Law on Currency

On 28 June 2011, the Indonesian House of Representatives passed the Currency Law which governs the use of Rupiah. Further, on 31 March 2015, Bank Indonesia issued PBI 17/3/PBI/2015 as the implementing regulation to the Currency Law and enacted Bank Indonesia Circular Letter No. 17/11/DKSP on 1 June 2015 as the implementation guideline (“**SEBI 17/2015**”). Article 21 of the Currency Law and Article 2 of PBI 17/3/PBI/2015 require the use of Rupiah in transaction payments, monetary settlements and other financial transactions within Indonesia. PBI 17/3/PBI/2015 further clarifies that this requirement applies to both cash and non-cash transactions (for non-cash transactions, the regulation is effective from 1 July 2015). However, there are a number of exceptions to this requirement, including:

- (i) transactions related to the implementation of the state budget and expenditure;
- (ii) receipt or grant of offshore grants;
- (iii) international trading (such as export-import of goods and services);
- (iv) foreign currency bank deposits;
- (v) international financing; and
- (vi) transactions denominated in foreign currency conducted based on prevailing laws and regulations which govern both conventional banking and sharia banking activities. In addition, any transactions in the primary and secondary market of securities issued by the Government denominated in foreign currency and transactions under other specific laws, namely banking law, investment law, and *Lembaga Pembiayaan Ekspor Indonesia* (Indonesia Eximbank) law.

The Currency Law and PBI 17/3/PBI/2015 prohibit the rejection of Rupiah as a means of payment to settle obligations or in other financial transactions within Indonesia, unless there is uncertainty regarding the authenticity of the Rupiah bills offered, or the payment or settlement of obligations in a foreign currency has been agreed to in writing. Article 10 of PBI 17/3/PBI/2015 further clarifies that the exemption for written agreements is only applicable to transactions, which are listed above, or for transactions related to a strategic infrastructure project approved by Bank Indonesia as defined in Bank of Indonesia Regulation No. 16/21/PBI/2014 on the Implementation of Prudential Principles in Managing External Debt of the Non-Bank Corporation, as lastly amended by Bank of Indonesia Regulation No. 18/4/PBI/2016 dated 22 April 2016. PBI 17/3/PBI/2015 issued by Bank Indonesia further clarifies that any written agreements covering other transactions that were executed prior to 1 July 2015 will continue to be valid until their expiry date, provided that such agreements were in respect of non-cash payments. Any amendment and/or extension to such agreements must comply with PBI 17/3/PBI/2015.

Further, SEBI 17/11/2015 stipulates that conditional exemptions may apply to certain infrastructure projects, among others: (i) transportation infrastructure; (ii) road infrastructure; (iii) water infrastructure; (iv) drinking water infrastructure; (v) sanitation infrastructure; (vi) information and technology infrastructure; (vii) electricity infrastructure; and (viii) natural oil and gas infrastructure. These exemptions apply if: (a) the project has been declared by the central or regional government as a strategic infrastructure project, as evidenced by a formal confirmation letter from the relevant ministry/institution with regards to the project owner; and (b) an exemption approval has been obtained from Bank Indonesia.

According to SEBI 17/2015, a business operator in Indonesia must quote the price of goods and/or services in Rupiah and is prohibited from making dual quotations where the price of goods and/or services is listed both in Rupiah and a foreign currency anywhere, including on electronic media. The restriction applies to, among others: (i) price tags; (ii) service fees, such as agent fees for the sale and purchase of property, tourism services fees or consultancy services fees; (iii) leasing fees, such as apartment leases, housing leases, office leases, building leases, land leases, warehouse leases or vehicle leases; (iv) tariffs, such as loading/unloading tariffs for cargo at seaports or airplane ticket tariffs; (v) price lists; (vi) contracts, such as clauses for pricing or fees; (vii) documents of offer, order, invoice, such as the price clause in an invoice, purchase order or delivery order; and/or (viii) payment evidence, such as the price listed in a receipt.

Any non-compliance with regard to cash transactions is punishable by up to one year of confinement and a fine of up to Rp200 million and more specifically for any non-compliance for non-cash transactions will be subject to administrative sanctions in the form of a written warning, a fine amounting to 1% of the transaction value with a maximum amount of Rp1 billion and/or a restriction on undertaking further payment activities. Bank Indonesia may also advise the relevant authorities and institutions to impose certain penalties on the non-compliant party such as revoking its business licence or prohibiting its future business activities.

DILUTION

Dilution created by the Combined Offering represents the amount by which the Offering Price paid by the investors of the Shares in the Combined Offering exceeds the book value of net assets per Share after the Combined Offering. We have determined the book value of net assets per Share by subtracting our total liabilities from the total book value of our assets and dividing the difference by the number of Shares outstanding as at 31 December 2017.

As at 31 December 2017, our net asset book value was Rp153.00 per Share, based on 2,417,500,000 issued and outstanding Shares as at that date with par value per Share of Rp100. After giving effect to the sale of the Primary Shares at the Offering Price of Rp1,100 per Share and after deduction of estimated selling, underwriting and management commissions and estimated expenses related to the Primary Offering payable by our Company and taking into account the sale of the Placement Shares in the Private Placement, our net asset book value per Share as at 31 December 2017 would increase to Rp337. This represents an immediate increase in net asset book value per Share of Rp184 to our existing shareholders and an immediate dilution of Rp763 per Share to new investors of the Offer Shares in the Combined Offering.

The following table illustrates dilution on a per share basis based on the Offering Price of Rp1,100 per Share:

Offering Price per Share	Rp1,100.00
Net asset book value per Share as at 31 December 2017	Rp153.00
Pro forma net asset book value per Share as at 31 December 2017, assuming that the Primary Offering had taken effect as at that date and taking into account the sale of the Placement Shares in the Private Placement	Rp337.00
Increase in net asset book value per Share attributable to the sale of Offer Shares in the Combined Offering	Rp184.00
Dilution per Share to new investors of the Offer Shares in the Combined Offering	Rp763.00

INDONESIAN CAPITAL MARKETS

The following information has been derived from publicly available information and has not been independently verified by us, the Selling Shareholders, the Joint Lead Underwriters or any of their respective advisors.

Background and Development

In 1976, the Government established the Capital Market Executive Agency (*Badan Pengawas Pasar Modal*), the Capital Market Development Agency (*Badan Pembina Pasar Modal*) and a national investment fund company, PT Danareksa (Persero) to reactivate and promote the development of a securities market in Indonesia.

Later, the Capital Market Executive Agency and the Capital Market Development Agency became the Capital Market Supervisory Board (*Badan Pengawas Pasar Modal* or “**Bapepam**”). The first listing on the Jakarta Stock Exchange (the “**JSX**”) took place in August 1977. Up until the end of 1988, only 24 companies had their shares listed on the JSX and the volume of shares traded was relatively low.

On 13 July 1992, the operation of the **JSX** was transferred from Bapepam to PT Bursa Efek Jakarta with the principal goal of ensuring an orderly and fair operation of the securities exchanges. Over the next 12 years, a number of reform measures affecting the Indonesian capital markets have been introduced. These have led to the privatisation of the JSX and its establishment in December 1991 as a limited liability company, PT Bursa Efek Jakarta incorporating 221 securities trading companies as its shareholders.

Various reforms have been carried out over the past few years to strengthen the operational and supervisory framework of the Indonesian securities market and to improve the Indonesian securities market's trading environment. The reform measures also established an over-the-counter market (called the “**Bursa Paralel Indonesia**”) and private stock exchanges outside Jakarta, the first of which was the Surabaya Stock Exchange (the “**SSX**”). The *Bursa Paralel Indonesia* was later merged with the SSX.

The JSX and the SSX were effectively merged on 30 November 2007, with the JSX as the surviving entity. As the result of the merger, the JSX is now operating under a new name, being PT Bursa Efek Indonesia (the “**Indonesia Stock Exchange**” or the “**IDX**”).

Other reforms were also introduced to provide increased protection for minority shareholders, to improve disclosure requirements and clarify listing procedures. As at 31 December 2009, there were 398 firms listed on the IDX with a total market capitalisation of Rp2 trillion as compared to 24 listed companies with a capitalisation of approximately Rp100 billion in December 1987, just prior to the introduction of the capital market reform measures.

In December 2005, Bapepam merged with the Financial Institution Supervisory Agency or *Badan Pengawas Lembaga Keuangan* under the Department of Finance, and changed its name to the Capital Markets and Financial Institution Supervisory Board or *Badan Pengawas Pasar Modal dan Lembaga Keuangan* (“**Bapepam-LK**”).

On 22 November 2011, the Government enacted Law No. 21 of 2011 on the Financial Services Authority (*Otoritas Jasa Keuangan*) (“**Law No. 21/2011**”) taking on certain functions, tasks and authorities from Bank Indonesia relating to the supervision and regulation of financial service activities in the banking sector, effective 31 December 2013. Additionally, the supervision and regulation of financial service activities in capital markets, insurance, pension funds, finance companies and other financial service institutions were assumed from the Bapepam-LK, effective 31 December 2012. Law No. 21/2011 further stipulates that all existing licences, approvals and decisions issued before the transfer of duties and authorities of Bapepam-LK to OJK will continue to be valid, while applications for licenses, approvals, and other decisions made, or outstanding, after 31 December 2012, will be processed by OJK.

OJK is an independent body, which is free from intervention by any other party, and has functions, tasks, and authorities to oversee the supervision, examination and investigation of financial service activities in banking, capital markets, insurance, pension funds, financial institutions, and other financial service

institutions, led by a Board of Commissioners (*Dewan Komisiner*) consisting of nine members inaugurated by a Presidential Decree. Among the members, there is one ex-officio member from each of Bank Indonesia and the Ministry of Finance.

Law No. 21/2011 further requires that OJK provide annual activity reports to the President of the Republic of Indonesia and the House of Representatives. The OJK budget for operational and administrative activities shall come from the state budget and fees collected from practitioners in financial services.

Overview of the Indonesia Stock Exchange or the IDX

The first share issuance listed on the JSX or PT *Bursa Efek Jakarta* took place in August 1977. Up until the end of 1988, the shares of 24 companies were listed on the JSX and the volume of shares traded was relatively low. The operational transfer of the exchange from Bapepam to PT Bursa Efek Jakarta was effectively commenced on 13 July 1992. During the period from 1988 to 2000, a number of reform measures affecting the Indonesian capital markets were announced. These led to the privatisation of JSX and its establishment as a limited liability company, *PT Bursa Efek Jakarta*, incorporating 221 securities trading companies as its shareholders.

The various reforms have sought to strengthen the operational and supervisory framework of the Indonesian securities market and to improve the Indonesian securities market's trading environment. The measures also established an over-the-counter market (*Bursa Parallel*) and private stock exchanges outside Jakarta, the first of which was established in Surabaya (the “**SSX**” or PT *Bursa Efek Surabaya*). In July 1995, the Bursa Parallel and the SSX were merged to form a single exchange intended to focus on small- and medium- sized companies. A company could elect to list shares on the JSX, the SSX or both.

On 30 November 2007, the JSX and SSX were merged to form a single exchange, which took the name PT Bursa Efek Indonesia, or the IDX. In the terms of regulations, IDX has issued various regulations related to shares listing, share trading and IDX membership. IDX is expected to change its regulations, especially to review certain conditions, among others, related to the implementation of Good Corporate Governance principles in listed companies.

Other reforms were also introduced to provide increased protection for minority shareholders, to improve disclosure requirements and to clarify listing procedures. As of 31 December 2017, the IDX comprised 107 members. Of these 107 members, the top 20 most active members in total trading volume handled transactions totaling 3,196,423 million shares, approximately 56.18% of total shares traded on the IDX during the year. In terms of trading value, the top 20 most active members accounted for Rp2,299 trillion in trading, or approximately 63.52% of the overall value of buying and selling transactions on the IDX in 2017.

Trading Session	Market	New Trading Hours
Pre-opening	Regular	Monday – Friday, 08:45:00 – 08:59:59
1 st session	Regular, Cash and Negotiated	Monday – Thursday, 09:00:00 – 12:00:00 Friday, 09:00 – 11:30
2 nd session	Regular	Monday – Thursday, 13:30:00 – 15:49:59 Friday, 14:00:00 – 15:49:59
Pre-closing session	Regular	Monday – Friday, 15:50:00 – 16:04:59
Post-closing session	Regular	Monday – Friday, 16:05:00 – 16:15:00
2 nd session	Negotiated	Monday – Thursday, 13:30:00 – 16:15:00 Friday, 14:00:00 – 16:15:00

The trading of securities is divided into three market segments: regular market, negotiated market and cash market with the exception of rights issues which may only be traded in the cash market and in the first session of the negotiated market. The regular market is the mechanism for trading stock in standard lots on a continuous auction market during exchange hours. Trading on the regular market and cash market trading must be carried out in unit lots of 100 shares. The price movements:

- for shares with a previous price of less than Rp200, in multiples of Rp1, and each price movement should be no more than Rp10;
- for shares with a previous price between the range of Rp200 up to less than Rp500, in multiples of Rp2, and each price movement should be no more than Rp20;
- for shares with a previous price between the range of Rp500 up to less than Rp2,000, in multiples of Rp5, and each price movement should be no more than Rp50;
- for shares with a previous price between the range of Rp2,000 up to less than Rp5,000, in multiples of Rp10, and each price movement should be no more than Rp100; and
- for shares with a previous price of Rp5,000 or more, in multiples of Rp25, and each price movement should be no more than Rp250.

Auctioning takes place according to price priority and time priority. Price priority gives priority to buying orders at a higher price or selling orders at a lower price. If buying or selling orders are placed at the same price, priority is given to the buying or selling order placed first in time (i.e. time priority).

Negotiated market trading is carried out by (i) direct negotiation between members of the IDX, (ii) between clients through one member of the IDX, (iii) between a client and a member of the IDX, or (iv) between a member of the IDX and the Indonesian Stock Clearing and Guarantee (*PT Kliring dan Penjaminan Efek Indonesia* or the “KPEI”). The subsequent bid-offer agreement is then processed automatically through the IDX securities trading system (the Jakarta Automated Trading System or “JATS”). Negotiated market trading does not use round lots.

Transactions on the IDX regular market are required to be settled no later than the third trading day after the transaction, except for cross trading. Transactions on the IDX negotiated market is settled based on agreement of the parties involved, or not later than the third trading day after the transaction if the parties have not agreed on the timing of settlement. Transactions on the IDX cash market are required to be settled on the trading day of the transaction. In case of a default by an exchange member on settlement, cash market trading takes place, under which trading of securities by means of direct negotiation on cash and carry terms will be conducted. All cash market transactions must be reported to the IDX. An exchange member is obliged to pay a transaction cost as regulated by the IDX and in the event of a delay in payment of the transaction cost a fine of 1.0% of the outstanding amount will be imposed for each day of delay. For any violation of the IDX rules, the IDX may impose on an exchange member any of the following sanctions namely, (a) a fine up to Rp500 million, (b) a written warning, (c) a temporary suspension from trading activities, or (d) a revocation of the license of exchange member.

All transactions involving shares listed only on the IDX which use the services of exchange members must be conducted through the IDX. In order for a trade (except a block trade) to be made on the IDX, both the cash and securities settlement must be conducted through the facilities of the IDX. Short selling and margin trading are allowed, subject to the fulfilment of certain requirements such as namely, (a) the maintenance of a regular securities account that shows the transaction records of the trader, (b) the maintenance of a margin trading or short selling financing securities account and (c) an initial deposit of at least Rp200 million into the margin trading or short selling financing securities account. Under the prevailing Indonesian laws, only a member of the IDX that has obtained approval from the IDX may enter into a short selling transaction or margin transaction. Furthermore, the IDX may cancel a transaction if proof exists of fraud, market manipulation or insider trading. The IDX may also suspend trading if there are indications of fraudulent transactions or artificial inflation of share prices, misleading information, insider trading, counterfeit securities or securities blocked from trading, or any other material event. The IDX may suspend trading of certain securities or suspend certain members of the stock exchange.

Members of the IDX charge a brokerage fee for their services, based on an agreement with their client, up to a maximum of 1.0% of the transaction value. When conducting share transactions on the IDX, exchange members are required to pay a transaction cost equal to 0.03% of the transaction value (for transactions in the regular and cash markets) and a transaction cost based on the IDX policy (for transactions in the negotiated markets). Exchange members generally pass on these costs to their clients. The transaction cost is a minimum of Rp2 million per month as contribution for the provision of the IDX's facilities (which continues to apply for members of the IDX in suspension or with frozen membership). The clients are also responsible for paying a 10.0% value added tax on the amount of brokerage fee and transaction cost. Indonesian sellers are

further required to pay a withholding tax of 0.1% (plus an additional 0.5% for founder shares) of the total transaction value.

Additionally, a stamp duty of Rp3,000 is payable on any transaction with a value between Rp250,000 and Rp1 million and stamp duty of Rp6,000 is payable on every transaction with a value of more than Rp1 million. See “Taxation” in this international supplement for further detail.

Shareholders or their appointees may request at any time during working hours that an issuer, or a securities administration bureau appointed by the issuer, register their shares in the issuer's registry of shareholders.

The table below sets forth key figures for the IDX as of and for the years indicated:

	As of and for the year ended 31 December		
	2015	2016	2017
Equities data			
Market capitalisation (Rp billion)	4,872,702	5,753,613	7,073,800
Trading volume (million shares)	1,446,314	1,925,420	1,829,536
Average daily trading volume (million shares)	5,928	7,827	7,687
Trading value (Rp billion)	1,406,362	1,844,588	1,252,829
Average daily trading value (Rp billion)	5,764	7,498	5,263
Number of listed companies	521	537	570

Source: *IDX statistics*

Foreign Equity Ownership Restrictions

Direct investment by foreigners in the shares of a company is generally regulated by Law No. 25 of 2007 on Capital Investment and its implementing regulations under the rulings and policies of Indonesia Investment Coordinating Board (*Badan Koordinasi Penanaman Modal* or “**BKPM**”), the regulatory authority for foreign investment. The restriction on foreign ownership of listed equity securities which was regulated by the Minister of Finance’s Decree No. 1055/KMK.013/1989 was revoked by the Minister of Finance’s Decree No. 455/KMK.01/1997 dated September 4, 1997. Under Bapepam Letter No. S-2105/PM/1997 dated September 8, 1997, Notice of Jakarta Stock Exchange No. Peng 1176/BEJ/1.1/1997 dated September 9, 1997 and Decision Letter of the Board of Directors of Bank Indonesia No. 32/50/KEP/DIR dated May 14, 1999, foreigners are now permitted to purchase up to 100.0% of the offering shares offered in a public offering and up to 100% of the public listed offering shares of all Indonesian listed companies, except for certain industries such as, banking, broadcasting and tower telecommunications.

IDX Auto Rejection Regulations

Pursuant to Stock Exchange Trading Regulation No. II-A, Attachment to the Decree of the Board of Directors of PT Bursa Efek Indonesia No. Kep-00113/BEI/12-2016 dated 13 December 2016 (“**IDX Rule II-A**”), the JATS will automatically reject a sale offer and/or purchase demand for equity type securities if:

- (i) the sale offer or purchase demand price is less than Rp50;
- (ii) the sale offer or purchase demand price is:
 - more than 35% below or above the Reference Price (as defined below) within the range of Rp50 to Rp200;
 - more than 25% below or above the Reference Price within the range of Rp200 to Rp5,000; or
 - more than 20% below or above the Reference Price over Rp5,000.
- (iii) the volume of the sale offer or purchase demand in regular market or cash market is more than 50,000 lots or 5% out of the total number of the company’s shares listed on the IDX (whichever is smaller).

The term “**Reference Price**” means: (a) the opening price (*harga pembukaan*) in the regular market (the “**Opening Price**”); (b) the closing price (*harga penutupan*) on the previous trading day, if the opening price is not available (the “**Previous Price**”); or (c) the theoretical price as a result of a corporate action (*harga teoritis hasil tindakan korporasi*) for the shares if the company is conducting a corporate action.

The above restrictions only apply to the regular market and cash market and not the negotiated market of the IDX. After taking into account trading conditions, the IDX may amend the above provisions upon a decision of the IDX board of directors with prior approval from OJK. Such amendment shall be announced by the IDX and shall be effective, at the earliest, after three trading days from such announcement.

Offering, Listing and Reporting Regulations

OJK regulates and monitors issues of securities which are publicly offered or listed in Indonesia. Initial securities offerings are generally conducted as underwritten public offers for sale by subscription. OJK regulates offering and allocation procedures.

Unless waived, companies are required to meet certain requirements in order to become listed on the IDX which are set out respectively in the Rule No. I-A Attachment of Decision of the Board of Directors of IDX No. Kep- 00001/BEI/01-2014 dated 20 January 2014 regarding Listing of Offering Shares and Equity-Linked Securities other than Offering Shares Issued by Listed Company as partially amended pursuant to the Decision of the Board of Directors of IDX No. Kep-00100/BEI/10/2014 dated 20 October 2014 regarding Rule No. I-A.1 on Listing of Offering Shares and Equity-Linked Securities other than shares issued by company in the field of Mineral and Coal Mining (the “**IDX Listing Regulation**”).

Listed companies are required to submit to OJK and the IDX, among others, the following documents:

- (i) an annual report to be submitted not later than four months after the end of the financial year of the company;
- (ii) audited financial statements for the last three years consisting of:
 - (1) an annual financial report audited by an accountant registered with OJK, to be submitted not later than three months after the date of such report unless it has been submitted together with the annual report;
 - (2) any of the following mid-year reports: (a) a mid-year report (unaudited), to be submitted not later than one month after the date of such report; (b) a mid-year report with limited review by an accountant registered with OJK, to be submitted not later than two months after the date of such report; or (c) a mid-year report audited by an accountant registered with OJK containing a full opinion on the fairness of such report, to be submitted not later than three months after the date of such report; and
 - (3) quarterly reports, the preparation of which is required by the rules of the IDX, to be submitted to the IDX not later than one month after the date of such report for a non-audited report, two months after the date of such report for a limited audit report, and three months after the date of such report for a fully audited report;
- (iii) material information that is important and relevant according to regulations, and which may affect the value of the security or an investment decision, such as a merger, acquisition, consolidation, stock split, distribution of a stock dividend, obtainment or loss of material contracts, change in management, replacement of public accountant, replacement of trustee, material legal claims, and other important information possibly affecting share prices on the exchange; such information must be submitted to OJK and announced publicly no later than two working days after such information is revealed;
- (iv) a copy of any amendment to the company’s articles of association;
- (v) the purpose of the utilisation of net proceeds from the initial public offering;
- (vi) a notice of any change in the composition of the company’s board of directors or board of commissioners;
- (vii) a report on shareholding and any change in shareholding which applies only to a shareholder that owns 5.0% or more of the paid-up capital of the company;
- (viii) a report on shareholding and any change in shareholding of the director or commissioner of a public company in such public company;
- (ix) a notice of appointment and replacement of corporate secretary; and
- (x) a notice of any material deviation from projections published by such companies.

Based on the OJK Rule No. 7/POJK.04/2017 dated 14 March 2017 on the Registration Statement Documents in the framework of Public Offering of Equity Securities, Debt Securities, and/or *Sukuk*, a company that wishes to submit a registration statement to OJK in relation to a public offering is also required to submit the structure describing the company position vertically from individual shareholders to its subsidiaries at the very bottom and the company position horizontally.

Insider trading, fraud and market manipulation of securities are prohibited under Indonesian capital markets laws. In such circumstances, a transaction may be cancelled or suspended by the IDX and/or OJK may suspend or revoke the licence of the capital market supporting institution and supporting professionals involved. A party engaging in: (i) misleading conduct, fraud or falsification in connection with the sale of securities; (ii) other actions to mislead the public regarding trading activities, market conditions or price; or (iii) insider trading is liable for the loss incurred and may face a fine of up to Rp15 billion and imprisonment of up to ten years.

Scripless Trading

On 23 December 1997, a private limited company, the Indonesian Central Securities Depository or KSEI, was established to serve as the central securities clearing house. On 11 November 1998, KSEI obtained a licence from Bapepam to act as an approved central securities depository and settlement institution. The shareholders of KSEI are currently comprised of 26 securities firms, holding 31.5% of KSEI's shares, eight custodian banks, holding 35% of KSEI's shares, three Share Registrars (*Biro Administrasi Efek*), holding 3% of KSEI's shares, the IDX and KPEI holding 30.5% of KSEI's shares. In 2000, KSEI introduced the Central Depository and Book Entry Settlement System ("**C-Best**"), a computerised system for the registration and settlement of securities. For more information, see "KSEI" below.

In 2000, Bapepam implemented regulations to provide for a scripless trading system. Under the scripless system, a member broker, sub-broker or local custodian ("**KSEI Participant**") may deposit with KSEI certificates evidencing ownership of securities in an account kept for such purpose, making KSEI the registered holder of those securities. After acceptance, KSEI will hold such securities on behalf of the KSEI Participant or the clients of the KSEI Participant, and through this system, investors in securities will become beneficial owners of the securities rather than direct owners. Thus, to establish ownership, each holder of an account for deposit, withdrawal and/or transfer of securities ("**KSEI Account Holder**") is obliged to maintain a list of the owners of securities deposited with it. Sales and purchases of securities are settled on the relevant securities deposit account via a computer system. At the end of each trading day, KSEI delivers a statement showing the balance of securities held for each participant.

A company that intends to register its securities with KSEI enters into a standard registration agreement with KSEI. Subsequently, KSEI Account Holders or KSEI Participants must issue confirmations for the benefit of KSEI for the entire value of the securities deposited with KSEI.

Securities registered with KSEI are recorded and administered electronically in securities accounts opened with KSEI ("**KSEI Securities Accounts**") and KSEI Account Holders administer deposits, withdrawals and transfers of securities through their KSEI Securities Accounts. Parties that are eligible to become KSEI Account Holders are (i) securities companies, (ii) custodian banks and (iii) other parties determined by the prevailing capital market laws and regulations. In addition, any institution becoming a KSEI Participant is required to open at least one securities account with KSEI. Each KSEI Account Holder who maintains customers' securities and funds must also open sub-accounts for the deposit of securities and funds on behalf of their customers.

In accordance with the KSEI rules on Central Depository Services, C-Best is the central computerised system for depository services and the settlement of securities transactions by book entry settlement. C-Best is provided by KSEI to KSEI Account Holders. Sales, purchases and conveyances of securities are settled through the C-Best system by setting off the relevant securities in the appropriate KSEI Securities Accounts. At the end of each trading day, KSEI delivers, through the C-Best system, a statement to each KSEI Account Holder showing the balance of securities held by that KSEI Account Holder.

Pursuant to a Circular Letter issued by Bapepam-LK No. SE-01/PM/2001 on the Implementation of Collective Custody, dated 23 November 2001, listed companies must register their shares in a central depository prior to 30 June 2002. On 22 December 2017, OJK issued OJK Rule No. 74/POJK.04/2017 on Securities Sub-account in Central Securities Depository, which requires each KSEI Participant holding securities on behalf of a client to:

- (i) establish a securities sub-account on behalf of each client and record each client's securities account in such sub-account;

- (ii) ensure that the balance in the customer's security account in the KSEI Participant's books is always equivalent with the balance in the sub-account with KSEI;
- (iii) ensure that the identity of each client is properly recorded by the KSEI Participant; and
- (iv) ensure that the securities sub-account balance of each client is and remains correct.

Transfers of Shares

Transfers of listed shares on the IDX are governed by the Company Law and IDX rules. Under the Company Law, as a general matter, ownership of shares is based on the registration of ownership in the relevant company's share register. To be valid against the issuing company, a request for an entry of the transfer into a share registry must be received by the company. To be valid against a third party, the entry of the transfer must actually be made into the share register.

Transfer of scripless shares are made by way of appropriate instructions to the relevant brokers, sub-brokers or custodians with whom the transferor and the transferee involved maintain securities accounts in accordance with the individual arrangements with such brokers, sub-brokers or custodians. Upon receipt of such instructions, the relevant brokers, sub-brokers or custodians will, in accordance with such arrangements, effect the relevant changes in the register they are required to maintain for rights and entitlements purposes.

Effective as at 30 June 2002, only shares held through KSEI (and which have not been pledged or foreclosed upon based on a court order, or seized for the purpose of criminal proceedings) may be traded on the IDX.

Securities transaction settlement services are part of the central depository services provided for the fulfilment of the rights and obligations as the result of stock exchange transactions or over-the-counter transactions by means of the transfer of securities and or funds between securities accounts. The settlement of stock exchange transactions is performed by KSEI based on transfer instructions received from both a selling Clearing Member (defined as a member of a stock exchange registered as the KSEI Clearing Member) and a buying Clearing Member. Alternatively, KSEI may settle over-the-counter transactions based on transfer instructions from a selling KSEI Account Holder and acceptance from a buying KSEI Account Holder and the availability of sufficient securities in the sub-account.

Over-the-counter transfer instructions must also state whether the transaction requires a payment or not. When a transfer of securities and/or funds is completed and settled, KSEI submits a report to KPEI or the Clearing Member on the settlement of a stock exchange transaction or provides a confirmation to the relevant KSEI Account Holder for an over-the-counter transaction.

Under Bapepam-LK Rule No. IX.H.1, a transfer of more than 50% of the shares of a public company or acquisition of direct or indirect control of the management or policy of a public company will be deemed an acquisition of a public company and thus trigger a mandatory tender offer by the new controlling shareholder. The new controlling shareholder will have to conduct a tender offer for all the other shares in the public company, except for: (i) shares owned by shareholders which conduct the acquisition in conjunction with the new controlling shareholders, (ii) shares owned by other parties which received an offer on the same terms and conditions with the new controlling shareholder, (iii) shares owned by other parties which are conducting a tender offer at the same time on the same public company's shares, (iv) shares owned by the principal shareholders, and (v) shares owned by the other controlling shareholders in the public company. If the mandatory tender offer results in the new controlling shareholder holding more than 80% of the total paid-up capital in the public company, the new controlling shareholder must transfer a certain amount of the shares to the public so that 20% of the total paid-up shares in the public company is owned by the public, comprising more than 300 parties within two years from the completion of the tender offer. If the acquisition results in the new controlling shareholder obtaining more than 80% of the total paid-up capital in the public company, the new controlling shareholder will have to transfer the shares to the public equal to the percentage of shares obtained in the mandatory tender offer, at a minimum, and the shares must be owned by at least 300 parties within two years after the completion of the mandatory tender offer.

KSEI

KSEI is a self-regulating organisation and is licenced and regulated by OJK. Under KSEI's rules, securities companies or custodian banks fulfilling certain criteria and authorised by OJK may become KSEI

Participants, the principal shareholders of KSEI are large custodian banks, broker, dealers, share registrars (*Biro Administrasi Efek*), IDX and KSEI. In the scripless system, the role of KSEI is to settle the transfer and receipt of securities and to act as the central securities depository. KSEI's role is to conduct fund settlement.

KSEI is managed by a Board of Directors and supervised by a Board of Commissioners who are subject to the provisions of the Company Law. KSEI is also a member of several international associations that are related to securities depositories, including the Association of National Numbering Agency ("ANNA"), the International Society of Securities Administrators ("ISSA"), the Society for Worldwide Interbank Financial Telecommunication ("SWIFT") and Asia Pacific Central Securities Depositories Group ("ACG").

OJK sets standards for the internal controls of KSEI. These standards call for daily reconciliation of account balances between KSEI and the issuers whose securities are held in the name of KSEI. This daily reconciliation is required to be verified continuously by the head of the audit unit of KSEI who must report this verification to the Internal Control Committee of KSEI, the Board of Directors of KSEI and OJK. Each KSEI Participant has the right to send auditors to KSEI to verify the reconciliation of its accounts with those of KSEI and the right to send auditors to verify the registry of the securities on the books of the issuer.

The internal control systems of KSEI are required to be audited annually by an independent auditor with international experience and reputation and to include a review of the protections against fraud, embezzlement, natural disruptions and electronic damage. This report is to be sent to all KSEI shareholders along with the annual report.

The regulations call for a number of fundamental security measures to ensure the integrity of KSEI:

- (i) access to data processing functions, record-keeping functions and customer account service areas at KSEI must be restricted;
- (ii) KSEI must have a primary computer and back-up computer at different locations that allow continued processing within two hours of a breakdown of the primary computer;
- (iii) duplicate electronic records must be maintained in repositories that are at least 30 kilometres away from each other;
- (iv) software development and maintenance are required to be segregated from data processing operations; and
- (v) a special security division of KSEI's own funds is required to be segregated from data processing operations; all debits and credits to securities accounts must be based on instructions of account holders and controlled by a division that is separate from the data processing division.

In addition to the oversight of internal controls and specific regulations regarding recovery and security, the legal basis for securities accounts permits recovery of an investor's assets even in the event of destruction of all records of KSEI. This is done based on investor's confirmations and statements and records of the issuer, all of which are maintained independently from the records of KSEI. With daily reconciliation of key records, strong internal control supervision by major banks, special security measures and legal safeguard, recovery is possible if there is a catastrophic occurrence.

IDX Listing, Relisting, Delisting and Corporate Governance Rules

The IDX listing rules for equity securities and regulations are aimed at enhancing good corporate governance and clarifying listing, relisting and delisting criteria, sanctions for violation of stock exchange rules and e-reporting and monitoring.

The listing rules also introduced the two-board system, comprising the Main Board and the Development Board. The Main Board serves as the flag-carrier of the IDX and is intended for companies fulfilling regional listing standards relating to size, track record and net tangible assets. The Development Board allows both large and small companies with prospects but who do not qualify to list on the Main Board yet, as well as companies in the recovery phase, to be listed on the IDX.

Under the listing rules, all companies listed on the IDX must satisfy the following general listing requirements ("General Listing Requirements"):

- (i) be a legal entity formed as a limited liability company (*Perseroan Terbatas* or "PT");
- (ii) have a registration statement, which has been declared effective by OJK;

- (iii) have at least one independent director;
- (iv) have at least one independent commissioner comprising at least 30% of the total number of members of board of commissioners;
- (v) have an audit committee;
- (vi) have an internal audit unit;
- (vii) have appointed a corporate secretary;
- (viii) a nominal value of shares of at least Rp100;
- (ix) the members of the board of directors and board of commissioners of the company have fulfilled the conditions in the OJK Rule No. 33/POJK.04/2014 dated 8 December 2014 on Board of Directors and Board of Commissioners of Issuer and Public Company (“**OJK Rule 33/2014**”);
- (x) if the company is a subsidiary or a holding company of another listed company it must:
 - (1) have obtained an appraisal or evaluation by an independent party, stating that upon termination of an affiliation between the company and the listed company, each company can continue to sufficiently perform its operational activities; and
 - (2) show that either:
 - (a) the pro forma financial statement of the company, independent of and without consolidation with the financial statement of the listed company, or
 - (b) the pro forma financial statement of the listed company, independent of and without consolidation with the financial statement of the company,
 can satisfy the listing requirement;
- (xi) have full underwriting commitment from the underwriters.

Listing on Main Board and Development Board

Under the IDX Listing Regulation, a company is deemed qualified to undertake an initial listing on the Main Board if it fulfils certain requirements, including:

- (i) satisfying the General Listing Requirements;
- (ii) net tangible assets of at least Rp100 billion based on the latest audited financial reports of the company;
- (iii) audited financial reports covering at least the last three years and unqualified audit opinions from the auditor covering the financial reports for the last two years and the last audited interim report;
- (iv) operating in the same core business for the past three consecutive years;
- (v) at least 1,000 shareholders, each holding a securities account with the stock exchange members;
- (vi) booked profit at least in the last financial year; and
- (vii) at least 300 million shares owned by minority shareholders immediately after the initial listing with the following requirements:
 - (1) representing 20% of the total paid-in capital for the company having equity value of, prior to the public offering, less than Rp500 billion;
 - (2) representing 15% of the total paid-in capital for the company having equity value in, prior to the public offering, the range between Rp500 billion and Rp2 trillion; and
 - (3) representing 10% of the total paid-in capital for the company having equity value of, prior to the public offering, more than Rp2 trillion.

Under the IDX Listing Regulation, a company is deemed qualified to undertake an initial listing on the Development Board if it fulfils certain requirements, including:

- (i) satisfying the General Listing Requirements;
- (ii) net tangible assets of at least Rp5 billion;
- (iii) having operated for at least the past 12 consecutive months in the same core area of business activity;
- (iv) unqualified audit opinions from the auditor covering the financial report for the last 12 months and the last audited interim report (if any);
- (v) for a company which has experienced losses or has not booked any profit or has been operating for less than two years, (1) based on its financial forecast to be announced on the stock exchange at the latest at the end of the second financial year as at the listing date it has obtained operational and net profits; or (2) based on its financial forecast by no later than at the end of the company's sixth financial year as at the listing date, it has obtained operational and net profits, especially if the proposed listed company is a company that by nature of its business will likely require a longer period of time to reach a break-even point (such as infrastructure, plantation, forestry concession right, or industrial forest concession right or other business related to public service);

- (vi) at least 500 shareholders, each holding a securities account with the stock exchange members;
- (vii) shares owned by minority shareholders immediately after the initial listing within five stock exchange days before the listing application which are at least 150 million shares, with the following requirements:
 - (1) representing 20% of the total paid-in capital for the company having equity value of, prior to the public offering, less than Rp500 billion;
 - (2) representing 15% of the total paid-in capital for the company having equity value in, prior to the public offering, the range between Rp500 billion and Rp2 trillion; and
 - (3) representing 10% of the total paid-in capital for the company having equity value of, prior to the public offering, more than Rp2 trillion.

The IDX listing rules allow a company listed on the Development Board to be promoted to the Main Board if it fulfils the requirement for listing on the Main Board.

In addition, under IDX Listing Regulation, in order to remain listed on the IDX, listed company shall comply with the following requirements:

- (i) total shares owned by non-controlling shareholders and non-substantial shareholders (*Pemegang Saham Utama*) are at least 50 million shares and represent at least 7.5% of the paid-up capital;
- (ii) have at least 300 shareholders holding securities accounts with the stock exchange members;
- (iii) have directors, commissioners, independent director, independent commissioner, audit committee, internal audit unit and corporate secretary in accordance with IDX Listing Regulation; and
- (iv) at IDX's request, provide reports or documents with respect to performance of the independent director, audit committee, internal audit unit, and corporate secretary, within two trading days after such request.

Delisting

A company may be delisted voluntarily or involuntarily by the IDX. A company may be delisted if it fulfils one of the following conditions, (i) suffers certain conditions which adversely affect the going concern of the company, financially or legally, or adversely affect the continuing status of the company as a publicly listed company and the company has not shown any sufficient remedial actions; or (ii) its shares are suspended from the regular market and the cash market and have only been traded on the negotiation market at least for the last 24 months.

Buy Back

Pursuant to OJK Rule No. 30/POJK.04/2017 dated 21 June 2017 on Buy Back of Shares issued by Public Companies, an issuer or a public company may repurchase its shares in accordance with Articles 37 and 39 Company Law, without breaching Articles 91, 92, 95 and 96 of the Capital Market Law, or to satisfy Article 62 Company Law. The repurchase of shares shall be completed no later than 18 months after the date of approval of the general meeting of shareholders. The issuer or the public company may hold the repurchased shares for three years since the completion of the shares repurchase, and shall transfer such shares within a period of two years, which can be extended by one year.

Furthermore, an issuer or a public company may buy its shares back under significantly fluctuating market conditions. Pursuant to OJK Rule No. 2/POJK.04/2013 dated 23 August 2013 on Buy Back of Shares Issued by Issuers or Public Companies in Significantly Fluctuating Market Condition, a significantly fluctuating market condition is specified by (i) 15% or more reduction of the composite stock price index for three trading days in a row, or (ii) other conditions stipulated by OJK. Under those conditions, the issuer or public company may repurchase its shares up to 20% of the paid-up capital without approval of the general meeting of shareholders.

Independent Commissioner and Audit Committee

In addition to the IDX Listing Regulation, according to OJK Rule 33/2014, an independent commissioner in a listed company must:

- (i) come from outside the listed company;

- (ii) not own any shares of the listed company directly or indirectly;
- (iii) not have an affiliated relationship with the listed company;
- (iv) not hold a dual position as a director of another company which is an affiliate of the listed company;
- (v) not have any business relationship which is directly or indirectly related to the listed company's business activity; and
- (vi) have adequate knowledge of all relevant capital markets regulations.

OJK Rule No. 55/POJK.04/2015 dated 23 December 2015 on Establishment and Implementing Guidelines of Audit Committee (“**OJK Rule 55/2015**”) provides that the audit committee must be comprised of at least three members, one of whom must be an independent commissioner of the listed company who will serve as chairperson of the audit committee. The other members must also be independent individuals, at least one of whom must be an expert in the field of accounting and/or finance.

Pursuant to the OJK Rule 55/2015, the following individuals are prohibited from becoming members of the audit committees of a listed company:

- (i) any insider individual of the public accountant, legal counsel, public appraiser or other party that has given assurance, non-assurance, appraisal, and/or other consultation services to the listed company in the last six months before his appointment as a member of the audit committee;
- (ii) any party that has had the authority and responsibility to plan, direct, control or supervise the activity of the listed company in the last six months before his appointment as a member of the audit committee, except an independent commissioner;
- (iii) any party that owns shares, either directly or indirectly, in the listed company. In the event that a member of the audit committee acquires shares directly or indirectly as a result of a legal action, then within a period of not more than six months subsequent to such acquisition, the said shares must be disposed of;
- (iv) any party that has a family relationship, either by marriage or blood, up to second degree vertically or horizontally with any commissioner, director or principal shareholder of the listed company; and/or
- (v) any party that has a business relationship which is directly or indirectly related to the listed company's business activity.

In addition to the above, each member of the Audit Committee, among other things, must:

- (i) have high integrity, ability, knowledge and adequate experience (including any relevant educational qualifications) and be able to communicate effectively;
- (ii) be capable of reading and understanding financial reports, the company's business (particularly in relation to the service or business operations of the company), audit processes, risk management, capital markets and the prevailing rules and regulations;
- (iii) have at least one member with an educational qualification relating to and experience in accounting and finance;
- (iv) comply with the code of ethics of the audit committee adopted by the listed company; and
- (v) be willing to continuously improve its competency through education and training.

Independent Director

Pursuant to IDX Listing Regulation, an independent director in a listed company:

- (i) must not have an affiliated relationship with the listed company's controlling shareholders for at least six months before his appointment as a non-affiliated director in the listed company;
- (ii) must not have an affiliated relationship with any commissioner or other director of the listed company;
- (iii) must not act as a director of another company; and
- (iv) must not be an insider at a capital market supporting institution or professional of which its service was used by the listed company for six months before his appointment as a director of the listed company.

Internal Audit

Pursuant to OJK Rule No. 56/POJK.04/2015 dated 23 December 2015 on Establishment and Guidelines for Internal Audit Charter, the internal audit unit must consist of at least one internal auditor. Where the internal

audit unit consists of one internal auditor, he or she must also act as the chief of the internal audit unit. Each internal auditor, as a member of the internal audit unit, shall:

- (i) possess professional integrity, independence, fairness and objectivity in performing his or her duty;
- (ii) possess knowledge and experience in audit techniques and other relevant skills in accordance with his or her duty;
- (iii) possess knowledge of capital markets regulations and other relevant regulations;
- (iv) possess the capability to effectively interact and communicate both verbally and in writing;
- (v) comply with the professional standards issued by the Indonesian Internal Auditor Association;
- (vi) comply with the ethical code of an internal auditor;
- (vii) maintain the confidentiality of the relevant company's information or data related to the performance of the internal audit unit's duties and responsibilities, except as required by regulations or the decrees or decisions of a court;
- (viii) understand good corporate governance and risk management principles; and
- (ix) be willing to enhance his or her professional knowledge, expertise and skills on an ongoing basis.

Corporate Secretary

As stipulated in OJK Rule No. 35/POJK.04/2014 dated 8 December 2014 on Corporate Secretary of the Issuer or Public Company, and IDX Rule Listing Regulation, a listed company is required to have a corporate secretary.

The function of a corporate secretary is performed by one of the directors of the listed company, or an official of the listed company designated to carry out such function. The corporate secretary acts as a liaison or contact person between the listed company, Government authorities (including OJK) and the public. The corporate secretary must have access to material and relevant information relating to the listed company and must be familiar with all statutory regulations relating to capital markets, particularly on disclosure matters.

The corporate secretary shall: (i) be capable of performing legal acts; (ii) have sufficient knowledge and understanding in the field of law, finance and corporate governance; (iii) understand the business activity of the issuer or the public company; (iv) possess good communication skills; and (v) be domiciled in Indonesia.

Nomination and Remuneration Committee

Under OJK Rule No. 34/POJK.04/2014 dated 8 December 2014 on Nomination and Remuneration Committee of the Issuer or Public Company, an issuer or a public company is required to have the function of nomination and remuneration conducted by the board of commissioners. The board of commissioners may form a nomination and remuneration committee consisting of, at least, three members, with an independent commissioner acting as the head of the committee, while the other members may be coming from (i) the board of commissioners, (ii) outside the relevant issuer or public company, or (iii) the managerial positions under the board of directors in charge of human resources. In addition, a member of the board of directors is not allowed to be appointed as a member of the nomination and remuneration committee. The committee is appointed and dismissed by the board of commissioners' decision.

Further, the nomination and remuneration committee is responsible for:

- (i) providing recommendations to the board of commissioners concerning (i) the composition of the board of directors and/or board of commissioners, (ii) policies and criteria required in the nomination process, (iii) policies on the performance evaluation for the board of directors and/or the board of commissioners, (iv) remuneration structure, (v) remuneration provisions, and (vi) the amount of the remuneration;
- (ii) assisting the board of commissioners in conducting evaluations to the performance of the board of directors and/or the board of commissioners pursuant to evaluation standards;
- (iii) providing recommendations to the board of commissioners regarding skill development programme for the board of directors and/or board of commissioners;
- (iv) proposing the qualified candidates for members of the board of directors and/or board of commissioners to be submitted to the general meeting of shareholders;
- (v) providing recommendations to the board of commissioners on remuneration; and

- (vi) assisting the board of commissioners in conducting evaluations on the performance of the board of directors and/or the board of commissioners pursuant to the remuneration received by the board of directors and/or the board of commissioners.

Shares Ownership Reporting Requirements

According to OJK Rule No. 11/POJK.04/2017 dated 14 March 2017 on the Ownership Report or Any Changes to Shares Ownership in Public Companies, all director and commissioner of a public company must report to OJK with regard to his direct or indirect ownership and the changes of ownership of the shares in the public company within 10 days of the transaction. Such reporting obligation also applies to a shareholder that directly or indirectly owns 5.0% or more of the paid-in capital in the public company if there is of 0.5% or more from their initial ownership as a result at a single or a series of transactions. Previously, this obligation only applied to direct shareholders for any change in their share ownership. Under the new rule, indirect ownership includes ultimate beneficial ownership and any intermediate ownership between the direct shareholders and ultimate beneficial owners.

Annual Reporting Requirements

The submission timeframe and content of the annual reports of public companies are generally governed by OJK Rule No. 29/POJK.04/2016 dated 29 July 2016 on Annual Reports of Issuers or Public Companies (“**OJK Rule 29/2016**”), which came into effect on 1 January 2017 and replaced the Decision of Chairperson of Bapepam-LK No. Kep-431/BL/2012.

OJK Rule 29/2016 substantially deals with procedural and technical matters related to corporate and accounting information. OJK Rule 29/2016 contains a mandatory requirement for a public company to reveal its ultimate principal or controlling shareholder, clearly spelled out in diagrammatic or chart form. In addition, OJK has issued Circular Letter No. 30/SEOJK.04/2016, on the Form and Contents of Annual Reports for Issuers and Public Companies, which was issued on the 3 August 2016 as the implementing regulation for OJK Rule 29/2016, (“**OJK Circular Letter 30/2016**”). OJK Circular Letter 30/2016 sets out in detail the requirements for the form and contents of annual reports. In accordance with OJK Circular Letter 30/2016, annual reports may contain contents in any form including images, graphs, tables and/or flowcharts (accompanied by a title and/or description clarifying any such information). Failure to comply with these requirements may result in administrative sanctions ranging from a written warning to business licence revocation.

Corporate Social Responsibility

OJK Rule 29/2016 and OJK Circular Letter 30/2016 include a corporate social responsibility reporting requirement, including the need to supply information on: environmental responsibility (such as, the use of environmentally friendly/recyclable materials, renewable energy, waste treatment, environmental classification, etc.), labour, and occupational health and safety issues (such as, gender equality, employee turnover, training, occupational accidents, etc.), social and community development (such as, employment of local manpower, community empowerment, provision of social infrastructure, donations, etc.), and product responsibility (product information, response to consumer complaints, etc.). In addition, corporate social responsibility activities must be reported in a dedicated section of the annual report.

OJK Rule 29/2016 and OJK Circular Letter 30/2016 operate alongside Article 74(4) of the Company Law, as elaborated by Government Regulation No. 47 of 2012 on Companies Corporate Social Responsibility, which makes Indonesia one of the few countries in the world to practice mandatory corporate social responsibility.

Additional Disclosures

OJK Circular Letter 30/2016 also requires the disclosure of information on employee/management stock options, if any, including information on the amounts and timeframes involved, participation requirements, and the prices at which such options are exercised. In addition, a description must be given of the company’s code of ethics (if any), including the key provisions of the code, how it is familiarised to employees, and information on corporate culture. Furthermore, OJK Rule No. 8/POJK.04/2015 dated 25 June 2015 on Issuer or Public Company Websites, requires issuer or public companies to provide information in Bahasa

Indonesia and one other language, at least the English Language. The minimum information to be disclosed in the website is: general information of the company, information for investors, information concerning good corporate governance, and information concerning corporate social responsibility.

Corporate Governance of Public Companies

On 17 November 2015, OJK issued OJK Rule No. 21/POJK.04/2015 on the Implementation of Corporate Governance Guidelines for Public Companies (“**OJK Rule 21/2015**”), which sets out several requirements on good corporate governance for public companies. Pursuant to OJK Rule 21/2015, public companies are obliged to implement corporate governance guidelines set by the OJK (“**GCG Guidelines**”), and are required to disclose information on the implementation of the recommendations mentioned in the GCG Guidelines in their annual report. The GCG Guidelines are contained in the OJK Circular Letter No. 32/SEOJK.04/2015 dated 17 November 2015 on the Corporate Governance Guidelines for Public Companies.

The GCG Guidelines provide several recommendations to assist public companies with implementing good corporate governance principles, including: to set self-assessment procedures for the board of directors and board of commissioners, to issue an internal policy on whistleblowing system, to provide and retain summaries of the resolutions of the general meetings of the shareholders on the company’s website for at least one year.

In the event that a public company does not implement the GCG Guidelines, such a public company is required to provide an explanation on the underlying reason as to why the public company does not implement the GCG Guidelines.

Failure to implement the GCG Guidelines may be subject to administrative sanctions imposed by the OJK, such as a written warning and a fine.

TAXATION

The following summary is based on tax laws of Indonesia as in effect on the date of this Offering Circular, and is subject to changes in Indonesian law, including changes that could have retroactive effect. The following summary does not take into account or discuss the tax laws of any countries other than Indonesia. Prospective investors in all jurisdictions should consult their own tax advisors as Indonesian or other tax consequence of the purchase, ownership and disposition of the Shares.

Indonesian Taxation

The following is a summary of the principal Indonesian tax consequences of the ownership and disposition of shares for a non-resident individual or non-resident entity that holds shares in an Indonesian company (a “**Non-Indonesian Holder**”). It does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase shares. A “non-resident individual” is an individual who does not intend to reside in Indonesia and in reality does not reside in Indonesia and is not physically present in Indonesia for more than 183 days during any 12 month period (unless an individual is deemed to be a tax resident by virtue of intending to reside in Indonesia as indicated by obtaining a working visa or limited stay permit card (“**KITAS**”) or by having a contract of employment with a period of more than 183 days) and a “non-resident entity” is a corporation or non-corporate body that is established under the laws of a jurisdiction other than Indonesia and is not domiciled in Indonesia.

Taxation of Dividends

Article 4 Paragraph (3) Letter (f) of the Law No. 7 of 1983 on Income Tax, as most recently amended by Law No. 36 of 2008 (“**Income Tax Law**”), stipulates that dividends or shares of profits received or acquired by a limited liability company as resident taxpayers, cooperatives, state-owned enterprises or regional-owned enterprises, of capital participation in a business entity established and domiciled in Indonesia, are exempted from tax objects with the following provisions:

- (i) dividends are derived from retained earnings; and
- (ii) their minimum share ownership in such business entity is 25% of the paid-up capital.

Pursuant to Article 17 Paragraph (2c) of the Income Tax Law, any dividends received or obtained by an individual domestic taxpayer is subject to a final tax of 10%.

Dividends declared by our Company out of retained earnings and distributed to a Non-Indonesian Holder in respect of the Shares are subject to Indonesian withholding tax, currently at the rate of 20%, on the amount of the distribution. A lower rate provided under certain Agreements for Avoidance of Double Taxation (“**tax treaties**”) may be applicable, provided that the relevant requirements are met. In order to benefit from the reduced rate under the relevant tax treaty, the Non-Indonesian Holder has to be the beneficial owner of the dividend (agents, nominees and conduit companies are not considered beneficial owners) and has to provide a Certificate of Tax Residence to the Company as well as satisfy certain administrative requirements as described in the section entitled “Tax Treaties, Entitlement to Benefits and a Certificate of Tax Residence” below.

Taxation on the Disposition of Shares

Pursuant to Government Regulation No. 41 of 1994 on Income Tax on Income from Share Trading Transactions on the Stock Exchange, as amended by Government Regulation No. 14 of 1997, the sale of shares that are listed on an Indonesia stock exchange is subject to final withholding tax of 0.1% of the gross amount of the transaction value, which should be withheld by the stock exchange (in this case, the IDX) through the broker handling the transaction. An additional 0.5% final tax is imposed on the share value at the time of the initial public offering for founder shares. The payment of the additional income tax on the founder shares shall be made no later than one month after those shares have been traded on the IDX. Taxpayers that opt not to pay the 0.5% final tax will be subject to normal tax rates (25% for corporate taxpayers or a progressive tax rate with a maximum of 30% for individual taxpayers) on any capital gains derived from sale of the founder shares.

Currently, the tax regulations for listed shares do not contain any provision in respect of treaty protections. In practice, the 0.1% final withholding tax is applied irrespective of the fact that there may be treaty exemptions.

Stamp Duty

According to Government Regulation No. 24 of 2000 on the Amendment to Stamp Duty Tariffs and the Limit of the Imposition of Nominal Prices, an agreement that effects a sale of Indonesian shares is subject to stamp duty of Rp6,000. The nominal amount of the Indonesian stamp duty is Rp6,000 for transactions having a value greater than Rp1,000,000 and Rp3,000 for transactions having a value between Rp250,000 and Rp1,000,000. Generally, the stamp duty is due at the time the document is executed.

Tax Treaties, Entitlement to Benefits and a Certificate of Tax Residence

Indonesia has concluded tax treaties with a number of countries including Australia, Belgium, Canada, France, Germany, Japan, Luxembourg, the Netherlands, Singapore, Sweden, Switzerland, Hong Kong, the United Kingdom and the United States of America. Where a tax treaty exists, provided the eligibility requirements of that treaty are satisfied, there is no misuse of the tax treaty and the administrative requirements under the domestic tax regulations are met, a reduced rate of withholding tax is applicable.

Based on the Regulation of Director General of Taxes No. PER-10/PJ/2017 of 2017 (“**PER-10/PJ/2017**”) on the Procedures for the Application of Double Taxation Avoidance Agreement, which was effective on 1 August 2017, a lower withholding tax rate provided under certain double tax treaties may be applicable provided that, among others, requirements such as the conditions below (“**Tax Treaty Relief Conditions**”) are fulfilled:

- (i) there is a difference between the provisions as stipulated in the Income Tax Law and the provisions as stipulated in the tax treaty;
- (ii) the income recipient is not an Indonesian tax subject;
- (iii) the income recipient is an individual or an entity constituting as a resident tax subject of the tax treaty partner country or of the tax treaty partner jurisdiction;
- (iv) the non-resident taxpayer submits the DGT form which has fulfilled the administrative requirements and other certain requirements;
- (v) there is no tax treaty abuse by the non-resident taxpayer; and
- (vi) the income recipient is the beneficial owner, if it is required within the tax treaty (for interest, royalty, dividend payment, etc.)

In connection with point (iv) of the Tax Treaty Relief Conditions above, non-tax residents are considered to have fulfilled the administrative requirements, if they can provide the company with the original copy of its DGT-1 Form or certificate of domicile, which must be:

- (i) in the form prescribed by the DGT (i.e. Form DGT-1 or Form DGT-2, whichever is applicable);
- (ii) filled in correctly, completely and comprehensively by the non-resident taxpayer;
- (iii) signed or given a mark equivalent to the signature of the non-resident taxpayer in accordance with the common practice in the tax treaty partner country or the tax treaty partner jurisdiction;
- (iv) legalised through the signature or a mark equivalent to the signature of a competent tax authority in accordance with the common practice in the tax treaty partner country or the tax treaty partner jurisdiction;
- (v) used for the period set within the DGT form; and
- (vi) submitted by the tax withholding agent and/or collector at the same time as the submission of periodic tax return, not later than the end of the periodic tax return submission for the period when the tax is payable.

Article 8 of PER-10/PJ/2017 states that the certificate of domicile of a foreign taxpayer shall fulfill other certain requirements in the event that:

- (i) for foreign taxpayers who use Form DGT-1, the foreign taxpayers must state in the second sheet of the form that the foreign taxpayers have:
 - (1) economic motives that are relevant to the establishment of the entity;
 - (2) business activities that are managed by their own management and the management has sufficient authority to conduct transactions;

- (3) fixed assets and non-current assets that are sufficient and adequate to perform its business activities in the treaty partner country, other than assets that generate income from Indonesia;
 - (4) a sufficient and adequate number of employees with certain skills that are in accordance with the business field performed; and
 - (5) activities or active businesses other than those only generating income in the form of dividends, interests and/or royalties originating from Indonesia;
- (ii) for foreign taxpayers who use Form DGT-1 and foreign taxpayers who are required to, as beneficial owners based on the tax treaty, besides having to fulfill the provisions as referred to in the point (i) above, the foreign taxpayer must state in the third sheet of the form, that they:
- (1) the individual non-tax resident is not acting as an agent or a nominee; or
 - (2) the corporate non-tax resident is not acting as an agent, nominee or conduit, which must fulfill the following provisions:
 - (a) has control in using or benefiting from the funds, assets, or rights, which will generate income from Indonesia;
 - (b) not more than 50% of the income shall be used to fulfill obligations to other parties (besides employee remuneration, other common operating cost in carrying out its business and dividend distribution);
 - (c) bears the risks of its owned assets, capital or liabilities; and
 - (d) has no written or unwritten obligations to partly or fully distribute its income received from Indonesia to other parties.

In connection with point (v) of the Tax Treaty Relief Conditions above, non-tax residents are considered to have not abused the tax treaty, if:

- (i) there is an economic substance in the establishment of entity or the implementation of the transaction;
- (ii) its legal form reflects the economic substance in the establishment of the entity or the implementation of the transaction;
- (iii) it has business activities, which are managed by its own management and the management has its independent discretion;
- (iv) it has sufficient assets to conduct business other than the assets generating income from Indonesia;
- (v) it has sufficient and qualified employees in accordance with its business activities; and
- (vi) it has activities or active businesses other than those only generating income in the form of dividends, interests and/or royalties originating from Indonesia

An individual or a company covered by the tax treaty is considered to be the beneficial owner, as mentioned on point (vi) of the Tax Treaty Relief Conditions above, if:

- (i) the individual non-tax resident is not acting as an agent or a nominee; or
- (ii) the corporate non-tax resident is not acting as an agent, nominee or conduit, which must fulfill the following provisions:
 - (1) has control in using or benefiting from the funds, assets, or rights, which will generate income from Indonesia;
 - (2) not more than 50% of the income shall be used to fulfill obligations to other parties (besides employee remuneration, other common operating cost in carrying out its business and dividend distribution);
 - (3) bears the risks of its owned assets, capital or liabilities; and
 - (4) has no written or unwritten obligations to partly or fully distribute its income received from Indonesia to other parties.

For banking institutions, the recipients have to provide the company with the Certificate of Domicile of Non-Resident for Indonesian tax withholding, namely Form-DGT 2. Form-DGT 1 (page 1) and Form-DGT 2 are only valid for 12 months from the date of issuance and must be renewed after 12 months.

PLAN OF DISTRIBUTION

The Combined Offering

We are offering of 918,650,000 Offer Shares comprising 604,375,000 Primary Shares to be offered by us in the Primary Offering and 314,275,000 Placement Shares to be offered by the Selling Shareholders in the Private Placement, in each case, at the Offering Price. The Combined Offering consists of the concurrent International Offering and Indonesian Offering. The closing of the International Offering is conditional upon the closing of the Indonesian Offering and the closing of the Private Placement is conditional on the closing of the Primary Offering and the listing of our Shares on the IDX. The Offer Shares may be reallocated between the International Offering and the Indonesian Offering. The International Offering will be conducted by PT CGS-CIMB Sekuritas Indonesia, PT CLSA Sekuritas Indonesia and PT Mandiri Sekuritas as the Joint Lead Underwriters. The Indonesian Offering will be conducted by the Underwriters.

In connection with the Primary Offering, we have entered into the Deed of Underwriting Agreement No. 20, dated 15 March 2018, as amended and restated by the Deed of Addendum and Restatement to the Underwriting Agreement No. 16, dated 9 April 2018, with the Joint Lead Underwriters, and most recently amended and restated by the Deed of Addendum II and Restatement to the Underwriting Agreement No. 6, dated 7 May 2018, with the Underwriters, all of which made before Aulia Taufani, S.H., Notary in Jakarta (the “**Underwriting Agreement**”), with the Underwriters, which sets out the terms and conditions upon which the Underwriters will offer the Primary Shares on our behalf at the Offering Price. If any of the Primary Shares are not subscribed or purchased or paid by subscribers pursuant to the Primary Offering, the Underwriters have agreed to subscribe or purchase and pay for such Primary Shares at the Offering Price according to their respective underwriting portions.

In connection with the Private Placement, the Selling Shareholders have entered into a placement agreement dated 7 May 2018 (the “**Placement Agreement**”) with the Joint Lead Underwriters, which sets out the terms and conditions upon which Joint Lead Underwriters will offer the Placement Shares at the Offering Price to (i) a limited number of investors in the Republic of Indonesia by way of a private placement and (ii) a limited number of eligible investors resident outside of the Republic of Indonesia and outside of the United States, in each case, in offshore transactions in reliance on Regulation S under the U.S. Securities Act. The Selling Shareholders have agreed to indemnify the Joint Lead Underwriters against certain liabilities in connection with the Private Placement, and to contribute to payments which the Joint Lead Underwriters may make in respect thereof.

No offer of Offer Shares is being made to citizens of Indonesia (wherever located) or residents of Indonesia pursuant to this Offering Circular. The issue and sale of the Offer Shares to Indonesian citizens (wherever located) and/or residents of Indonesia will be made pursuant to the Indonesian Language Prospectus.

Fees and Expenses

As compensation to the Underwriters for their commitments to procure investors to purchase (or, in the event of under-subscription, to purchase) the Primary Shares in the Primary Offering, we have agreed to pay the Underwriters an amount equal to 1.80% of the Offering Price multiplied by the aggregate number of Primary Shares to be sold by us in the Primary Offering. Investors in the Primary Offering who are subject to the fixed allotment will be required to pay brokerage fees of 1.00% per Primary Share at the time of settlement. Pooling investors in the Indonesian Offering will not be required to pay brokerage fee.

As compensation to the Joint Lead Underwriters for their services to procure investors to purchase the Placement Shares in the Private Placement, each Selling Shareholder has agreed to pay the Joint Lead Underwriters a commission fee of 1.80% and, on its sole discretion, an additional discretionary incentive fee of up to 0.40% of the Offering Price multiplied by the number of Placement Shares sold by such Selling Shareholder in the Private Placement. Investors in the Private Placement will be required to pay brokerage fees of 1.00% per Placement Share at the time of settlement.

Investors in the International Offering may be required to pay stamp duty and other similar charges in accordance with the laws and practices of the country of purchase, in addition to the Offering Price.

We will reimburse the Underwriters for certain costs, fees and expenses incurred in connection with or incidental to the Primary Offering and indemnify them against certain liabilities in connection with the offer and sale of the Primary Shares. The Selling Shareholders will reimburse the Joint Lead Underwriters for certain costs, fees and expenses incurred in connection with or incidental to the Private Placement and indemnify them against certain liabilities in connection with the offer and sale of the Placement Shares. Certain expenses of the Combined Offering will be borne by the Joint Lead Underwriters.

Important Dates

The following events have taken place or are expected to take place on or about the following dates in connection with the Combined Offering:

Event	Date
Effective date of OJK registration statement	15 May 2018
Commencement of the offering period	17 May 2018
End of the offering period	18 May 2018
Allotment of the Primary Shares to successful applicants	21 May 2018
Payments due by purchasers for the Primary Offering under the International Offering	22 May 2018
Delivery of the Primary Shares	22 May 2018
Listing of the Shares on the IDX	23 May 2018
Payments due by purchasers for the Private Placement	23 May 2018
Delivery of the Placement Shares	23 May 2018

Registration with OJK

We submitted a registration statement to OJK on 16 March 2018. This registration statement was declared effective by the Chairperson of OJK on 15 May 2018, thereby permitting us to proceed with the Indonesian Offering and the listing of the Shares.

Offering Period for the Indonesian Offering

The offering period for the Indonesian Offering will begin on or about 17 May 2018 and end on or about 18 May 2018 (the “**Offering Period**”).

We expect the Joint Lead Underwriters to make payment of the net proceeds for the Primary Shares to us on or about 22 May 2018 and listing of the Shares on the IDX to occur on or about 23 May 2018.

Application for Primary Shares under the International Offering

Each non-Indonesian citizen and non-Indonesian resident must properly complete and submit a share subscription application form in order to be eligible to purchase the Primary Shares in the International Offering. The Joint Lead Underwriters will be responsible for ensuring preparation of share subscription forms on behalf of foreign investors in the International Offering. Share subscription applications and allocations in connection with the Indonesian Offering are regulated by OJK rules.

Share applications must be for a minimum amount of 100 Shares and multiples thereof. Each investor may only submit one share application form. The Joint Lead Underwriters are entitled to accept or refuse a share application in full or in part with respect to the Primary Shares under the International Offering. Multiple share applications submitted using more than one share application form may either be treated as a single application for allotment purposes or treated, in full or in part, as invalid applications at the sole discretion of the Joint Lead Underwriters.

Full payment by non-Indonesian citizens and non-Indonesian residents for the Primary Shares is required to be made in available funds on or about 22 May 2018. Information as to wire transfer instructions will be made available by the Joint Lead Underwriters to eligible investors upon request. All bank and transfer charges with respect to these payments will be borne by the investors.

Allotment of Primary Shares

Fixed Allotment and Pooling

At the conclusion of the Offering Period, the allotment of the Primary Shares will be made by PT CLSA Sekuritas Indonesia, acting as the allotment manager (the “**Allotment Manager**”), using a combined system of “fixed allotment” and “pooling” in accordance with applicable Indonesian regulations. Under this rule, the Allotment Manager may determine how to apportion the allotment of the Primary Shares between the “fixed allotment” and “pooling” systems. The last date by which the Allotment Manager will determine the number of Primary Shares allotted for each applicant is expected to be on or about 21 May 2018.

The Joint Lead Underwriters has determined that the equivalent of 98.00% of the Primary Shares being offered will be subject to a fixed allotment system. The allotment of the equivalent of 2.00% of the Primary Shares being offered will be by a system of pooling.

Allotment to Foreign Institutions

There is generally no limit on the purchase of Primary Shares by foreign institutions. Allocation to foreign institutions will be on the same basis as to domestic institutions and individuals.

Allocation to Affiliated Parties

“Affiliated Applicants” include members of the Board of Directors, the Board of Commissioners (excluding the Company’s independent commissioners), the substantial shareholders (*Pemegang Saham Utama*) and employees of the Company seeking to purchase the Company’s Shares, or other parties holding at least 20.00% of the share capital in the Underwriters or any other party affiliated with persons involved in the Combined Offering. Affiliated Applicants will only be allotted the Primary Shares if there are excess Primary Shares. Once the applications of non-Affiliated Applicants are satisfied, Affiliated Applicants may be allocated the remaining Offer Shares on a pro-rata basis.

Employee Stock Allocation Program (“ESA Programme”)

Simultaneously with the Combined Offering, we have allocated 1.00% of the Primary Shares, or 6,043,750 Offer Shares, to eligible employees through the ESA Programme, which was approved by our shareholders, pursuant to the Deed of Extraordinary General Meeting of Shareholders No. 11 dated 9 March 2018 made before Aulia Taufani, S.H., Notary in Jakarta (“**Deed**”) and the Decision Letter of the Board of Directors No. 01/SK-DIR/III/2018 dated 12 March 2018. The implementation of the ESA Programme shall comply with the provisions set forth in Bapepam Regulation No. IX.A.7, Attachment to the Decree of Chairperson of BAPEPAM & LK No. Kep-691/BL/2011 dated 30 December 2011 on Subscription and Allotment in a Public Offering. The exercise price of the shares allocated under the ESA Programme is the same as the Offering Price.

Delivery of Offer Shares

We expect that delivery of the Primary Shares will be made on or about 22 May 2018, which will be the business day immediately following the expected date of final allotment of the Primary Shares in the Combined Offering. The Primary Shares may not be traded by the investors thereof prior to the listing of the Offer Shares on the IDX.

In connection with the Private Placement, the closing of the Private Placement is conditional on the closing of the Primary Offering and the listing of our Shares on the IDX. Assuming these conditions are satisfied, payment to the Selling Shareholders for the Placement Shares is expected to take place on or about 23 May 2018 in immediately available funds, and delivery of the Placement Shares will be made against payment therefore in electronic (scripless) form for their administration in KSEI effected through a crossing of such shares on the IDX on or about 23 May 2018.

Management and Employee Stock Option Programme (“MESOP”)

In addition to the ESA Programme, based on the Deed, our shareholders also approved the implementation of the MESOP.

Option rights distributed to the participants of MESOP can be used to purchase 1.00% of our issued and paid-in capital after the completion of the Combined Offering, or 30,218,750 new Shares. The stock options are subject to a vesting period of one year from their date of grant and stock option holders will not be able to exercise their stock options until expiry of the vesting period. The stock options have an option life of three years from their date of grant.

The stock options under the MESOP will be issued in three phases:

- Phase I: 30.00% of the total stock options to be issued under the MESOP will be issued within 60 days after the listing date.
- Phase II: 30.00% of the total stock options to be issued under the MESOP will be issued on the first anniversary of the listing date.
- Phase III: 40.00% of the total stock options to be issued under the MESOP will be issued on the second anniversary of the listing date.

Suspension or Cancellation of the Primary Offering

At any time prior to the effective letter from OJK, we and the Underwriters may cancel the Primary Offering under certain circumstances pursuant to the Underwriting Agreement. Between the declaration of effectiveness of the Offering by OJK and the end of the Offering Period, the Primary Offering may only be postponed or terminated by an application made by the Company to OJK for its approval and only under the following limited circumstances:

- (i) the Indonesian Composite Index is down more than 10% on three consecutive exchange days on the IDX;
- (ii) a disaster, flood, earthquake, volcanic eruption, war, riots, fire or labour strike occurs which may significantly affect our business; or
- (iii) any other event occurs which, in the opinion of OJK in accordance with its regulations, may significantly affect our business.

Lock-up Arrangement

For a period of 12 months after the effective date of our registration statement with OJK, our Company is not permitted, without the prior written consent of the Underwriters, to issue and offer any Shares, other than the Offer Shares.

Registration of the Shares in KSEI

The Shares have been registered into the depository facilities of KSEI in accordance with the Agreement for the Registration of Shares into Central Deposit entered into between KSEI and us on 3 April 2018.

By registering the Shares in KSEI, we will not issue individual share certificates to successfully applicants, but any Primary Shares allotted to an investor will be distributed electronically. In order to submit an application for the Primary Shares, each investor must hold a securities account with a securities company or custodian bank which is a KSEI Participant to manage and administer any Primary Shares allotted to it on the investor's behalf.

At the end of the Offering Period, the Allotment Manager will undertake the allotment in the manner set out above and report the allotment result to us. We will issue a KSEI a confirmation of registration in our register of the Primary Shares, in the name of KSEI, of the number of Primary Shares allotted as part of the Combined Offering. We will then instruct KSEI to credit the Underwriters' securities accounts with KSEI to receive and hold the Primary Shares allotted to the successful applicants. The Joint Lead Underwriters will then instruct KSEI to distribute the number of Primary Shares allotted to a successful applicant from their securities accounts to the securities account of the relevant KSEI Participant.

As evidence of the allotment of the Primary Shares, the Joint Lead Underwriters will deliver allotment confirmation forms to the KSEI Participants which must then be passed on to the relevant investor, in exchange for a subscription receipt. Distribution of the allotment confirmation forms is expected to occur at the latest two working days after the last day of the Offering Period. Proof of ownership of the Primary Shares will be in the form of a written confirmation letter from KSEI or the KSEI Participant charged with managing the relevant investor's account.

The transfer of the Shares held with KSEI will be by way of electronic book-entry between securities accounts. The shareholder holding our Shares through KSEI will be entitled to withdraw its Shares from the central deposit and receive a share certificate registered in its name. Only those Shares which are registered in KSEI will be tradable on the IDX.

Article 60 of the Indonesian Law No. 8 of 1995 on the Capital Market provides that all rights attaching to the Shares held with KSEI, including dividends and other ownership entitlements on securities, will be automatically distributed by KSEI to a beneficial shareholder holding Shares through the depository system via its KSEI Participant who holds the Shares on such beneficial shareholder's behalf. The KSEI Participant is obliged to open a sub-account in the name of the relevant customers and immediately pass such rights and entitlements onto its customers.

Prior to any corporate action being taken by us, KSEI must provide details to us concerning the share entitlements of all the beneficial shareholders on whose behalf Shares are held. A KSEI Participant is obliged to notify a beneficial shareholder of the exercise of any pre-emptive rights, delivery of annual reports and other notices by us as well as notices of general meetings of shareholders. The beneficial shareholder, the KSEI Participant it holds the Shares through, or its legal representative has the right to be present and vote at our general meetings of shareholders.

KSEI is obliged to give us details of the KSEI Participants holding Shares on behalf of beneficial shareholders either:

- (i) within one working day after the record date set for the purposes of assessing the identity of the shareholders entitled to a dividend or other such rights attaching to Shares which have been declared by us; or
- (ii) prior to the holding of our general meeting of shareholders; or
- (iii) at our request based on an instruction from an authorised person or agency to us in accordance with the prevailing laws and regulations.

A beneficial shareholder that wishes to obtain a share certificate may withdraw its Shares from the depository once all of those Shares have been distributed to the securities account of its KSEI Participant. An application for the withdrawal of the Shares must be forwarded to KSEI by the KSEI Participant, on behalf of the beneficial shareholder, in a specified form. Collective share certificates in the name of the shareholder will be issued to the beneficial shareholder for any Shares that are withdrawn from KSEI no later than five business days from the receipt of the withdrawal request by KSEI from the KSEI Participant, unless KSEI rejects the withdrawal of Shares based on written orders from OJK or certain other authorised persons if required for the purposes of civil or criminal court proceedings. Only Shares remaining in KSEI, and which have not been pledged, foreclosed upon based on a court order or seized for the purposes of criminal court investigation, can be traded on the IDX. Investors wishing to trade withdrawn Shares on the IDX must convert the withdrawn Shares back into scripless Shares and deposit the Shares with the KSEI. The process of depositing withdrawn Shares can take up to five business days.

No Public Trading Market for Our Shares

Before this Combined Offering, there has been no public market for our Shares. The Offering Price was determined through negotiations among us and the Joint Lead Underwriters. In addition to prevailing market conditions, the factors considered in determining the Offering Price were:

- (i) the valuation multiples of publicly traded companies that the Joint Lead Underwriters believe to be comparable to us;
- (ii) our financial information;
- (iii) the history of, and the prospects for, us and the industry in which we compete;

- (iv) an assessment of our management, our past and present operations, and the prospects for, and timing of, our future revenues; and
- (v) the above factors in relation to market values and various valuation measures of other companies engaged in activities similar to ours.

An active trading market for our Shares may not develop. It is also possible that after the Combined Offering, the Shares will not trade in the public market at or above the Offering Price.

Other Relationships

The Underwriters and certain of their respective affiliates have engaged in, and may in the future engage in, investment banking or financial consulting activities and other commercial dealings in the ordinary course of business with us.

Selling Restrictions

General

No action has been taken or will be taken that would permit a public offering of the Offer Shares to occur in any jurisdiction other than Indonesia, or the possession, circulation or distribution of this Offering Circular or any other material relating to us or the Offer Shares in any jurisdiction where action for such purpose is required. Accordingly, Offer Shares may not be offered or sold, directly or indirectly, and neither this Offering Circular or any offering materials or advertisements in connection with the Offer Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will be in compliance with any applicable rules and regulations of any such country or jurisdiction. The Indonesian Offering will be made in compliance with the applicable rules of OJK.

Hong Kong

This Offering Circular has not been delivered for registration to the Registrar of Companies in Hong Kong and its contents have not been reviewed or authorised by any regulatory authority in Hong Kong. Accordingly: (i) the Offer Shares may not be offered or sold in Hong Kong by means of any document other than to persons that are considered “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and any rules made thereunder or in other circumstances which do not result in such document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) or which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) and as permitted under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong); and (ii) no person may issue, or have in its possession for the purpose of issue, any invitation, advertisement or other document relating to the Offer Shares whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Offer Shares, which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and any rules made thereunder.

WARNING: The content of this Offering Circular has not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offering. If you are in any doubt about any content of this Offering Circular, you should obtain independent professional advice.

Indonesia

This Offering Circular does not constitute a prospectus for a public offering of securities under Indonesian capital market law and regulations. This Offering Circular may not be distributed or passed on within Indonesia or to persons who are citizens of Indonesia or entities of or residents in Indonesia.

Malaysia

This Offering Circular has not been and will not be registered as a prospectus with the Securities Commission Malaysia under the Malaysian Capital Markets and Services Act 2007 (as amended) (“**CMSA**”). No prospectus in relation to the Offer Shares has been registered with the Securities Commission Malaysia under the CMSA or with any other regulatory body in Malaysia. Also, no approval or authorisation of the Securities Commission Malaysia has been granted for making available, offering for subscription or purchase, or issuing an invitation to subscribe for or purchase the Offer Shares in Malaysia. As such, the Offer Shares will only be made available and offered for sale to persons falling within any of paragraphs 10(a) to (k) of Schedule 5 of the CMSA, provided that the distribution of such Securities is made by a holder of a Capital Markets Services Licence who carries on the business of dealing in securities. This Offering Circular does not constitute and may not be used for the purpose of a public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring (a) the approval or authorisation of Securities Commission Malaysia and (b) the registration of a prospectus with the Securities Commission Malaysia under the CMSA.

Singapore

This Offering Circular has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Offer Shares may not be circulated or distributed, nor may the Offer Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289 of Singapore) (the “**SFA**”)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Offer Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
 - (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,
- securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Offer Shares pursuant to an offer made under Section 275 of the SFA except:
- (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
 - (2) where no consideration is or will be given for the transfer;
 - (3) where the transfer is by operation of law;
 - (4) as specified in Section 276(7) of the SFA; or
 - (5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

United States

The Offer Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Offer Shares are being offered and sold only outside the United States in accordance with Regulation S.

Each investor of the Offer Shares offered hereby will be deemed to have represented and agreed that it has received a copy of this document and such other information as it deems necessary to make an investment decision and that:

- it is aware that the Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States;
- it is purchasing the Offer Shares in an offshore transaction meeting the requirements of Regulation S; and
- it will not offer, sell, pledge or transfer any Offer Shares, except in accordance with the U.S. Securities Act and any applicable laws of any state of the United States and any other jurisdiction.

In addition, until 40 days after the commencement of the Combined Offering, any offer or sale of the Offer Shares within the United States by a dealer whether or not participating in the Combined Offering may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the U.S. Securities Act.

Each investor of the Offer Shares in reliance with Regulation S will also be deemed to have represented that it is aware that the IDX is not a “designated offshore securities market” within the meaning of Regulation S.

INDEPENDENT AUDITORS

The financial statements as at and for the years ended 31 December 2015, 2016 and 2017 included in this Offering Circular have been audited by Purwantono, Sungkoro & Surja, independent public accountants and a member firm of Ernst & Young Global Limited, as stated in its report included elsewhere in this Offering Circular.

SUMMARY OF CERTAIN PRINCIPAL DIFFERENCES BETWEEN INDONESIAN FAS AND IFRS

Our financial statements included elsewhere in this Offering Circular have been prepared and presented in accordance with Indonesian FAS. Significant differences exist between Indonesian FAS and IFRS, which might be material to the financial statements of our Company included in this Offering Circular. The matters described below should not be expected to reveal all differences between Indonesian FAS and IFRS that are relevant to us.

Management has made no attempt to quantify the impact of those differences, nor has any attempt been made to identify all disclosure, presentation or classification differences that would affect the manner in which transactions or events are presented in the financial statements (or notes thereto). Had any such quantification or identification been undertaken by management, other potential significant accounting and disclosure differences may have come to its attention which are not summarised below. Accordingly, it should not be construed that the following summary of certain significant differences between Indonesian FAS and IFRS is complete.

Regulatory bodies that promulgate Indonesian FAS and IFRS have significant ongoing projects that could affect the differences between Indonesian FAS and IFRS described below and the impact that these differences would have on the financial statements of our Company in the future. Further, no attempt has been made to identify future differences between Indonesian FAS and IFRS as a result of prescribed changes in accounting standards and regulations. Finally, no attempt has been made to identify all future differences between Indonesian FAS and IFRS that may affect the financial statements of our Company as a result of transactions or events that may occur in future.

Management believes that the application of IFRS to the financial statements of our Company could have a material and significant impact upon the financial statements reported under Indonesian FAS. In making an investment decision, investors must rely upon their own examination of our Company, terms of the Combined Offering and the financial information. Potential investors should consult their own professional advisors for an understanding of the differences between Indonesian FAS and IFRS, and how those differences might affect the financial information disclosed in this Offering Circular.

Land Rights

In Indonesia, except for ownership rights granted to individuals, the titles of the land rests with the Government. Land-use is accomplished through land rights whereby the holder of the rights enjoys the full use of the land for a stated period of time, subject to extensions. Land rights are generally freely tradable and may be encumbered as security under borrowing agreements. Under Indonesian FAS, the acquisition costs of land rights are capitalised as land, which is not depreciated unless: (i) the condition of the land is no longer suitable for the main operation of the relevant holder of land rights, (ii) the nature of the relevant holder of land rights' main operation will result in the abandonment of land and buildings subsequent to completion of the project, or (iii) the relevant holder of land rights' prediction or certainty that an extension of the land rights will not be obtained. If any of the abovementioned conditions occurs, the land should be depreciated in accordance with the estimated length of the relevant holder of land rights' main operation or project.

Under IFRS, an "agreement whereby the lessor conveys to the lessee in return for a payment or a series of payments the right to use an asset for an agreed period of time" is considered as a lease. In determining whether the land-use is an operating or a finance lease, an important consideration is whether the lessee has an absolute right on such property. If the lessee does not and will not substantially own the land because the Government has a right to reject the renewal, such right is accounted for as a lease and the cost is amortised over the period that the holder expect to retain the land rights.

Tax Amnesty

Under Indonesian FAS, when recorded for commercial accounting purposes, tax amnesty assets and liabilities recognised in connection with the Law No. 11 of 2016 on Tax Amnesty are accounted for: (i) using the existing relevant accounting standards (the "**General Approach**"), or (ii) at the amounts reported in the Tax Amnesty Notification Letter (*Surat Keterangan Pengampunan Pajak* or "**SKPP**") (the "**Deemed Cost Approach**"). Any recognised tax amnesty liability shall be measured at the amount of cash or cash

equivalents that is required to settle the contractual obligation related to the acquisition of such tax amnesty asset. The difference between the amounts initially recognised for the tax amnesty assets and the related tax amnesty liabilities shall be recorded as “additional paid-in capital” (“**APIC**”) in the statement of financial position. The APIC shall not be recycled to earnings or recycled to retained earnings subsequently. The amount of tax paid in connection with the entity’s participation in the tax amnesty programme shall be charged directly to earnings in the period when the SKPP is received. When the General Approach is selected, the Indonesian FAS 25, “Accounting Policies, Change in Estimates, and Errors” shall be applied where restatement of prior periods’ financial statements may be required. When the Deemed Cost Approach is selected, tax amnesty assets and liabilities shall be recognised prospectively.

Under IFRS, there is no specific accounting standard that governs the recognition and measurement of tax amnesty assets and liabilities.

PROSPECTUS

Preliminary Offering Period	April 23 – May 3, 2018	Share Electronic Distribution Date	May 22, 2018
Effective Date	May 15, 2018	Subscription Refund Date	May 22, 2018
Share Initial Public Offering Period	May 17 - 18, 2018	Estimated Listing Date on the Indonesia Stock Exchange	May 23, 2018
Allotment Date	May 21, 2018		

THE FINANCIAL SERVICES AUTHORITY ("FSA") NEITHER STATES ITS APPROVAL OR DISAPPROVAL OF THE SECURITIES, NOR DOES THE FSA CONFIRM THE ACCURACY OR COMPLETENESS OF THE CONTENT OF THIS PROSPECTUS. ANY STATEMENT IN CONTRARY TO THE ABOVE SHALL CONSTITUTE AN UNLAWFUL ACT. THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. SHOULD THERE BE ANY DOUBTS CONCERNING THE APPROPRIATE COURSE OF ACTION, YOU ARE ADVISED TO CONSULT WITH THE COMPETENT PARTIES.

THIS DISCLOSURE OF INFORMATION IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION IF YOU ARE IN DOUBT AS TO WHAT ACTION YOU SHOULD TAKE, YOU ARE RECOMMENDED TO CONSULT WITH THE COMPETENT PARTIES.

PT SARIMELATI KENCANA TBK ("THE COMPANY") AND THE JOINT LEAD UNDERWRITERS SHALL BE FULLY RESPONSIBLE FOR THE ACCURACY OF ALL MATERIAL INFORMATION, FACTS DATA, OR REPORTS, AND THE TRUTHFULNESS OF OPINIONS STATED IN THIS PROSPECTUS.

THE OFFERING SHARES IN THIS PUBLIC OFFERING SHALL BE ENTIRELY LISTED ON PT BURSA EFEK INDONESIA (THE "INDONESIA STOCK EXCHANGE" OR THE "IDX").



PT SARIMELATI KENCANA TBK

Main Business Activities

Engaged in the restaurant, catering, warehousing, distribution, and food, as well as food processing (including bread and cake) industries

Head Office:

Graha Mustika Ratu Building, 8th Floor
Jl. Jenderal Gatot Subroto Kav. 74-75
RT/RW 001/01, Menteng Dalam Sub-District, Tebet District
Jakarta
Phone: +62 21 830 6789
Fax: +62 21 830 6790
Website: www.sarimelatikencana.co.id
Email: corsec@sarimelatikencana.co.id

Location of outlets and Factories

As of December 31 2017, the Company operates 237 PHR outlets and 156 PHD outlets in 76 cities and regencies in 28 provinces in Indonesia. The Company also operates Pasta Factory in Jakarta, Sausage Factory in West Java, Dough Ball Factory in Jakarta and West Java, and Commissary Dough Ball in West, Central, and East Java, Bali, South Sulawesi, and North Sumatra.

SHARE INITIAL PUBLIC OFFERING

604,375,000 (six hundred four million three hundred seventy five thousand) ordinary shares, entirely consisting of the new shares issued from the Company's portfolio, having a nominal value of Rp100 (one hundred Rupiah) per Share, representing 20% (twenty percent) of the Company's issued and fully paid-up capital subsequent to the Share Initial Public Offering ("Offering Shares"), which shall be offered to the Public at an Offer Price of Rp1,100 (one thousand one hundred Rupiah) per Share ("Offer Price") that shall be fully paid upon submission of the Share Subscription Form ("SSF"). The aggregate value of the Share Initial Public Offering shall be in the amount of Rp664,812,500,000 (six hundred sixty four billion eight hundred twelve million five hundred thousand Rupiah).

The Company shall conduct an ESA Program by allocating 1% (one percent) shares of the total Offering Shares issuance, and shall issue stock options for MESOP up to 1% (one percent) shares of the total issued and fully paid-up capital subsequent to the Share Initial Public Offering. Please see Chapter I of this Prospectus for further information concerning the ESA Program and MESOP.

All shareholders of the Company shall have the same and equal rights in all respect with other shares of the Company that have been issued and paid up, in accordance with the Law No. 40 of 2007 on Limited Liability Company (the "Company Law"). The Offering Shares will be duly owned and free of any dispute and/or encumbrance to any other party whatsoever and are not being offered to any other party. All shares of the Company shall be listed on the Indonesia Stock Exchange.

The Joint Lead Underwriters and Underwriters whose names are stated below shall underwrite the unsubscribed Offering Shares in the Share Initial Public Offering on a full commitment basis.

JOINT LEAD UNDERWRITERS



PT CGS-CIMB Sekuritas Indonesia



PT CLSA Sekuritas Indonesia



PT Mandiri Sekuritas

UNDERWRITERS

PT Artha Sekuritas Indonesia • PT BNI Sekuritas • PT Indosurya Bersinar Sekuritas • PT KGI Sekuritas Indonesia • PT Kresna Sekuritas
• PT Magenta Kapital Sekuritas Indonesia • PT NH Korindo Sekuritas Indonesia • PT Panca Global Sekuritas • PT Valbury Sekuritas Indonesia

THE COMPANY'S PRIMARY RISK EXPOSURE IS THE RISK OF LIMITATION AMOUNT OF OUTLETS OWNED INDEPENDENTLY BY THE COMPANY BASED ON REGULATION OF MINISTRY OF TRADE, WHICH CAN BE RISKED IN ADMINISTRATIVE SANCTION IN WARNING WRITTEN; TEMPORARY SUSPENSION, AND STPW REVOCATION. THE COMPLETE COMPANY'S BUSINESS RISKS ARE PRESENTED IN CHAPTER VI OF THIS PROSPECTUS.

THE MAIN RISK ASSOCIATED WITH INVESTMENT IN THE COMPANY'S SHARES IS THE OFFERING SHARES OF THIS SHARE INITIAL PUBLIC OFFERING MAY BE ILLIQUID. THE COMPLETE RISKS ASSOCIATED WITH INVESTMENT IN THE COMPANY'S SHARES ARE PRESENTED IN CHAPTER VI OF THIS PROSPECTUS.

THE COMPANY SHALL NOT ISSUE ANY COLLECTIVE SHARE CERTIFICATE IN THIS SHARE INITIAL PUBLIC OFFERING, HOWEVER, THE SHARES SHALL BE DISTRIBUTED ELECTRONICALLY AND ADMINISTERED IN THE COLLECTIVE DEPOSITORY OF PT KUSTODIAN SENTRAL EFEK INDONESIA ("KSEI").

The Prospectus is issued in Jakarta on May 17, 2018.

A Member of



PT Sarimelati Kencana Tbk (hereinafter referred to as the “**Company**”) has filed the Registration Statement in connection with this Public Offering to the Financial Services Authority (the “**FSA**”) in the Letter dated March 16, 2018 in accordance with the requirements set forth in the Law of the Republic of Indonesia No. 8 of 1995 concerning the Capital Market, which was announced in State Gazette of the Republic of Indonesia No. 64 of 1995 and the Supplement to the State Gazette of the Republic of Indonesia No. 3608 and the implementing regulations thereof (“**Capital Market Law**”), Regulation No. IX.A.2.

The Company intends to register its shares on PT Bursa Efek Indonesia (“**IDX**”) in accordance with the Approval of the Preliminary Securities Registration Request dated April 24, 2018 entered into between the Company and the IDX. Should the Company fail to satisfy the registration requirements stipulated by the IDX, the Share Initial Public Offering shall be void ab initio and payments of share subscription must be refunded to the subscribers in accordance the terms of the Securities Underwriting Agreement and the Regulation No. IX.A.2.

All the Capital Market Supporting Institutions and Professionals referred to in this Prospectus shall be fully responsible for the data presented in accordance with their respective functions and positions, in accordance with the provisions of the laws and regulations in the Capital Market as well as their respective code of ethics, norms and professional standards.

With respect to this Share Initial Public Offering, all affiliated parties are prohibited from providing any information or issuing any statements whatsoever concerning any data that is not disclosed in the Prospectus without the written consents of the Company and the Joint Lead Underwriters.

The Capital Market Supporting Institutions and Professionals hereby expressly represent that they do not qualify as direct or indirect affiliates of the Company according to the definition set forth in the Capital Market Law. Further description of affiliated relationship is available in Chapter XIII on Capital Market Supporting Institutions and Professionals and Other Parties.

The Joint Lead Underwriters, Underwriters, and the Capital Market Supporting Institutions and Professionals hereby expressly represent that they do not qualify as direct or indirect affiliates of the Company according to the definition set forth in the Capital Market Law, in accordance with the disclosures in Chapter XII on Underwriting and Chapter XIII on Capital Market Supporting Institutions and Professionals.

THIS SHARE INITIAL PUBLIC OFFERING IS NOT REGISTERED BASED ON LAWS AND REGULATIONS OTHER THAN THOSE APPLICABLE IN THE REPUBLIC OF INDONESIA. SHOULD ANY PERSON OUTSIDE THE JURISDICTION OF THE REPUBLIC OF INDONESIA RECEIVE THIS PROSPECTUS, SUCH PROSPECTUS IS NOT INTENDED AS AN OFFERING DOCUMENT TO PURCHASE THE SHARES, EXCEPT IF SUCH OFFERING, OR PURCHASE OF SUCH SHARES, IS NOT CONTRARY TO, AND DOES NOT CONSISTUTE A VIOLATION OF THE LAWS AND REGULATIONS AND STOCK EXCHANGE REGULATIONS APPLICABLE IN SUCH OTHER COUNTRY OR JURISDICTION OUTSIDE THE REPUBLIC OF INDONESIA.

THE COMPANY HAS DISCLOSED ALL MATERIAL INFORMATION THAT ARE MANDATORY TO BE DISCLOSED TO THE PUBLIC AND THERE IS NO FURTHER UNDISCLOSED MATERIAL INFORMATION THAT MAY MISLEAD THE PUBLIC.



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DEFINITIONS, TERMS AND ABBREVIATIONS

Abridged Prospectus;	Refers to the written statement or information that presents a summary of the Preliminary Prospectus, which is prepared and issued by the Company with the assistance of the Joint Lead Underwriters and announced in 1 (one) national daily newspapers published in the Indonesian language, at the minimum, prepared jointly by the Company and the Joint Lead public Offering in accordance with the FSAR No. 8/2017, which shall be announced by no later than 2 (two) Business Days following the receipt of the FSA's statement that the Company is required to announce the Abridged Prospectus as stipulated in Annex 9 to Regulation No. IX.A.2.
Account Holder	Refers to the party whose name is registered as the owner of Securities Account and or Sub-Securities Account at KSEI, including Securities Companies and/or other parties approved by KSEI, with due consideration to the laws and regulations in the Capital Market and KSEI regulations.
Accounting Principles	Refers to the principles according to the Statements of Financial Accounting Standards (SFAS) issued by the Indonesian Institute of Accountants (<i>Ikatan Akuntan Indonesia</i> , "IAI").
ACF	Refers to the Allotment Confirmation Form, the form that serves as an allotment confirmation under the name of the subscriber that also serves as an evidence of share ownership in the primary market.
Affiliate	The parties referred to in article 1 point 1 of the Capital Market Law, namely: - family relationships by either marriage or descents up to the second degree, horizontally and vertically; - relationship between a party and the employees, directors or commissioners of such party; - relationship between 2 (two) companies having 1 (one) or more common directors or commissioners; - Relationship between the company and the party which, directly or indirectly, controls or is controlled by such company; - relationship between 2 (two) companies that are directly or indirectly under common control of the same party; or - relationship between a company and its majority shareholder(s).
Allotment Date	Refers to the date on which the Allotment Manager determine the share allotment, which shall be no later than 2 (two) Business Days subsequent to the closing date of the Share Initial Public Offering Period.
Allotment Manager	Refers to the party undertaking the allotment in accordance with Regulation No. IX.A.7, which for the purpose of this Initial Public Offering shall be undertaken by the Joint Lead Underwriter, PT Mandiri Sekuritas.
Bapepam-LK	Refers to <i>Badan Pengawas Pasar Modal dan Lembaga Keuangan</i> , or the Financial Institution and Capital Market Supervisory Agency, which is a merger between the Capital Market Supervisory Agency and the Directorate General of Financial Institutions, as defined in the Presidential Regulation No. 62 of 2005 and Decree of the Minister of Finance No. 606/KMK.01/2005 dated December 31, 2005, concerning the Organisation and Work Procedures of Bapepam and LK <i>jo.</i> the Ministry of Finance Regulation No. 184/PMK.01/2010 dated October 11, 2010, concerning the Organisation and Working Procedures of the Ministry of Finance or the replacements and beneficiaries of its rights and obligations thereof. Effective from December 31, 2012, the functions of Bapepam & LK have been transferred to the FSA
Business Day	Refers to business days in general, excluding Saturdays and Sundays, and the days stipulated by the Government of the Republic of Indonesia as national holidays.
CAGR	Refers to Compounded Annual Growth Rate.
Calendar Day	Refers to the days in 1 (one) year according to the Gregorian Calendar with no exception, including Saturday, Sunday and national holidays which may be stipulated from time to time by the Government of the Republic of Indonesia or ordinary Business Day, which, as a result of certain conditions, is stipulated by the Government of the Republic of Indonesia as a non-Business Day.



Capital Market Law	Refers to the Law of the Republic of Indonesia No. 8 of 1995 dated November 10, 1995 concerning the Capital Market, which was announced in the State Gazette of the Republic of Indonesia No. 64 of 1995 and the Supplement to the State Gazette of the Republic of Indonesia No. 3608, and the implementing regulations and amendments thereof.
Collective Depository	Refers to the custody service of securities jointly owned by more than one parties, whose interests are represented by the Custodian, as stipulated by the Capital Market Law.
Company Law	Refers to the Law of the Republic of Indonesia No. 40 of 2007 dated August 16, 2017, concerning Limited Liability Companies, which was announced in the State Gazette of the Republic of Indonesia No. 106 of 2007 and the Supplement to the State Gazette of the Republic of Indonesia No. 4756, and the implementing regulations and amendments thereof
Custodian Bank	Refers to commercial banks that have obtained the FSA's approval to provide depository services or custody services as defined in the Capital Market Law.
Distribution Date	Refers to the distribution date of the Offering Shares to the subscribers of such Offering Shares, which shall be electronically distributed by no later than 2 (two) Business Days subsequent to the Allotment Date.
Effective	Refers to the satisfaction of all procedures and requirements with respect to the Registration Statement in accordance with the provisions of number 4 point a of Regulation No. IX.A.2. 1. On the basis of elapsed time as set forth below: a. 45 (forty-five) days from the date that the FSA receives the complete Registration Statement, which has included all the criteria set forth in the regulation concerning the Registration Procedures for an Initial Public Offering and the regulations related to an Initial Public Offering; or b. 45 (forty-five) days from the date that the last amendment filed by the Company or requested by the FSA is satisfied; or 2. on the basis of a declaration of Effective Statement from the FSA stating that no further changes and/or additional information is required
ESA	Refers to the Employee Stock Allocation program.
Exchange Day	Refers to the days on which the IDX carries out securities trading transaction activities, from Monday to Sunday, except national holidays which may be stipulated from time to time by the Government of the Republic of Indonesia or ordinary Business Day, which, as a result of certain conditions, is stipulated by the IDX as a non-Business Day.
FSA	Refers to the financial Services Authority, which is regulated by the provisions of Law No. 21 of 2011 dated November 22, 2015, concerning the FSA (" Law No. 21/2011 "), which is the independent institution that is free from any intervention, which has the function, responsibilities and authorities to regulate, supervise, examine and investigate as stipulated in Law No. 21/2011.
FSAR No. 11/2017	Refers to FSA Regulation No. 11/POJK.04/2017 concerning Share Ownership Report on Changes in Share Ownership.
FSAR No. 23/2017	Refers to FSA Regulation No. 23/POJK.04/2017 concerning Preliminary Prospectus and Information Memorandum.
FSAR No. 25/2017	Refers to FSA Regulation No. 25/POJK.04/2017 concerning the Restrictions on Shares Issued Prior to a Public Offering.
FSAR No. 30/2015	Refers to FSA Regulation No. 30/POJK.04/2015 concerning the Report on Realization of Use of Proceeds from Public Offerings.
FSAR No. 32/2014	Refers to FSA Regulation No. 32/POJK.04/2014 concerning the Plan and Organisation of General Meeting of Shareholders of Public Companies as amended by the FSA Regulation No. 10/POJK.04/2017 concerning the Amendment to the FSA Regulation No. 32/POJK.04/2014 concerning Plan and Organization of General Meeting of Shareholders of Public Companies dated March 14, 2017.
FSAR No. 33/2014	Refers to FSA Regulation No. 33/POJK.04/2014 concerning the Board of Directors and Board of Commissioners of Issuers or Public Companies.



FSAR No. 34/2014	Refers to FSA Regulation No. 34/POJK.04/2014 concerning the Nomination and Remuneration Committee of Issuers or Public Companies.
FSAR No. 35/2014	Refers to FSA Regulation No. 35/POJK.04/2014 concerning Corporate Secretary of Issuers or Public Companies.
FSAR No. 38/2014	Refers to FSA Regulation No. 38/POJK.04/2014 concerning Additional Capital of Public Companies without Preemptive Rights.
FSAR No. 55/2015	Refers to FSA Regulation No. 55/POJK.04/2015 dated December 29, 2015, concerning the Establishment and Working Guidelines of Audit Committee.
FSAR No. 56/2015	Refers to FSA Regulation No. 56/POJK.04/2015 dated concerning the Establishment and Preparation of the Internal Audit Charter.
FSAR No. 7/2017	Refers to FSA Regulation No. 7/POJK.04/2017 concerning Registration Statement Documents in connection with Equity Securities, Debt Securities and/or Islamic Bonds (<i>Sukuk</i>) Public Offering.
FSAR No. 8/2017	Refers to FSA Regulation No. 8/POJK.04/2017 concerning the Form and Content of Prospectus and Abridged Prospectus for Equity Securities Public Offerings.
GMS	Refers to the General Meeting of Shareholders, which shall be the general meeting of the Company's shareholders convening in accordance with the provisions of the Company's Articles of Association and the Company Law and the Capital Market Law and the implementing regulations thereof.
IDX or the Stock Exchange	Refers to PT Bursa Efek Indonesia, a limited liability company established based on the laws of Indonesia and domiciled in Jakarta (or the replacements or beneficiaries thereof), is the stock exchange as defined in Article 1 point 4 of the Capital Market Law, where the Company's shares will be listed.
Joint Lead Underwriters	Refer to the Parties undertaking the management and organisation of the Share Initial Public Offering, which in this respect shall be PT CLSA Sekuritas Indonesia, PT CGS-CIMB Sekuritas Indonesia and PT Mandiri Sekuritas.
KSEI	Refers to the abbreviation of Kustodian Sentral Efek Indonesia, which is responsible for the administration of Securities depository pursuant to the Securities Registration in Collective Depository Agreement, organized by PT Kustodian Sentral Efek Indonesia, a limited liability company domiciling in Jakarta.
LEAS	Refers to the Legal Entity Administration System
Listing Date	Refers to the listing date of the Offering Shares to be traded on the Stock Exchange, which shall be no later than 1 (one) Business Day following the Distribution Date defined in the Prospectus.
Member of Stock Exchange	Refers to the Member of Stock Exchange as defined in Article 1 paragraph (2) of the Capital Market Law.
MESOP	Refers to the Management and Employee Stock Option Plan. The grant of Stock Option to managements and employees.
MoLHR	Refers to the Minister of Law and Human Rights of the Republic of Indonesia, previously the "Minister of Justice and Human Rights of the Republic of Indonesia", as previously changed to the "Minister of Justice and Laws and Regulations of the Republic of Indonesia" and the "Minister of Justice and Human Rights of the Republic of Indonesia.
New Shares	Refers to the new Shares issued from the Company's portfolio in a sum of 604,375,000 (six hundred four million three hundred seventy five thousand) shares in connection with the Share Initial Public Offering.
Offer Price	Refers to the price of each Offering Share in the Public Offering, which shall be Rp1,100 (one thousand and one hundred Rupiah) per Share.



Payment Date	Refers to the payment date on which the Underwriters, through the Joint Lead Underwriters to the Company, distribute the entire proceeds from the Offering Shares in the Share Initial Public Offering, including proceeds from Special Subscribers in the Share Initial Public Offering, which shall be conducted in conjunction with the Distribution Date as defined in the Prospectus.
PH	Refers to Pizza Hut
PHD	Refers to Pizza Hut Delivery
PHR	Refers to Pizza Hut Restaurant
Preliminary Offering (bookbuilding)	Refers to direct and/or indirect solicitation using the Preliminary Prospectus, immediately following the announcement of the Abridged Prospectus on the newspapers, with the purpose of gauging the Public's interest on the Offering Shares, in the form of indicative number of shares to be subscribed and/or an Offer Price estimate, which is not binding and does not constitute a subscription in accordance with the FSAR No.23/2017 and with due consideration to the Regulation No. IX.A.2.
Preliminary Prospectus	Refers to the written document containing all information in the Prospectus submitted to the FSA as part of the Registration Statement, except for the information in relation to the Offer Price, Underwriters, or other matters in relation to the requirements of Public Offering that cannot yet be determined.
Primary Market	Refers to the Offering and sale of the Offering Shares by the Company to the Public during the Offering Period before such Offering Shares are listed on the Stock Exchange.
Prospectus	Refers to the final written document prepared jointly by the Company and the Joint Lead Underwriters, which contains all material and relevant information and facts about the Company and the Offering Shares in the form and substance according to the FSAR No. 8/2017.
Public	Refers to any individual of Indonesian or Foreign Nationality and/or legal entity, whether Indonesian or Foreign Legal Entity, residing or legally domiciled in Indonesia or outside the jurisdiction of the Republic of Indonesia.
Public Offering	Refers to the public offering of securities to the Public conducted by the Company in accordance with the provisions of the Capital Market Law and other prevailing regulations.
Public Offering Period	Refers to a period in which the Public may submit the SSFs.
Registration Statement	Refers to the document that must be submitted by the Company to the FSA in connection with the Share Initial Public Offering to the Public as defined in Article 1 paragraph (19) of the Capital Market Law <i>juncto</i> the FSAR No. 7/2017.
Regulation No. IX.A.2	Refers to Bapepam-LK Regulation No. IX.A.2 Annex to the Decree of Bapepam-LK Chairman No. Kep-122/BL/2009 dated May 29, 2009, concerning the Registration Procedures of a Public Offering.
Regulation No. IX.A.7	Refers to Bapepam-LK Regulation No. IX.A.7 Annex to the Decree of Bapepam-LK Chairman No. Kep691/BL/2011 dated December 30, 2011, concerning the Securities Subscription and Allotment in a Public Offering.
Regulation No. IX.E.1	Refers to Bapepam-LK Regulation No. IX.E.1 Annex to the Decree of Bapepam-LK Chairman No. Kep-412/BL/2009 dated November 25, 2009, concerning Affiliated Transactions and Conflict of Interest on Certain Transactions.
Regulation No. IX.E.2	Refers to Bapepam-LK Regulation No. IX.E.2 Annex to the Decree of Bapepam-LK Chairman No. Kep-614/BL/2011 dated November 28, 2011, concerning Material Transactions and Change of Main Business Activities.
Regulation No. IX.J.1	Refers to Bapepam-LK Regulation No. IX.J.1 Annex to the Decree of Bapepam-LK Chairman No. Kep-179/BL/2008 dated May 14, 2008, concerning Main Provisions of Articles of Association of Companies Conducting Equity Securities Public Offering and Public Companies.
Rp or Rupiah	Refers to the official currency of the Republic of Indonesia.



SAB	Refers to the Share Administration Bureau, namely PT Datindo Entrycom, domiciling in Jakarta, as the company appointed by the Company to undertake the share administration in relation to the Public Offering.
Secondary Market	Refers to the share trading on the IDX subsequent to the Listing Date.
Securities	Refer to marketable securities, i.e., promissory notes, commercial papers, shares, bonds, debentures, Collective Investment Contract Participation Unit, Securities related Forward Contracts and any Securities derivatives.
Securities Account	Refers to the account containing the balance statement of the shares and/or funds owned by the shareholders that are administered by KSEI or Account Holders based on the securities account opening agreement signed by the shareholders and the securities companies and/or custodian banks.
Securities Company	Refers to the parties undertaking the business activities as Underwriters, Stockbrokers and/or Investment Managers in accordance with the provisions of Article 1 point 21 of the Capital Market Law.
Securities Registration Agreement	Refers to the Equity Securities Registration Agreement with KSEI, privately drawn up and duly stamped by and between the Company and KSEI No. SP-026/SHM/KSEI/0318 dated 3 April 2018, privately drawn up and entered into by the Company and KSEI.
Securities Underwriting Agreement	Refers to the Deed of Underwriting Agreement of the Public Offering of the Company No. 20 dated March 15, 2018, as amended and restated under the Deed of Addendum and Re-Statement of the Underwriting Agreement No. 16 dated April 9, 2018, and deed of Addendum II and Restatement of the Underwriting Agreement No. 6 dated May 7, 2018, all both drawn up before Aulia Taufani, S.H., Notary in Jakarta, following each addition and amendment.
Share Administration Management Agreement	Refers to the Deed of the Company's Public Offering Share Administration Management Agreement No. 21 dated March 15, 2018, entered into by and between the Securities Administration Bureau and the Company in relation to the Public Offering, drawn up before Aulia Taufani, S.H., a Notary in Jakarta.
Share Initial Public Offering	Refers to the Share Initial Public Offering activities conducted by the Company to sell the Offering Shares to the Public in accordance with the procedures stipulated in the Capital Market Law, its implementing regulations and other related regulations and other provisions stipulated in the Securities Underwriting Agreement.
Share Issuance	Refers to a share initial public offering conducted by the Company to offer and sell its shares to the Public through a Public Offering.
Shareholders	Refers to the public who are entitled to the benefits from a portion or all of the Shares deposited and administered in: • The Company's Shareholder Register • Securities Accounts at KSEI; or • Securities Accounts at KSEI via Securities Companies.
Special Subscriber	Refers to eEmployees entitled to subscribe shares based on the ESA program.
SR	Refers to Shareholder Register, which refers to the Shareholder Register issued by the SAB containing information concerning the share ownership in the Company.
Sriboga Group	Refers to PT Sriboga Raturaya and its Subsidiaries
SSF	Refers to the Offering Shares Subscription Form provided by the Company, jointly with the Joint Lead Underwriters, which must be completed, signed and submitted in 5 (five) copies by the prospective buyers to the Underwriters.
SSR	Refers to Share Subscription Register which refers to the register containing the names of the Offering Shares subscribers and the amount offered, which is prepared based on the Share Subscription Forms, the respective Underwriter.
Subscription Refund Date	Refers to the date on which the subscription funds for the Offering Shares are refunded by the Joint Lead Underwriters, through the Underwriters, to subscribers whose subscriptions are fully or partially rejected as a result of the allotment or in the event that the Share Initial Public Offering is canceled or postponed.



The Company/SMK	Refers to PT Sarimelati Kencana Tbk, a limited liability company established based on the laws of the Republic of Indonesia, having its domicile and head office in Jakarta.
Underwriters	Refer to the parties entering into agreements with the Company to undertake the Share Public Offering on behalf of the Company and to perform payments to the Company pursuant to the Securities Underwriting Agreement, through the Joint Lead Underwriters.
USD	Refers to the United States Dollar
Written Confirmation	Refers to the confirmation letter issued by the Indonesia Central Securities Depository (<i>Kustodian Sentral Efek Indonesia</i> , "KSEI") and/or Custodian Banks and/or Securities Companies for the benefit of the Account Holders on the secondary market.



LIST OF ABBREVIATIONS

SRR	:	PT Sriboga Raturaya
YUM! Pizza Hut Asia	:	Pizza Hut Restaurants Asia Pte. Ltd.



SUMMARY

The following Summary contains the most important facts and judgments by the Company and constitutes an integral part of and must be read in conjunction with other more detailed information, including the related financial statements and notes to the financial statements, and the business risk, all of which are presented in this Prospectus. All financial information presented in this Prospectus is derived from the Company's financial statement, which are presented in Rupiah currency and presented in accordance with the Financial Accounting Standards in Indonesia.

All financial information, including balances, totals, percentages, presented in this Prospectus are rounded in Rupiah, unless expressed otherwise. Consequently, any differences in the sum of the financial information presented in the tables stated on this Prospectus, namely between value by sum and the value stated on the Prospectus, are caused by such rounding.

1. BRIEF HISTORY

The Company was established on December 16, 1987 pursuant to Deed of Establishment No. 132 of the same date, passed before Lieke Lianadevi Tukgali, S.H., a Jakarta-based notary. MOLHR approved the Deed of Establishment by virtue of Decree no. C2-4573.HT.01.01-TH.88 dated May 25, 1988. It was registered in the District Court of Central Jakarta under Registry No. 1979/1988 dated 1 September 1988, and subsequently announced in the State Gazette of the Republic of Indonesia No. 102 dated December 20, 1988 and the Supplement to the State Gazette of the Republic of Indonesia No. 1388 ("**Deed of Establishment**").

The Articles of Association set forth in the Deed of Establishment has been amended several times, and the last amendment is stipulated in:

1. The Deed of Shareholders Resolution on Amendment of Articles of Association No. 21 dated September 12, 2017, passed before Aryanti Artisari, S.H., M.Kn., a notary in South Jakarta. MOLHR approved the amendment by virtue of Decree No. AHU-0018930.AH.01.02. 2017 dated 14 September 2017 upon its report to the MOLHR pursuant to Receipt of Notification of Amendment to Articles of Association No. AHU-AH.01.03-0171514 and its subsequent Company Registry at the MOLHR under No. AHU-0114560.AH.01.11. 2017 of the same date ("**Deed No. 21/2017**").

Pursuant to Deed No. 21/2017, the Company's shareholders adopted the resolution to approve, among others:

- a. the increase of the Company's authorized capital from Rp20,000,000,000 to Rp900,000,000,000;
- b. the split of nominal value per share from Rp1,000,000 to Rp100;
- c. the increase of the Company's issued and paid-up capital from Rp5,750,000,000 to Rp241,750,000,000; and
- d. the amendment to provisions of Article 4 paragraph 1 and paragraph 2 of the Company's Articles of Association regarding capital.

2. The Deed of Shareholders Resolution on Amendment of Articles of Association No. 1 dated March 2, 2018, passed before Aulia Taufani, S.H., a Jakarta-based notary. MOLHR approved the amendment by virtue of Decree No. AHU-0005287.AH.01.02. 2018 dated March 7, 2018. It was registered in the Company Registry of the Ministry of Law and Human Rights under Registry No. AHU-0032673.AH.01.11. 2018 dated of the same date ("**Deed No. 1/2018**").

Pursuant to Deed No. 1/2018, the Company's shareholders approved (i) the expansion of the Company's business activities, and (ii) amendment to the Company's business activities, which in effect amended the provisions of Article 3 of the Company's Articles of Association regarding Company Aims, Objectives, and Business Activities.

3. The Deed of Shareholders Resolution on Amendment of Articles of Association No. 11 dated March 9, 2018, drawn up before Aulia Taufani, S.H., a notary in South Jakarta. MOLHR approved the resolution pursuant to its Decree No. AHU-0005908.AH.01.02. 2018 dated March 14, 2018 upon notification of the MOLHR pursuant to the Receipt of Notification of Amendment to Articles of Association No. AHU-AH.01.03-0109587 and its registry in the MOLHR Company Registry No. AHU-0036668.AH.01.11. 2018 of the same date ("**Deed No. 11/2018**").

Pursuant to Deed No. 11/2018, the Company's shareholders adopted the resolution to approve, among others:

- a. The Share Initial Public Offering through (i) the issuance of new shares from the Company's portfolio of up to 604,375,000 New Shares to be offered at the Offering Price determined by the Company's Board of Directors upon receipt of written approval from the Company's Board of Commissioners, to the public in and/or outside Indonesia. The Share Initial Public Offering is subject to the provisions of prevailing laws and regulations at the country where such shares shall be offered, through the Share Initial Public offering, which shall include the ESA Program, to be registered on the IDX. The Company's shareholders hereby waived their rights to subscribe to the New Shares that shall be issued. The use of proceeds from the Initial Public Offering shall be determined by the Board of Directors upon receipt of written approval from the Company's Board of Commissioners.
- b. The implementation of the ESA Program and MESOP in connection with the Share Initial Public Offering.
- c. The allocation of shares of up to 1% of the Company's total issued and paid-up capital subsequent to the Share Initial Public Offering in connection with MESOP, with due observance of the applicable IDX regulations wherein the Company's shares shall be listed and prevailing laws and regulations.
- d. Grant the power and authority to the Company's Board of Commissioners to issue new shares from the Company's portfolio to the eligible management and employees, including to declare the increase of the Company's issued and paid-up capital as a result of such MESOP implementation in a notarial deed.



- e. The change of the Company's status from a Private Company into a Public Company, and the change of the Company's name from PT Sarimelati Kencana to PT Sarimelati Kencana Tbk, which in effect amended the provisions of Article 1 of the Company's Articles of Association.
- f. The delegation and grant of authority to the Company's Board of Commissioners to execute this deed, including to determine the number of shares to be offered in the Share Initial Public Offering, in the amount that shall not exceed the amount determined by the Shareholders, and to report the realization or implementation of share issuance in connection with the Share Initial Public Offering, including to report the realization of shares to be issued under the ESA Program, and to register such shares on the IDX and at the Company's Shareholder Register through the SAB.
- g. The authorization of powers to the Company's Board of Directors to undertake all necessary actions in connection with the Share Initial Public Offering, including, but not limited to:
 - i. preparing, signing, and filing the registration statement to the FSA;
 - ii. negotiating and signing other agreements in connection with the Initial Public Offering under the terms and conditions deemed appropriate for the Company by its Board of Directors;
 - iii. signing, printing and/or issuing the abridged prospectus, correction and/or additional information of the abridged prospectus, the preliminary prospectus, prospectus, information memorandum, and/or other documents required for the Initial Public Offering;
 - iv. setting the offer price of the shares upon receipt of written approval from the Board of Commissioners;
 - v. determining the final number of shares to be offered upon receipt of approval from the Board of Commissioners;
 - vi. placing the Company's shares in the collective depository at KSEI in accordance with KSEI regulations;
 - vii. registering all Company's issued and paid-up capital on the IDX that are to be sold as shares to the public on the capital market and the shares held by the Shareholders; and
 - viii. appointing the capital market supporting professionals under the terms and conditions deemed appropriate for the Company by the Board of Directors.
- h. The approval of amendment for all provisions pertaining to the Company's Articles of Association to conform with prevailing laws and regulations in the capital market, including (i) Regulation No. IX.J.1, (ii) FSAR No. 32/2014, and (iii) FSAR No. 33/2014.

The Company's Capital Structure and Shareholder Composition

As stipulated in the Deed of Establishment, the Company's capital structure and shareholder composition as of its establishment were as follows:

Description	Nominal Value of Rp1.000.000.- per Share		
	Total Shares (share)	Nominal Value (Rp)	%
Authorized Capital	200	200,000,000	
Issued and Fully Paid-Up Capital			
1. Darmadi	50	50,000,000	50.00
2. Indrajaty Hadiwardoyo	50	50,000,000	50.00
Total Issued and Fully Paid-up Capital	100	100,000,000	100.00
Total Shares in Portfolio	100	100,000,000	

THE COMPANY'S BUSINESS ACTIVITIES

Pursuant to the provisions of Article 3 of the Company's Articles of Association, the aims and objectives of the Company are to engage in (among others) the restaurant, catering, warehousing, distribution, food and food processing industries (including bread and cakes).

To achieve the aims and objectives referred to above, the Company carries out the following business activities:

Main Business Activities:

- a. Restaurant includes food service business located in semi-permanent or permanent buildings, which sells and serves food and beverages to the public at its place of business, whether or not such business is equipped with the equipment or tools for the preparation and storage processes;
- b. Catering includes food service on the basis of agreements with customers at the location determined by the customer for a specified event and includes ready-to-eat food service business that caters orders to offices for celebrations, parties, seminars, meetings, and others. This generally includes ready-to-eat food delivered to the office, party, seminar, meeting and others, including the waiters to serve guests/participants of seminars and meetings or attendees of parties.
- c. Warehousing includes the business to store goods before such goods are sent to the final destination for commercial purposes. Such activities include storage of food ingredients;
- d. Distribution refers to distribution services for wholesale trade of other food and beverages, including but not limited to, food ingredients for restaurant business; and
- e. Food and Food Processing Industry which includes:
 - i. Ready-to-eat food (processed, flavored and cooked) that is processed as preserved or frozen food, which is generally packaged and labeled to be sold. It also includes meat, fish, poultry, ready-to-eat vegetables, canned boiled dishes, food in air-tight containers and other ready-to-eat dishes. The activities include, but not limited to, the production of beef lasagna, cannelloni, frozen pizza and other similar products;
 - ii. Meat and poultry preservation and processing industry by way of canning, smoking, salting, freezing, sweetening and others. The activities include, but not limited to, the production of various sausages and other similar products; and



- iii. Bread, including frozen, and cake products. The activities include, but not limited to, the production of dough balls, puff pastries, croissants and other similar products.

Supporting Business Activities:

To achieve the aims and objectives, and support its main business activities referred to above, the Company carries out the following auxiliary activities:

- Export and import raw materials, meat, cheese and other ingredients related to production and distribution; and
- Deliver or distribute the relevant industrial products to restaurant outlets.

2. CAPITAL STRUCTURE AND SHAREHOLDER COMPOSITION

Pursuant to Deed No. 21/2017 *juncto* Shareholders Register as of March 2018, the Company's capital structure and shareholder composition, as of the date of issuance of this Prospectus, are as follows:

Description	Nominal Value of Rp100.- per Share		
	Total Shares (share)	Nominal Value (Rp)	%
Authorized Capital	9,000,000,000	900,000,000,000	
Issued and Fully Paid-Up Capital			
1. PT Sriboga Raturaya	2,199,683,250	219,968,325,000	90.99
2. Mountain High Investments Limited	217,816,750	21,781,675,000	9.01
Total Issued and Fully Paid-up Capital	2,417,500,000	241,750,000,000	100.00
Total Shares in Portfolio	6,582,500,000	658,250,000,000	

3. SHARE INITIAL PUBLIC OFFERING

Presented below is the summary of the structure of the Company's Share Initial Public Offering:

Total Offering Shares	:	604,375,000 (six hundred four thousand million three hundred seventy five thousand) ordinary shares, which represent 20% (twenty percent) of the Company's issued and fully paid-up capital subsequent to the Share Initial Public Offering.
Nominal Value	:	Rp100 (one hundred Rupiah) per Share.
Offer Price	:	Rp1,100 (one thousand one hundred Rupiah) per Share.
Total Public Offering	:	A total of Rp664,812,500,000 (six hundred sixty four billion eight hundred twelve million five hundred thousand Rupiah)
Indicative Public Offering Date	:	May 17 - 18, 2018
Indicative Listing Date on the IDX	:	May 23, 2018

The Offering Shares with respect to this Share Initial Public Offering entirely consist of new shares issued from the Company's portfolio and shall provide their holders with the same and equal rights in all matters with the Company's other issued and fully paid-up shares, including the cast in voting right in General Meeting of Shareholders ("GMS") and the right to receive distribution of dividend, bonus shares and Preemptive Rights in accordance with the provisions of the Company Law and the Capital Market Law.

The Offering Shares are duly owned and are free of any dispute and/or secured to any other party whatsoever and are not being offered to any other party.

Upon subscription of all the Offering Shares under this Share Initial Public Offering, the Company's capital structure and shareholder composition prior and subsequent to the Share Initial Public Offering on a proforma basis shall be as follows:

**The Company's Capital Structure Prior and Subsequent to the Initial Public Offering
Consisting of Shares with a Nominal Value of Rp100.- (one hundred Rupiah) per Share**

Description	Nominal Value of Rp100.- per Share					
	Prior to the Public Offering			Subsequent to the Public Offering		
	Total Shares (share)	Nominal Value (Rp)	%	Total Shares (share)	Nominal Value (Rp)	%
Authorized Capital	9,000,000,000	900,000,000,000		9,000,000,000	900,000,000,000	
Issued and Fully Paid-Up Capital						
1. PT Sriboga Raturaya	2,199,683,250	219,968,325,000	90.99	2,199,683,250	219,968,325,000	72.79
2. Mountain High Investments Limited	217,816,750	21,781,675,000	9.01	217,816,750	21,781,675,000	7.21
3. Public	-	-	-	604,375,000	60,437,500,000	20.00
Total Issued and Fully Paid-up Capital	2,417,500,000	241,750,000,000	100.00	3,021,875,000	302,187,500,000	100.00
Total Shares in Portfolio	6,582,500,000	658,250,000,000		5,978,125,000	597,812,500,000	



The Company's Employee Stock Allocation Program (ESA Program)

The Company shall hold an ESA Program in conjunction with the Share Initial Public Offering as stipulated under the Deed of Shareholders Resolution on Amendment of Articles of Association No. 11 dated March 9, 2018, drawn up before Aulia Taufani, S.H., a Notary in Jakarta, whereby the Company's shareholders have approved the ESA Program of 1% (one percent) shares of the Offering Shares in this Share Initial Public Offering or 6,043,750 (six million forty three thousand seven hundred fifty) shares.

Upon subscription of all the Offering Shares in this Share Initial Public Offering, and the implementation of the aforementioned ESA Program, the Company's capital structure and shareholder composition prior and subsequent to the Share Initial Public Offering and the implementation of ESA Program on a proforma basis would be as follows:

Description	Nominal Value of Rp100.- per Share					
	Subsequent to the Public Offering			Subsequent to the Public Offering and the ESA Program		
	Total Shares (share)	Nominal Value (Rp)	%	Total Shares (share)	Nominal Value (Rp)	%
Authorized Capital	9,000,000,000	900,000,000,000		9,000,000,000	900,000,000,000	
Issued and Fully Paid-Up Capital						
1. PT Sriboga Raturaya	2,199,683,250	219,968,325,000	72.79	2,199,683,250	219,968,325,000	72.79
2. Mountain High Investments Limited	217,816,750	21,781,675,000	7.21	217,816,750	21,781,675,000	7.21
3. Public	604,375,000	60,437,500,000	20.00	598,331,250	59,833,125,000	19.80
4. ESA (1%)	-	-	-	6,043,750	604,375,000	0.20
Total Issued and Fully Paid-up Capital	3,021,875,000	302,187,500,000	100.00	3,021,875,000	302,187,500,000	100.00
Total Shares in Portfolio	5,978,125,000	597,812,500,000		5,978,125,000	597,812,500,000	

Management and Employee Stock Option Plan ("MESOP")

Pursuant to the Deed of Shareholders Resolution on Amendment of Articles of Association No. 11 dated March 9, 2018 drawn up before Aulia Taufani, S.H., a Notary in Jakarta, the Company's shareholders have approved the implementation of MESOP. The stock option to be distributed to the MESOP Participants may be used to purchase new shares to be issued from portfolio amounted up to 1% (one percent) from the issued and fully paid-up capital subsequent to the IDX Stock Exchange. Therefore, the Company shall allocate 30,218,750 (thirty million two hundred eighteen thousand seven hundred and fifty) new shares.

Upon subscription of all the shares offered by the Company in this Share Initial Public Offering, and the implementation of MESOP, the Company's capital structure and shareholder composition prior and subsequent to the Share Initial Public Offering, on a proforma basis would be as follows:

Description	Nominal Value of Rp100.- per Share					
	Subsequent to the Public Offering and the ESA Program			Subsequent to the Public Offering and the ESA Program and MESOP		
	Total Shares (share)	Nominal Value (Rp)	%	Total Shares (share)	Nominal Value (Rp)	%
Authorized Capital	9,000,000,000	900,000,000,000		9,000,000,000	900,000,000,000	
Issued and Fully Paid-Up Capital						
1. PT Sriboga Raturaya	2,199,683,250	219,968,325,000	72.79	2,199,683,250	219,968,325,000	72.07
2. Mountain High Investments Limited	217,816,750	21,781,675,000	7.21	217,816,750	21,781,675,000	7.14
3. Public	598,331,250	59,833,125,000	19.80	598,331,250	59,833,125,000	19.60
4. ESA (1%)	6,043,750	1,208,750,000	0.20	6,043,750	604,375,000	0.20
5. MESOP (1%)	-	-	-	30,218,750	3,021,875,000	0.99
Total Issued and Fully Paid-up Capital	3,021,875,000	301,583,125,000	100.00	3,052,093,750	305,209,375,000	100.00
Total Shares in Portfolio	5,978,125,000	598,416,875,000		5,947,906,250	594,790,625,000	

SALE OF SHARES PLAN BY SHAREHOLDERS THROUGH A PRIVATE PLACEMENT

In addition to the aforementioned Initial Public Offering, PT Sriboga Raturaya and Mountain High Investments Limited, in their respective capacities as the Company's shareholders, shall also conduct a private placement of their shares in a cumulative amount of 314,275,000 (three hundred fourteen million two hundred seventy five thousand) of ordinary registered shares or 10.4% (ten point four percent) of the Company's issued and fully paid-up capital subsequent to the Public Offering to certain parties. The implementation of the sale of the shares by Selling Shareholders is scheduled to be done after the listing of new shares in IDX with offering price similar to Share Initial Public Offer Price. Institutional investors including, but not limited to Pension Funds, Investment Managers, local or foreign Insurance Companies are set as the share targeted parties in the private placement by PT Sriboga Raturaya and Mountain High Investments Limited. Therefore, the planned disposal of shares of the Selling Shareholders does not constitute a Public Offering under the Capital Market Law.



The shares owned by PT Sriboga Raturaya and Mountain High Investments Limited to be offered in such private placement are not included as part of the shares under lock-up according to FSAR No. 25/2017 concerning the Restrictions on Shares Issued Prior to a Public Offering. The execution or closing of transaction relating to the aforementioned shares owned by PT Sriboga Raturaya and Mountain High Investments Limited shall be conducted on the Secondary Market at the IDX on the Listing Date or any other date subsequent to the Listing Date. The costs incurred under the private placement shall be the full responsibility of PT Sriboga Raturaya and Mountain High Investments Limited, and shall not constitute a part of the issuance cost.

The proforma capital structure and shareholder composition prior and subsequent to the private placement by PT Sriboga Raturaya and Mountain High Investments Limited would be as follows:

Description	Nominal Value of Rp100.- per Share					
	Subsequent to the Public Offering and the ESA and MESOP Program			Subsequent to the Public Offering, ESA Program, MESOP Program, and Private Placement		
	Total Shares (share)	Nominal Value (Rp)	%	Total Shares (share)	Nominal Value (Rp)	%
Authorized Capital	9,000,000,000	900,000,000,000		9,000,000,000	900,000,000,000	
Issued and Fully Paid-Up Capital						
1. PT Sriboga Raturaya	2,199,683,250	219,968,325,000	72.07	1,957,933,250	195,793,325,000	64.15
2. Mountain High Investments Limited	217,816,750	21,781,675,000	7.14	145,291,750	14,529,175,000	4.76
3. Public	598,331,250	59,833,125,000	19.60	912,606,250	91,260,625,000	29.90
4. ESA (1%)	6,043,750	604,375,000	0.20	6,043,750	604,375,000	0.20
5. MESOP (1%)	30,218,750	3,021,875,000	0.99	30,218,750	3,021,875,000	0.99
Total Issued and Fully Paid-up Capital	3,052,093,750	305,209,375,000	100.00	3,052,093,750	305,209,375,000	100.00
Total Shares in Portfolio	5,947,906,250	594,790,625,000		5,947,906,250	594,790,625,000	

4. THE USE OF PROCEEDS FROM THE SHARE INITIAL PUBLIC OFFERING

All proceeds from the Company's Share Initial Public Offering that will be received by the Company, net of costs associated with the Initial Public Offering, shall be entirely used as follows:

- Approximately 65% shall be used to increase the Company's capital expenditures, either to open new outlets, renovate existing outlets, as well as to secure location of PHR and PHD outlets, and other outlet concepts that are currently existing as well as those in the future. The Company plans to expand its chain of outlets to cities in West Java, Central Java, East Java, Sumatera, Kalimantan, Eastern Indonesia and other locations. The opening of new outlets will be carried out by the Company. In the event that the Company exceeds the quantitative limit of outlets, additional outlets will be opened through franchising or cooperation via equity participation agreement, in accordance with the terms and conditions applicable in franchising regulations.
- Approximately 35% shall be used for the partial payment of the Company's bank and other financial institution loan facilities as detailed below:

a. PT. Bank CIMB Niaga Tbk (Bank CIMB)

Investment Credit 3

- Loan Balance : Rp150,000,000,000 (as of the issuance of this Prospectus)
- Interest Rate : 10.5% per annum
- Maturity : June 18, 2022
- Use of loan : Funding for new outlets opened by the Company for period 2017-2018
- Loan History : New credit facility was acquired on June 19, 2017 with maximum amount up to Rp150,000,000,000
- Loan Balance (after partial repayment): Rp150,000,000,000 - Rp61,500,000,000 = Rp88,500,000,000
- Penalty : There is no penalty fee for loan facility payments.

Procedures and terms for repayment or payment:

The Borrower is permitted to repay the outstanding amount owed to the bank in part or in full under Inverse Order Maturity condition.

b. PT. Mandiri (Persero) Tbk (Bank Mandiri)

(i) Investment Credit II

- Loan Balance : Rp32,492,000,000 (as of the issuance of this Prospectus)
- Interest Rate : 10.5% per annum in 2017
- Maturity : April 27, 2020
- Use of loan : Refinancing of Company's outlets
- Loan History : Acquired on April 28, 2015 with credit limit amounting to Rp50,000,000,000
- Loan Balance (after partial repayment): Rp32,492,000,000 - Rp32,400,000,000 = Rp92,000,000
- Penalty : Penalties, costs and interest will be determined by the bank. Any penalty incurred will be paid using proceeds from the Public Offering.



(ii) Special Transaction Loan

- Loan Balance : Rp20,338,983,055 (as of the issuance of this Prospectus)
- Interest Rate : 10.5% per annum in 2017
- Maturity : April 27, 2020
- Use of loan : Additional working capital particularly for outlet rent
- Loan History : Acquired on April 28, 2015 with credit limit amounting to Rp50,000,000,000
- Loan Balance (after partial repayment):
Rp20,338,983,055 - Rp20,000,000,000 = Rp338,983,055
- Penalty : Penalties, costs and interest will be determined by the bank. Any penalty incurred will be paid using proceeds from the Public Offering.

(iii) Special Transaction Loan II

- Loan Balance : Rp45,000,000,000 (as of the issuance of this Prospectus)
- Interest Rate : 10.5% per annum in 2017
- Maturity : May 29, 2021
- Use of loan : Financing for cash flow deficit
- Loan History : Acquired on May 30, 2017 with credit limit amounting to Rp50,000,000,000
- Loan Balance (after partial repayment): Rp45,000,000,000 - Rp18,559,375,000 = Rp26,440,625,000
- Penalty : Penalties, costs and interest will be determined by the bank. Any penalty incurred will be paid using proceeds from the Public Offering.

Procedures and terms for repayment or payment:

The Borrower is permitted to repay the outstanding amount owed to the bank in part or in full with at least fourteen (14) calendar days prior notice of payment date.

c. Bank BTMU

Working Capital Loan

- Loan Balance : Rp50,000,000,000 (as of the issuance of this Prospectus)
- Interest Rate : Between 9.8% to 10.5% per annum in 2017 with interest rate of 1.75% above cost of debt
- Maturity : December 23, 2018
- Use of loan : Additional working capital
- Loan History : Acquired on December 23, 2011 with credit limit amounting to Rp50,000,000,000
- Loan Balance (after full repayment) :
Rp50,000,000,000 - Rp50,000,000,000 = Rp0
- Penalty : There is no penalty fee for loan facility payments.

Procedures and terms for repayment or payment:

If the Borrower wishes to repay a loan prior to repayment date, the Borrower shall notify the bank in writing at least two (2) business days prior to the proposed repayment date. If the bank approves such prepayment proposal, the Borrower must pay, in addition to the applicable interest, with the Break Funding Costs attributable to that loan.

d. PT. Bank HSBC Indonesia (Bank HSBC)

- Lending Facility For Funding of Outlet Rent
- Loan Balance : Rp73,842,556,531 (as of the issuance of this Prospectus)
- Interest Rate : 10.25% per annum in 2017
- Maturity : November 23, 2022
- Use of loan : Funding of outlet rent and purchase of Company's new outlets
- Loan History : Acquired on December 23, 2017 with credit limit amounting to Rp100,000,000,000
- Loan Balance (after partial repayment):
Rp73,842,556,531 - Rp42,000,000,000 = Rp31,842,556,531
- Penalty : If payment is made after or prior to 2 year period with takeover fund, then the borrower will be subject to a penalty fee amounting to 1% of outstanding debt. The fund needed to pay the penalty will be from the Public Offering.

Procedures and conditions for repayment or payment:

The Borrower is allowed to repay some proportion or all outstanding debt with condition that repayment can be done after 2 years. If the payment is done using Company's internal cash, and paid after or before 2 years with funds from a takeover, the Borrower will be charged a penalty fee amounting to 1% of outstanding debt.

The complete information regarding the use of proceeds is presented in Chapter II of this Prospectus concerning the Use of Proceeds from the Share Initial Public Offering.



5. KEY FINANCIAL HIGHLIGHTS

The tables below present the key financial highlights of the Company, which figures are derived from the Company's financial statements and supplementary information as of and for the years ended December 31, 2017, 2016, and 2015. The Company's financial statements as of December 31, 2017, 2016, and 2015, and for the years then ended, have been audited by the Registered Public Accountant Purwanto, Sungkoro & Surja, an independent auditors', which expressed an unmodified opinion on the fairness of the Company's financial statements in its independent auditors' report dated April 9, 2018, which was signed by Agung Purwanto (Public Accountant Registration No. AP.0687). The Registered Public Accountant Purwanto, Sungkoro & Surja's independent auditors' report includes Other Matter paragraph regarding the purpose of issuance of the audited financial statements.

Summary of Statements of Financial Position

Description	December 31,		
	2015	2016	2017
Total Current Assets	372,805,782,541	397,891,244,336	515,282,455,550
Total Non-Current Assets	673,589,808,071	753,801,026,015	978,722,623,486
Total Assets	1,046,395,590,612	1,151,692,270,351	1,494,005,079,036
Total Current Liabilities	467,940,763,105	522,733,423,057	609,105,198,309
Total Non-Current Liabilities	291,193,636,533	290,378,033,391	515,203,722,744
Total Liabilities	759,134,399,638	813,111,456,448	1,124,308,921,083
Total Equity	287,261,190,974	338,580,813,903	369,696,157,953

Summary of Statements of Profit and Loss and Other Comprehensive Income

Description	Years ended December 31,		
	2015	2016	2017
Net Sales	2,493,741,525,376	2,695,314,276,202	3,027,006,714,345
Cost of Goods Sold	832,170,763,243	872,600,656,432	1,001,536,144,082
Gross Profit	1,661,570,762,133	1,822,713,619,770	2,025,470,570,263
Income from Operation	122,180,127,691	206,886,893,977	222,516,938,273
Income Before Tax Expense	83,113,157,869	176,295,148,481	189,456,568,486
Income for the Year	61,376,896,625	130,427,829,249	141,323,973,291
Other comprehensive income - net of tax	12,526,754,611	(11,108,206,320)	(24,208,629,241)
Total Comprehensive Income for the Year	73,903,651,236	119,319,622,929	117,115,344,050
Basic Earnings per Share – as Restated	1,067	2,268	167

Summary of Statements of Cash Flows

Description	Years ended December 31,		
	2015	2016	2017
Net Cash Provided by Operating Activities	204,615,986,161	359,576,055,981	192,866,673,652
Net Cash Used in Investing Activities	(113,151,155,624)	(131,761,292,562)	(294,669,429,458)
Net Cash Provided by (Used in) Financing Activities	(68,722,767,386)	(224,936,541,040)	76,618,602,003
NET DECREASE/INCREASE IN CASH AND CASH EQUIVALENTS	22,742,063,151	2,878,222,379	(25,184,153,803)
Effect on Foreign Exchange Rate Changes	16,037,563	(7,403,793)	2,242,089
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	21,034,234,802	43,792,335,516	46,663,154,102
CASH AND CASH EQUIVALENTS AT END OF YEAR	43,792,335,516	46,663,154,102	21,481,242,388
Cash and cash equivalents consist of:			
Cash on hand and in banks	62,955,933,863	112,535,738,780	75,462,135,621
Overdraft	(19,163,598,347)	(65,872,584,678)	(53,980,893,233)
CASH AND CASH EQUIVALENTS AT END OF YEAR	43,792,335,516	46,663,154,102	21,481,242,388

Financial Ratios

Description	December 31,		
	2015	2016	2017
Profitability Ratios (%)			
Gross Profit/Net Sales	66.63	67.63	66.91
Income from Operations/Net Sales	4.90	7.68	7.35
Income for the Year/Net Sales	2.46	4.84	4.67
EBITDA Margin*)	9.86	12.72	12.74
Income for the Year/Total Equity	21.37	38.52	38.23
Income for the Year/Total Assets	5.87	11.32	9.46
Days payable outstanding (days)	44	57	50
Days receivable outstanding (days)	1	2	2
Average inventory turnover (days)	75.63	62.00	97.94
Liquidity Ratio (x)			
Current assets/Current liabilities	0.80	0.76	0.85
Cash/Current Liabilities	0.13	0.22	0.12



Description	December 31,		
	2015	2016	2017
Solvency Ratio (x)			
Total Liabilities/Total Assets	0.73	0.71	0.75
Total Liabilities/Total Equity	2.64	2.40	3.04
Total Assets/Total Liabilities	1.38	1.42	1.33
Interest-bearing debts/Equity Ratio *)	1.17	0.83	1.17
Debt Service Coverage Ratio (DSCR)	1.27	2.72	3.68
Growth (%)			
Net sales	7.67	8.08	12.31
Same store sales	3.6	6.1	5.9
Gross Profit	9.50	9.70	11.12
Income from Operation	42.12	69.33	7.55
Income for the Year	109.50	112.50	8.35
Comprehensive Income for the Year	229.59	61.45	-1.85
EBITDA*)	40.49	39.40	12.55
Total Assets	6.61	10.06	29.72
Total Liabilities	1.34	7.11	38.27
Total Equity	23.63	17.87	9.19

*) Adjusted EBITDA and Interest-Bearing Debt Calculation

Description	Years ended December 31,		
	2015	2016	2017
(In Rupiah)			
Income Before Tax Expense	83,113,157,869	176,295,148,481	189,456,568,486
Interest and finance expense	(39,783,025,003)	(32,477,796,073)	(33,619,782,154)
Interest income	716,055,181	1,886,050,577	559,412,367
EBIT	122,180,127,691	206,886,893,977	222,516,938,273
Depreciation of property and equipment	89,305,369,460	94,887,876,493	106,025,894,179
Employee Benefits	24,472,162,173	29,694,249,437	45,143,867,211
Amortization of franchise fee	9,905,544,380	11,252,814,208	12,040,816,197
EBITDA	245,863,203,704	342,721,834,115	385,727,515,860
Interest Bearing Debts	336,025,487,412	280,144,075,391	434,033,494,571

Financial Ratios required for The Company's credit facilities

Description	December 31 2017
Ratios for Credit Facilities from CIMB	
Net Liabilities to / Equity	2.84x
Maximum 3x	
DSCR	3.68x
Minimum 1.5x	
Bank Loan / EBITDA	1.09x
Maximum 2x	

Description	December 31 2017
Ratios for Credit Facilities from BTMU	
Debt to Equity Ratio (DER)	1.17x
Maximum 2x	
EBITDA / Interest Expense	11.47x
Minimum 3,5x	
Bank Loan/ EBITDA	1.09x
Maximum 2x	

The Company's complete key financial highlights are presented in Chapter IV of this Prospectus regarding Key Financial Highlights.

6. RISK FACTORS

The risks disclosed in the following discussion consist of risks that are material to the Company. Based on the Company's judgments, the following risks have been arranged in the order of the risk significance to the Company's financial performance, beginning with the Company's main risks.



a. Main Risks with Significant Impacts to the Company's Going Concern

Risk of limitation on the number of outlets independently owned by the Company under the Regulation of the Ministry of Trade

b. Risks Relating to the Company's Business

1. risk of dependency on franchise agreement with YUM! Pizza Hut Asia
2. risk of adverse changes in government policies on raw material supply;
3. risk of increase in minimum wages;
4. risk of negative publicity and perception;
5. risk of the quality and appropriateness of food and services;
6. risk of business competition;
7. risk of *Halal* Certification;
8. risk of the Company's ability to open new outlets, maintain existing outlets and select strategic locations;
9. risk of the failure of suppliers to comply with and satisfy their contractual obligations, which may have adverse effect to the Company's business;
10. risk of the unable outlet lease agreements with commercially acceptable terms;
11. risk of online aggregator;
12. risk of dependency on the Company's key management personnel;
13. risk of information technology system interruptions;
14. risk of unfavorable response to new menu developed by the Company;
15. risk of unsuccessful marketing programs;
16. risk of changes in consumer preference and perception;
17. risk of negligence and failure to secure approvals, licenses, registrations and permits for the Company's business;
18. risk of logistics and distributions;
19. risk of labor disputes or changes to labor law may cause interruption to the Company's operations and affect the Company's profitability; and
20. risk of insufficient insurance policies carried by the Company.

c. General Risk

1. macroeconomic condition
2. compliance with the prevailing laws and regulations applicable to the company's business
3. risks relating to political condition
4. risk relating to natural disasters
5. risk relating to charges and lawsuits
6. risks resulting from Other Countries' Law or International Law

d. Risks Associated with Investment in the Company's Shares

1. risk of liquidity of share;
2. risk of fluctuation in share price;
3. risk of Indonesia's sovereign rating and credit rating of Indonesian companies may have adverse impact to the market price of the Offering Shares;
4. risk of the interest of the Company's controlling shareholders may conflict with the interest of prospective investors; and
5. risks of the Company's ability to distribute dividends in the future may be subject to retained earnings, financial conditions, cash flows, and working capital requirements in the future.

Further information considering risk factors is available in Chapter VI of this Prospectus.

7. THE COMPANY'S BUSINESS PROSPECTS

The Company's fundamental principles regarding future development remain unchanged as it continues to focus on 3H: Head, Heart and Hand. Its human resources, imbued with a strong sense of identity, act as the main driver for the Company's growth. Employees are encouraged to challenge themselves, make decisions and take initiatives in their respective roles. To maintain Pizza Hut's service excellence, the Company only hires employees who take pride in their work and are wholeheartedly willing to serve customers. Since the Company strongly believes in leading by example, internal trainings and promotions are widely emphasized. Majority of the Company's managers started their career in Pizza Hut as junior staff and accumulated enough experience to guide their successors.

With respect to specific vision and strategies, the Company plans to expand its network of outlets into cities of West Java, Central Java, East Java, Sumatra, Kalimantan, Eastern Indonesia and other significant locations. This expansion strategy provides customers with better access. Advertising investment in mass media notably for the core brand will continue in order to maintain top of mind branding among existing and potential customers. The expansion of PHR outlets supports faster development of PHD, particularly since PHR outlets function on a supporting basis while PHD expands the Company's coverage in concerned areas by filling market gaps. Together with PHD's ongoing improvement of services targeting the young urban adult segment, the Company will continue to dedicate its resources in increased use of social media as a tool to encourage deep brand loyalty among customers



8. DIVIDEND POLICY

The Company's management plans to establish a policy to distribute cash dividends up to a maximum sum of 50% (fifty percent) of the Company's net profit for the year, beginning from the 2018 fiscal year, wherein the Company will provide proportional returns to Shareholders with due consideration to the Company's future growth. The Company plans to distribute dividends at least once a year unless determined otherwise by the GMS. The Company's Board of Directors shall distribute dividends upon approval by shareholders during the GMS. Dividend distribution shall be carried out with due consideration to the Company's financial condition and health.

The amount of cash dividend distribution shall be in accordance with prevailing laws and regulations in Indonesia and the Company's Articles of Association, the Company's net profit may be distributed as dividends to Shareholders after the statutory reserves required by law have been established. Dividend distribution must be approved by the Shareholders through an Annual GMS resolution based on the Company's recommendations.

Further information concerning the Company's dividend policy is available in Chapter X of this Prospectus.



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I. SHARE INITIAL PUBLIC OFFERING

The Company shall hereby conduct a Public Offering of 604,375,000 (six hundred four million three hundred seventy five thousand) Ordinary Shares consisting of the Company's new shares with a nominal value of Rp100 (one hundred Rupiah) per Share, which represent 20% (twenty percent) of the Company's issued and fully paid-up capital subsequent to the Share Initial Public Offering that shall be offered to the Public at an Offer Price of Rp1,100 (one thousand one hundred Rupiah) per Share, which shall be paid in full upon submission of the Share Subscription Form ("SSF"). The aggregate value of the Share Initial Public Offering shall be in the amount of Rp664,812,500,000 (six hundred sixty four billion eight hundred twelve million five hundred thousand Rupiah).

The Company shall hold an ESA Program in conjunction with the Share Initial Public Offering as stipulated under the Deed of Shareholders Resolution on Amendment of Article of Association No. 11 dated March 9, 2018, drawn up before Aulia Taufani, S.H., a Notary in Jakarta, whereby the Company's shareholders have approved the ESA Program of 1% (one percent) shares of the Offering Shares under this Share Initial Public Offering or 6,043,750 (six million forty three thousand seven hundred fifty) shares.

The Company shall also issue stock options for MESOP as stipulated under the Deed of Shareholders Resolution on Amendment of Article of Association No. 11 dated March 9, 2018, drawn up before Aulia Taufani, S.H., a Notary in Jakarta, whereby the Company's shareholders have approved the MESOP up to 1% (one per cent) shares of the total issued and fully paid-up shares after this Share Initial Public Offering.

The entire shares shall provide their holders with the same and equal rights in all matters with the Company's other issued and fully paid-up shares, including the cast in voting right in General Meeting of Shareholders ("GMS") and the right to receive distribution of dividend, bonus shares and Preemptive Rights. The Offering Shares with respect to this Initial Public Offering shall entirely consist of new shares issued from the Company's portfolio.



PT SARIMELATI KENCANA TBK

Main Business Activities

Engaged in the restaurant, catering, warehousing, distribution, and food as well as food processing (including bread and cake) industries.

Head Office:

Graha Mustika Ratu Building, 8th Floor
Jl. Jenderal Gatot Subroto Kav. 74-75
RT/RW 001/01, Menteng Dalam Sub-District, Tebet District
Jakarta
Phone: +62 21 830 6789
Fax: +62 21 830 6790
Website: www.sarimelatikencana.co.id
Email: corsec@sarimelatikencana.co.id

Location of outlets and Factories

As of December 31 2017, the Company operates 237 PHR outlets and 156 PHD outlets in 76 cities and regencies in 28 provinces in Indonesia. The Company also operates Pasta Factory in Jakarta, Sausage Factory in West Java, Dough Ball Factory in Jakarta and West Java, and Commissary Dough Ball in West, Central, and East Java, Bali, South Sulawesi, and North Sumatra.

THE COMPANY'S PRIMARY RISK EXPOSURE IS THE RISK OF LIMITATION OF NUMBER OF OUTLETS OWNED INDEPENDENTLY BY THE COMPANY BASED ON REGULATION OF MINISTRY OF TRADE, WHICH MAY RESULT INTO ADMINISTRATIVE SANCTION IN FORM OF WRITTEN WARNING; TEMPORARY SUSPENSION, AND STPW REVOCATION. THE COMPLETE COMPANY'S BUSINESS RISKS ARE PRESENTED IN CHAPTER VI OF THIS PROSPECTUS.

THE MAIN RISK ASSOCIATED WITH INVESTMENT IN THE COMPANY'S SHARES IS THE OFFERED SHARES OF THIS SHARE INITIAL PUBLIC OFFERING MAY BE ILLIQUID. THE COMPLETE RISKS ASSOCIATED WITH INVESTMENT IN THE COMPANY'S SHARES ARE PRESENTED IN CHAPTER VI OF THIS PROSPECTUS.

THE COMPANY SHALL NOT ISSUE ANY COLLECTIVE SHARE CERTIFICATE IN THIS SHARE INITIAL PUBLIC OFFERING, HOWEVER, THE SHARES SHALL BE ELECTRONICALLY DISTRIBUTED AND ADMINISTERED IN THE COLLECTIVE DEPOSITORY OF PT KUSTODIAN SENTRAL EFEK INDONESIA ("KSEI").



As of the issuance of this Prospectus, the Company's capital structure and shareholder composition as stipulated under the Deed of Shareholder Resolutions Statement regarding the Amendment of Articles of Association No. 21 dated September 12, 2017, drawn up before Aryanti Artisari, S.H., M.Kn., a Notary in South Jakarta, which was approved by the Ministry of Law and Human Rights of the Republic of Indonesia ("MOLHR") by virtue of Decree No. AHU-0018930.AH.01.02.Year 2017 dated September 14, 2017, and was notified to the MOLHR pursuant to the Receipt of Notification of Amendment to Articles of Association No. AHU-AH.01.03-0171514 dated September 14, 2017, and was registered in the Company Registry at the MOLHR under No. AHU-0114560.AH.01.11. Year 2017 dated September 14, 2017, ("Deed No. 21/2017") *juncto* the Shareholder Register as of March 2018, is as follows:

Description	Nominal Value of Rp100.- per share		
	Total Shares (share)	Nominal Value (Rp)	%
Authorized Capital	9,000,000,000	900,000,000,000	
Issued and Fully Paid-Up Capital			
PT Sriboga Raturaya	2,199,683,250	219,968,325,000	90.99
Mountain High Investments Limited	217,816,750	21,781,675,000	9.01
Public	-	-	-
Total Issued and Fully Paid-up Capital	2,417,500,000	241,750,000,000	100.00
Total Shares in Portfolio	6,582,500,000	658,250,000,000	

The Share Initial Public Offering

The aggregate Offering Shares in this Public Offering shall be of 604,375,000 (six hundred four million three hundred seventy five thousand) ordinary registered shares, which represents 20% (twenty percent) of the Company's issued and fully paid-up capital subsequent to the Share Initial Public Offering.

Upon subscription of all the Offering Shares under this Share Initial Public Offering, the Company's capital structure and shareholder composition prior and subsequent to the Share Initial Public Offering on a proforma basis shall be as follows:

The Company's Capital Structure Prior and Subsequent to the Initial Public Offering Consisting of Shares with a Nominal Value of Rp100.- (one hundred Rupiah) per Share

Description	Nominal Value of Rp100.- per Share					
	Prior to the Public Offering			Subsequent to the Public Offering		
	Total Shares (share)	Nominal Value (Rp)	%	Total Shares (share)	Nominal Value (Rp)	%
Authorized Capital	9,000,000,000	900,000,000,000		9,000,000,000	900,000,000,000	
Issued and Fully Paid-Up Capital						
1. PT Sriboga Raturaya	2,199,683,250	219,968,325,000	90.99	2,199,683,250	219,968,325,000	72.79
2. Mountain High Investments Limited	217,816,750	21,781,675,000	9.01	217,816,750	21,781,675,000	7.21
3. Public	-	-	-	604,375,000	60,437,500,000	20.00
Total Issued and Fully Paid-up Capital	2,417,500,000	241,750,000,000	100.00	3,021,875,000	302,187,500,000	100.00
Total Shares in Portfolio	6,582,500,000	658,250,000,000		5,978,125,000	597,812,500,000	

The Company's Employee Stock Allocation Program (ESA Program)

The Company shall hold an ESA Program in conjunction with the Share Initial Public Offering as stipulated under the Deed of Shareholders Resolution on Amendment of Article of Association No. 11 dated March 9, 2018, drawn up before Aulia Taufani, S.H., a Notary in Jakarta, whereby the Company's shareholders have approved the ESA Program of 1% (one percent) shares of the Offering Shares in this Share Initial Public Offering or 6,043,750 (six million forty three thousand seven hundred fifty) shares.

The primary objective of the ESA Program is to raise the sense of belonging among the Company's employees, which is expected to improve the work productivity, and would ultimately have a positive impact to the Company's overall performance and increase the Company's values to the benefit of all stakeholders. The sources of funds to be utilized under ESA Program shall consist of Company's internal cash flow for Awarded Shares that would be given to the eligible employees, and employees' personal fund for Fixed Allotment Shares in accordance with the Company's regulations.

The Company's Human Resource Department shall be responsible for managing ESA Program.

Under the ESA Program, Awarded Shares and Fixed Allotment Shares shall be distributed to the Company's eligible employees ("ESA Program Participants"). Pursuant to the Decision Letter of the Board of Directors No. 01/SK-DIR/III/2018 dated March 12, 2018, concerning the Employee Stock Allocation (ESA) Program in the form of the grant of Employee Awarded Shares and Fixed Allotment Shares, the Company determined the amount of the ESA Program of 6,043,750 (six million forty three thousand seven hundred fifty) shares representing 1% (one percent) shares of the total Offering Shares, which shall consist of:

- Awarded Shares in the amount of 8.27% (eight point twenty seven percent) of the Offering Shares of ESA Program at the Share Initial Public Offering or a cumulative amount of 500,000 (five hundred thousand) shares;
- Fixed Allotment Shares in the amount of 91.73% (ninety one point seventy three percent) of the Offering Shares of ESA Program in the Share Initial Public Offering or 5,543,750 (five million five hundred forty three thousand seven hundred and fifty) shares.



The implementation of ESA Program shall comply with the requirements governed under Regulation No. IX.A.7., where the maximum fixed allotment shall be up to of 10% (ten percent) of the total Offering Shares in the Share Initial Public Offering.

Awarded Shares

Awarded Shares represent shares allocated at no charge by the Company to all ESA Program Participants in a maximum amount of 500,000 (five hundred thousand) shares. Awarded Shares are subject to a Lock-Up period of 12 (twelve) months on the condition that any ESA Program Participant who resigns during the Lock-Up Period may not continue their share ownership and may not trade and/or transfer their share ownership upon the expiration of the Lock-Up period, and the such shares shall be returned to the Company. The Lock-Up period shall commence on the Listing Date of the Company's shares on the IDX.

Fixed Allotment Shares

Fixed Allotment Shares represent fixed allotment granted by the Company to the ESA Program Participants to subscribe to the Offering Shares in the Initial Public Offering, in the amount of 5,543,750 (five million five hundred forty three thousand seven hundred fifty) shares. ESA Program Participants may subscribe to the Fixed Allotment Shares in accordance with the allocated amount stipulated based on the Company's internal policy. The exercise price of the ESA Program relating to the Fixed Allotment Shares shall be equal to the Offer Price. Fixed Allotment Shares shall also be subject to a Lock-Up Period of 12 (twelve) months.

ESA Program Participants

The ESA Program Participants shall comprise of 4,976 (four thousand nine hundred seventy six) employees who have complied with the requirements, as follows:

1. The Company's Permanent and active employee as of April 30, 2018.
2. Permanent Employees with Active Service Years of more or equal to 1 (one) year as of April 30, 2018 with an average or better appraisal score during the period of 2017.
3. The Company's Permanent Employees which are based on performance appraisal of each employee in 2017 and are not subject to disciplinary action (SP1, SP2, SP3) during the implementation of ESA Program.
4. The Company's Permanent Employees who are not subject to Unpaid Leave status.
5. The ESA Program is not applicable to the Board of Directors and Board of Commissioners.

If any of the ESA Program Participants fails to satisfy the criteria/requirements during the offering period of ESA Program, which results in the nullification of such ESA Program Participant's rights for Awarded Shares and/or Fixed Allotment Shares, the Company shall take the following steps:

- With respect to Awarded Shares : The shares shall be returned to the Company, to be transferred to other employees in accordance with the terms stipulated by the Company.
- With respect to Fixed Allotment Shares : Such shares shall be released to be offered to the public in conjunction with the Initial Public Offering process.

If any ESA Program Participant fails to satisfy the criteria/requirements subsequent to the ESA offering period, which results in the nullification of such ESA Program Participant's rights for Awarded Shares and/or fixed allotment shares, the Company shall take the following steps:

- With respect to Awarded Shares : Such shares shall be returned to the Company.

ESA Program Subscription Procedures

The subscription period of Fixed Allotment Shares by the ESA Program Participants shall be conducted prior to the end of bookbuilding period. The Fixed Allotment Shares shall be paid by the employees in accordance with the Company's regulation, whereas Awarded Shares shall be granted directly to the specified ESA program participants without having to undergo the subscription process.

Rights of ESA Program Participants

The ESA Program Participants shall be entitled to receive Award Shares and the stock options to subscribe to Fixed Allotment Shares in accordance with the terms and conditions stipulated by the Company regarding the ESA Program. The ESA Program Participants shall be entitled to the right to receive distribution of dividends, to cast voting rights in a GMS, and other rights equal to any other shareholders' rights.

ESA Program Terms and Conditions

Any costs and taxes arising from the ESA Program in the form of grant of Awarded Shares shall be borne by the Company, whereas any costs and taxes arising from the ESA Program in the form of grant of Fixed Allotment Shares shall be entirely borne by the ESA Program Participants. The costs that need to be incurred by the ESA Program Participants for subscribing to the Fixed Allotment Shares shall be equal to the Offer Price.



With respect to the receipt of Awarded Shares and Fixed Allotment Shares under the ESA Program, the ESA Program Participants shall not be subject to tax upon receipt of the relevant shares. In the event that the ESA Program Participants sell their shares on the IDX, such ESA Program Participants shall be subject to sales tax at 0.1% (zero point one percent) of the sales value. Sale of shares on the over-the-counter market shall be subject to tax calculated based on the capital gain received by the ESA Program Participants.

Under the ESA Program, Fixed Allotment to subscribe to Shares shall be granted to eligible ESA Program Participants in accordance with their respective title, tenure of service, and 2017 appraisal score of the respective employee. The Fixed Allotment Shares allocated to the ESA Program Participants are not mandatory. Therefore, any shares unsubscribed by ESA Program Participants shall be offered to other ESA Program Participants. If the other ESA Program Participants do not subscribe to the remaining offered shares, then the Company may offer such shares to the public. Participants may purchase the Fixed Allotment Shares at the Offer Price. Shares unsubscribed by the ESA Program Participants shall not be subject to the Lock-Up period.

Fixed Allotment Shares shall be subject to a Lock-Up period of 12 (twelve) months from the listing date of the Company's shares on the IDX. The Company shall not bear the cost to purchase the Fixed Allotment Shares by the ESA Program Participants. If the ESA Program Participants resign from the Company during the Lock-Up period, then the Fixed Allotment Shares will be kept by the ESA Program participants and are still subject to the lock-up during the Lock-Up Period.

The Company shall issue Awarded Shares and Fixed Allotment Shares allotment confirmation forms to the ESA Program Participants. The ESA Program Participants shall be required to submit a Statement of Representation and Consent with respect to the Share Ownership Program which is being offered during the Company's Share Initial Public Offering, which states that the ESA Program Participants shall receive the Awards Shares and shall subscribe to the Fixed Allotment Shares in accordance with the requirements stipulated by the Company pertaining to the ESA Program. The Company shall submit the ESA Program Participants register and the number or shares under the ESA Program to the Joint Lead Underwriters, and shall pay the entire shares under the ESA Program in full at the price equal to the share "Offer Price", and such payment shall be deposited in full amount to the bank account appointed by the Joint Lead Underwriters to receive share subscription payments in connection to this Share Initial Public Offering.

Upon subscription of all the Offering Shares in this Share Initial Public Offering, and the implementation of the aforementioned ESA Program, the Company's capital structure and shareholder composition prior and subsequent to the Share Initial Public Offering and the implementation of ESA Program on a proforma basis would be as follows:

Description	Nominal Value of Rp100.- per Share					
	Subsequent to the Public Offering			Subsequent to the Public Offering and the ESA Program		
	Total Shares (share)	Nominal Value (Rp)	%	Total Shares (share)	Nominal Value (Rp)	%
Authorized Capital	9,000,000,000	900,000,000,000		9,000,000,000	900,000,000,000	
Issued and Fully Paid-Up Capital						
1. PT Sriboga Raturaya	2,199,683,250	219,968,325,000	72.79	2,199,683,250	219,968,325,000	72.79
2. Mountain High Investments Limited	217,816,750	21,781,675,000	7.21	217,816,750	21,781,675,000	7.21
3. Public	604,375,000	60,437,500,000	20.00	598,331,250	59,833,125,000	19.80
4. ESA (1%)	-	-	-	6,043,750	604,375,000	0.20
Total Issued and Fully Paid-up Capital	3,021,875,000	302,187,500,000	100.00	3,021,875,000	302,187,500,000	100.00
Total Shares in Portfolio	5,978,125,000	597,812,500,000		5,978,125,000	597,812,500,000	

Management and Employee Stock Option Plan ("MESOP")

Pursuant to the Deed of Shareholders Resolution on Amendment of Article of Association No. 11 dated March 9, 2018 drawn up before Aulia Taufani, S.H., a Notary in Jakarta, the Company's shareholders have approved the implementation of MESOP. The stock option to be distributed to the MESOP Participants may be used to purchase new shares to be issued from portfolio amounted up to 1% (one percent) from the issued and fully paid-up capital subsequent to the Initial Public Offering, within 3 (three) years since the Company's shares listing date in the IDX Stock Exchange. Therefore, the Company shall allocate 30,218,750 (thirty million two hundred eighteen thousand seven hundred and fifty) new shares.

The objective of MESOP is to provide long-term rewards to management and employees for their contribution to the Company. The program is also expected to promote a strong sense of belonging among management and employees to improve motivation and performance.

Participants who shall be eligible to participate in the share ownership program or MESOP are as follows:

- Management, consisting of members of the Board of Directors and Board of Commissioners who are holding their position during the issuance of stock option, excluding the Independent Commissioner.
- Employees in group 7 (seven) and above, with a minimum service year of 1 (one) year as of April 30, 2018.

MESOP program participants who entitled to the stock option at each phase shall be determined by the Company's Board of Directors by 14 (fourteen) business days prior to the stock option distribution date for each phase. The implementation of MESOP shall be financed directly by the respective MESOP Program Participants, and the stock options shall be allocated based on the formula as stipulated by the Company.



The Company's Human Resource Department shall be responsible for managing MESOP program.

MESOP Implementation Period

The stock options under MESOP shall be issued in 3 (three) Phases as described below:

- Phase I, in the amount of 30% (thirty percent) of the total stock options to be issued under MESOP, which shall be issued by no later than 60 days subsequent to the listing date;
- Phase II, in the amount of 30% (thirty percent) of the total stock options to be issued under MESOP, which shall be issued on the first anniversary of the listing date;
- Phase III, in the amount of 40% (thirty percent) of the total stock options to be issued under MESOP, which shall be issued on the second anniversary of the listing date;

The exercise of stock options to subscribe to the Company's shares shall be conducted with reference to Regulation I-A, Annex II to the Decree of the Board of Directors of PT Bursa Efek Indonesia No. Kep-00001/BEI/01-2014 dated January 20, 2014. MESOP shall be implemented by the Company's Board of Directors under the supervision of the Company's Board of Commissioners, and shall be reported in a GMS.

MESOP Program Terms and Conditions

The MESOP Program shall be conducted in accordance with the following terms and conditions:

- Stock options issued shall be valid to purchase the Company's shares for a period of 3 (three) years from the issuance date (Option Life);
- Stock options granted shall be subject to a vesting period of 1 (one) year since the distribution date. During the vesting period, option holders shall not be able to exercise their stock options to subscribe to the Company's shares until the end of the vesting period. If any MESOP Program Participants fail to satisfy the criteria/requirements stipulated by the Company, which results in the nullification of stock options during the vesting period, then such stock options shall be canceled.
- Upon expiry of the vesting period, the option holders shall be entitled to exercise their stock options to purchase new shares during the available Exercise Windows.
- The Company shall open up to 2 (two) Exercise Windows in 1 (one) year, in which the MESOP Program Participants shall be able to exercise their stock options by no later than 30 (thirty) Exchange Days following the opening of such Exercise Window.
- The exercise price shall be determined based on a Company Notice to the IDX regarding the Company's MESOP Implementation Plan Report, namely based on the average closing price of the Company's shares for a period of 25 (twenty five) consecutive Exchange Days in the regular market prior to the date of Company Notice to the IDX regarding the Exercise Period and Price, in accordance with the IDX Regulation No. I-A, Annex to the Decision of the Board of Directors of PT Bursa Efek Indonesia No. Kep-00001 BEI/01-2014.
- MESOP Program Participants shall be required to pay the Exercise Price in full upon exercise of the stock options under the MESOP Program.
- All unexercised stock options distributed to participants who resign or are terminated during their respective tenure shall be nullified.
- All management and employees are not obligated to exercise their stock options. However, such stock options are nontransferable and shall be null and void upon expiry of the Option Life.

MESOP Program Procedures

Each of the MESOP Program Participants shall receive stock options that would be distributed in three phases, i.e., 30% (thirty percent) of the allocated stock options in the first phase, 30% (thirty percent) of the allocated stock options in the second phase, and 40% of the allocated stock options in the third phase. The exercise price shall be determined based on a Company Notice to the IDX regarding the Company's MESOP Implementation Plan Report, namely based on the average closing price of the Company's shares for a period of 25 (twenty five) consecutive Exchange Days in the regular market prior to the date of Company Notice to the IDX regarding the Exercise Period and Price. The exercise price shall be paid in cash by the MESOP Program Participants upon exercise of the stock options to purchase shares through the Company's Human Resources Department.

The MESOP Program procedures and policies shall be determined by the Company's Board of Directors with due considerations to the Indonesia prevailing laws and regulations. Shares resulting from the conversion of stock options under the MESOP Program shall be listed on the IDX.

Rights of MESOP Program Participants

The MESOP Program Participants shall be entitled to receive stock options to subscribe shares in accordance with the terms and conditions stipulated by the Company regarding the Management and Employee Stock Option Plan (MESOP). The MESOP Participants shall be entitled to the right to receive distribution of dividends, to cast voting rights in a GMS, and other rights equal to any other shareholders'.

Upon subscription of all the shares offered by the Company in this Share Initial Public Offering, and the implementation of MESOP, the Company's capital structure and shareholder composition prior and subsequent to the Share Initial Public Offering on a proforma basis shall be as follows:



Description	Nominal Value of Rp100.- per Share					
	Subsequent to the Public Offering and the ESA Program			Subsequent to the Public Offering and the ESA Program and MESOP		
	Total Shares (share)	Nominal Value (Rp)	%	Total Shares (share)	Nominal Value (Rp)	%
Authorized Capital	9,000,000,000	900,000,000,000		9,000,000,000	900,000,000,000	
Issued and Fully Paid-Up Capital						
1. PT Sriboga Raturaya	2,199,683,250	219,968,325,000	72.79	2,199,683,250	219,968,325,000	72.07
2. Mountain High Investments Limited	217,816,750	21,781,675,000	7.21	217,816,750	21,781,675,000	7.14
3. Public	598,331,250	59,833,125,000	19.80	598,331,250	59,833,125,000	19.60
4. ESA (1%)	6,043,750	1,208,750,000	0.20	6,043,750	604,375,000	0.20
5. MESOP (1%)	-	-	-	30,218,750	3,021,875,000	0.99
Total Issued and Fully Paid-up Capital	3,021,875,000	301,583,125,000	100.00	3,052,093,750	305,209,375,000	100.00
Total Shares in Portfolio	5,978,125,000	598,416,875,000		5,947,906,250	594,790,625,000	

PROPOSED PLAN OF SELLING OF SHARES BY SHAREHOLDERS THROUGH PRIVATE PLACEMENT

In addition to the aforementioned Initial Public Offering, PT Sriboga Raturaya and Mountain High Investments Limited, in their respective capacities as the Company's shareholders, shall also conduct a private placement of their shares in a cumulative amount of 314,275,000 (three hundred fourteen million two hundred seventy five thousand) of ordinary registered shares or 10.4% (ten point four percent) of the Company's issued and fully paid-up capital subsequent to the Public Offering to certain parties. The implementation of the sale of the shares by Selling Shareholders is scheduled to be done after the listing of new shares in IDX with offering price similar to Share Initial Public Offer Price. Institutional investors including, but not limited to Pension Funds, Investment Managers, local or foreign Insurance Companies are set as the share targeted parties in the private placement by PT Sriboga Raturaya and Mountain High Investments Limited. Therefore, the planned disposal of shares of the Selling Shareholders does not constitute a Public Offering under the Capital Market Law.

The shares owned by PT Sriboga Raturaya and Mountain High Investments Limited to be offered in such private placement are not included as part of the shares under lock-up according to FSAR No. 25/2017 concerning the Restrictions on Shares Issued Prior to a Public Offering. The execution or closing of transaction relating to the aforementioned shares owned by PT Sriboga Raturaya and Mountain High Investments Limited shall be conducted on the Secondary Market at the IDX on the Listing Date or any other date subsequent to the Listing Date. The costs incurred under the private placement shall be the full responsibility of PT Sriboga Raturaya and Mountain High Investments Limited, and shall not constitute a part of the issuance cost.

The proforma capital structure and shareholder composition prior and subsequent to the private placement by PT Sriboga Raturaya and Mountain High Investments Limited would be as follows:

Description	Nominal Value of Rp100.- per Share					
	Subsequent to the Public Offering and the ESA and MESOP Program			Subsequent to the Public Offering, ESA Program, MESOP Program, and Private Placement		
	Total Shares (share)	Nominal Value (Rp)	%	Total Shares (share)	Nominal Value (Rp)	%
Authorized Capital	9,000,000,000	900,000,000,000		9,000,000,000	900,000,000,000	
Issued and Fully Paid-Up Capital						
1. PT Sriboga Raturaya	2,199,683,250	219,968,325,000	72.07	1,957,933,250	195,793,325,000	64.15
2. Mountain High Investments Limited	217,816,750	21,781,675,000	7.14	145,291,750	14,529,175,000	4.76
3. Public	598,331,250	59,833,125,000	19.60	912,606,250	91,260,625,000	29.90
4. ESA (1%)	6,043,750	604,375,000	0.20	6,043,750	604,375,000	0.20
5. MESOP (1%)	30,218,750	3,021,875,000	0.99	30,218,750	3,021,875,000	0.99
Total Issued and Fully Paid-up Capital	3,052,093,750	305,209,375,000	100.00	3,052,093,750	305,209,375,000	100.00
Total Shares in Portfolio	5,947,906,250	594,790,625,000		5,947,906,250	594,790,625,000	

Registration of the Company's shares on the IDX

Simultaneously with the registration of 604,375,000 (six hundred four million three hundred seventy five thousand) New Shares from the Company's portfolio or 20% (twenty percent) of the Company's issued and fully paid-up capital subsequent to the Share Initial Public Offering, the Company shall also register the entire Ordinary Registered Shares held by the shareholders prior to the Share Initial Public Offering in the amount of 2,417,500,000 (two billion four hundred seventeen million five hundred thousand) shares of the total issued and fully paid-up capital subsequent to the Share Initial Public Offering. Therefore, the total shares to be registered on the IDX by the Company shall be 3,021,875,000 (three billion twenty one million eight hundred seventy five thousand) shares or 100% (one hundred percent) of the total issued and fully paid-up capital subsequent to the Share Initial Public Offering.



II. USE OF PROCEEDS FROM THE PUBLIC OFFERING

All proceeds received from the Company's Share Initial Public Offering, net of costs directly associated with the Initial Public Offering, shall be used as follows:

1. Approximately 65% shall be used to support the Company's capital expenditures, either to open new outlets, renovate existing outlets, as well as to secure locations of PHR and PHD outlets, and other outlet concepts that are currently existing as well as those in the future. The Company plans to expand its chain of outlets to cities in West Java, Central Java, East Java, Sumatera, Kalimantan, Eastern Indonesia and other locations. The opening of new outlets will be carried out by the Company. In the event that the Company exceeded its quantitative limit of outlets, additional outlets will be opened through franchising or cooperation via equity participation agreement, in accordance with the terms and conditions applicable in accordance with franchising regulations.
2. Approximately 35% shall be used for the partial payment of the Company's bank and other financial institution loan facilities as detailed below:

a. PT. Bank CIMB Niaga Tbk (Bank CIMB)

Investment Credit 3

- Loan Balance : Rp150,000,000,000 (as of the issuance of this Prospectus)
- Interest Rate : 10.5% per annum
- Maturity : June 18, 2022
- Use of loan : Funding for new outlets opened by the Company for period 2017-2018
- Loan History : New credit facility was acquired on June 19, 2017 with maximum amount up to Rp150,000,000,000
- Loan Balance (after partial repayment): Rp150,000,000,000 - Rp61,500,000,000 = Rp88,500,000,000
- Penalty : There is no penalty fee for loan facility payments.

Procedures and terms for repayment or payment:

The Borrower is permitted to repay the outstanding amount owed to the bank in part or in full under Inverse Order Maturity condition.

b. PT. Mandiri (Persero) Tbk (Bank Mandiri)

(i) Investment Credit II

- Loan Balance : Rp32,492,000,000 (as of the issuance of this Prospectus)
- Interest Rate : 10.5% per annum in 2017
- Maturity : April 27, 2020
- Use of loan : Refinancing of Company's outlets
- Loan History : Acquired on April 28, 2015 with credit limit amounting to Rp50,000,000,000
- Loan Balance (after partial repayment): Rp32,492,000,000 - Rp32,400,000,000 = Rp92,000,000
- Penalty : Penalties, costs and interest will be determined by the bank. Any penalty incurred will be paid using proceeds from the Public Offering.

(ii) Special Transaction Loan I

- Loan Balance : Rp20,338,983,055 (as of the issuance of this Prospectus)
- Interest Rate : 10.5% per annum in 2017
- Maturity : April 27, 2020
- Use of loan : Additional working capital particularly for outlet rent
- Loan History : Acquired on April 28, 2015 with credit limit amounting to Rp50,000,000,000
- Loan Balance (after partial repayment): Rp20,338,983,055 - Rp20,000,000,000 = Rp338,983,055
- Penalty : Penalties, costs and interest will be determined by the bank. Any penalty incurred will be paid using proceeds from the Public Offering.

(iii) Special Transaction Loan II

- Loan Balance : Rp45,000,000,000 (as of the issuance of this Prospectus)
- Interest Rate : 10.5% per annum in 2017
- Maturity : May 29, 2021
- Use of loan : Financing for cash flow deficit
- Loan History : Acquired on May 30, 2017 with credit limit amounting to Rp50,000,000,000
- Loan Balance (after partial repayment): Rp45,000,000,000 - Rp18,559,375,000 = Rp26,440,625,000
- Penalty : Penalties, costs and interest will be determined by the bank. Any penalty incurred will be paid using proceeds from the Public Offering.

Procedures and terms for repayment or payment:

The Borrower is permitted to repay the outstanding amount owed to the bank in part or in full with at least fourteen (14) calendar days prior notice of payment date.



c. Bank BTMU

Working Capital Loan

- Loan Balance : Rp50,000,000,000 (as of the issuance of this Prospectus)
- Interest Rate : Between 9.8% to 10.5% per annum in 2017 with interest rate of 1.75% above cost of debt
- Maturity : December 23, 2018
- Use of loan : Additional working capital
- Loan History : Acquired on December 23, 2011 with credit limit amounting to Rp50,000,000,000
- Loan Balance (after full repayment) : Rp50,000,000,000 - Rp50,000,000,000 = Rp0
- Penalty : There is no penalty fee for loan facility payments.

Procedures and terms for repayment or payment:

If the Borrower wishes to repay a loan prior to repayment date, the Borrower shall notify the bank in writing at least two (2) business days prior to the proposed repayment date. If the bank approves such prepayment proposal, the Borrower must pay, in addition to the applicable interest, with the Break Funding Costs attributable to that loan.

d. PT. Bank HSBC Indonesia (Bank HSBC)

Lending Facility for Funding of Outlet Rent

- Loan Balance : Rp73,842,556,531 (as of the issuance of this Prospectus)
- Interest Rate : 10.25% per annum in 2017
- Maturity : November 23, 2022
- Use of loan : Funding of outlet rent and purchase of Company's new outlets
- Loan History : Acquired on December 23, 2017 with credit limit amounting to Rp100,000,000,000
- Loan Balance (after partial repayment): Rp73,842,556,531 - Rp42,000,000,000 = Rp31,842.556,531
- Penalty : If payment is made after or prior to 2 year period with takeover fund, then the borrower will be subject to a penalty fee amounting to 1% of outstanding debt. The fund needed to pay the penalty will be from the Public Offering.

Procedures and conditions for repayment or payment:

The Borrower is allowed to repay some proportion or all outstanding debt with condition that repayment can be done after 2 years. If the payment is done using Company's internal cash, and paid after or before 2 years with funds from a takeover, the Borrower will be charged a penalty fee amounting to 1% of outstanding debt.

Proceeds allocated to support capital expenditures shall be used by the Company immediately after listing in IDX which is on the 2nd quarter of 2018 up to the end of 2020, while those allocated for loan repayment will be used any time after listing in IDX which is on the 2nd quarter of 2018.

If the proceeds from the Share Initial Public Offering received by the Company remain insufficient to finance the plans referred to above, the Company shall utilize its internal cash flows, external financing from banks, financial institutions and/or other sources.

In accordance with FSAR No. 30/2015, the Company shall submit the Report of Utilization of Proceeds from the Share Initial Public Offering to the FSA and shall be obliged to report the utilization of proceeds from the Share Initial Public Offering to the Company's Annual GMS until the entire proceeds from the Share Initial Public Offering are utilized. The Report of Utilization of Proceeds from the Share Initial Public Offering to the FSA shall be prepared on a periodic basis every six (6) months (June and December) until the entire proceeds from the Share Initial Public Offering are utilized. The Company shall submit the aforementioned report no later than the 15th of the following month.

If the Company intends to change the planned use of proceeds from the Share Initial Public Offering in the future, the Company shall first report such plan to the FSA by stating the reasons and considerations thereof. Such change in the use of proceeds shall first obtain approval from the GMS. The change of planned use of proceeds shall be reported simultaneously with the notification of GMS agenda to the FSA.

In the event that the Company intends to enter into transactions using the proceeds from the Share Initial Public Offering that constitute affiliated transactions and transactions with certain conflict of interest and/or material transactions, the Company shall comply with the provisions set forth in Regulation No. IX.E.1 and/or Regulation No. IX.E.2.

Pursuant to the provisions of FSAR No. 8/2017, the estimated total costs incurred by the Company shall be approximately 3.53% of the Share Initial Public Offering's value, which consist of:

- Professional fees for the Joint Lead Underwriter of 1.80% consisting of the underwriting fee of 0.15%, management fee of 1.50% and selling fee of 0.15%.
- Fees for Capital Market Supporting Professionals approximately 0.81%, consisting of public accountant's fee of approximately 0.15%, legal advisor's fee of approximately 0.39%, notary's fees of approximately 0.01%, tax advisor's fee of approximately 0.02%, industry advisor's fee of 0.10%, and out-of-pocket expense of 0.14%
- Fees for Capital Market Supporting Institutions amounting to approximately 0.02%, representing the share registrar's fees.



- Printing costs of the prospectus, certificates and forms, cost of newspaper advertisement, and translation related to the abridged prospectus amounting to approximately 0.07%.
- Other expenses approximately 0.83%, consisting of the FSA's registration fee of approximately 0.01%, the IDX listing fee of approximately 0.04%, KSEI's registration fees of approximately 0.002%, Public Expose and Due Diligence meeting of 0,10% and other costs of 0.68%.

In the event that proceeds from the Share Initial Public Offering has not been fully utilized, the temporary placement of such proceeds from the Offering shall be conducted by the Company with due consideration to the security and liquidity of such placement. Such placement shall provide fair financial returns to the Company and comply with the provisions of prevailing laws and regulations.



III. STATEMENT OF INDEBTEDNESS

Pursuant to the Company's financial statements as of and for the year ended December 31, 2017, which have been audited by the Registered Public Accountant Purwantono, Sungkoro & Surja, an independent auditors', which expressed an unmodified opinion in its report signed by Agung Purwanto (Public Accountant Registration No. AP.0687) dated April 9, 2018. The Registered Public Accountant Purwantono, Sungkoro & Surja's independent auditors' report includes Other Matter paragraph regarding the purpose of the issuance of independent auditors' report. The Company's total liabilities amounted to Rp1,124,309 million, consisting of total current liabilities of Rp609,105 million and total non-current liabilities of Rp515,204 million with details provided below:

(In Rupiah)	
	December 31, 2017
CURRENT LIABILITIES	
Short-term bank loans	146,967,236,261
Trade Payables	
Related Parties	5,556,722,000
Third Parties	131,687,432,586
Other Payables	
Related Parties	116,278,670
Third Parties	35,770,181,669
Accrued Expenses	148,725,387,453
Due to related parties	23,688,022,826
Taxes payable	55,981,249,724
Current maturities of long-term liabilities	
Long-term bank loans	54,378,902,124
Finance lease payable	6,233,784,996
TOTAL CURRENT LIABILITIES	609,105,198,309
NON-CURRENT LIABILITIES	
Long-term liabilities - net of current maturities	
Long-term bank loans	219,096,082,013
Finance lease payable	7,357,489,177
Employee benefits liabilities	288,750,151,584
TOTAL NON-CURRENT LIABILITIES	515,203,722,774
TOTAL LIABILITIES	1,124,308,921,083

Descriptions of each liability are presented below:

a. CURRENT LIABILITIES

1. SHORT-TERM BANK LOANS

Total short-term bank loans as of December 31, 2017, amounted to Rp146,967 million is provided below:

(In Rupiah)	
DESCRIPTION	AMOUNT
PT Bank CIMB Niaga Tbk	71,335,334,076
The Bank of Tokyo-Mitsubishi UFJ, Ltd., Jakarta Branch	50,000,000,000
PT Bank Mandiri (Persero) Tbk	25,631,902,185
Total Short-Term Bank Loans	146,967,236,261

PT Bank CIMB Niaga Tbk (Bank CIMB)

- a. On February 27, 2012, the Company obtained a credit facility from Bank CIMB in the form of Revolving Overdraft Facility with a credit limit of Rp35,000 million. The facility shall be used to finance the Company's operational activities. The facility is subject to an annual interest rate of 11% in 2017, 12% in 2016 and 2015, and subject to an annual provision fee of 0.25% per annum. The facility has been extended several times, and was most recently extended up to June 17, 2018.

The outstanding balance of the facility as of December 31, 2017, 2016, and 2015, are amounted to Rp28,349 million, Rp31,956 million and Rp5,005 million, respectively.

The facility is an integral part of the investment credit facility from the same bank recorded as long-term bank loans.

- b. On November 20, 2012, the Company obtained several credit facilities from Bank CIMB, consisting of:
- Revolving Sight Letters of Credit (L/C) from Bank CIMB, with a credit limit of US\$3,500,000 shall be used as import facilities for import transactions from Australia, New Zealand, and the United States of America. The facility is subject to an annual interest rate equivalent to cost of fund plus 2%. On April 7, 2015, the LC facility has been revoked.



- ii. Revolving Special Transaction Credit Facility with a credit limit of Rp25,000 million, which constitutes a sub-limit of the Sight Letters of Credit (L/C) Facility referred to above. The facility shall be used for Sight Letters of Credit Settlement and TT payments.

On April 7, 2015, the credit limit for such facility increased from Rp25,000 million to US\$5,000,000 and shall no longer constitute a sub-limit of the Sight Letters of Credit (L/C) facility.

The facility is subject to an annual interest rate of 10% in 2017 and 2016, and between 10% to 12% in 2015. The outstanding balance of the facility as of December 31, 2017, 2016, and 2015, are amounted to Rp42,986 million, Rp18,978 million and Rp56,939 million, respectively.

All of the above facilities are valid up to December 17, 2014, have been extended several times, and the latest is up to June 17, 2018.

- c. On June 19, 2017, the Company obtained several credit facilities from Bank CIMB, consisting of:
 - i. Foreign exchange line with a settlement limit of US\$500,000. This facility is an uncommitted line and is valid up to March 17, 2018 and has been extended up to June 17, 2018.
 - ii. Stand-by Letter of Credit (SBLC) facility up to US\$2,500,000. The facility shall be used as a payment guarantee to YUM! Pizza Hut Asia, and is valid up March 17, 2018 and has been extended up to June 17, 2018.

As of December 31, 2017, the outstanding balance of this facility was Rp nil.

All credit facilities from Bank CIMB are secured with a number of buildings owned by the Company and fiduciary liens on equipment in the amount equivalent to 100% of the credit limit of existing long-term bank loans, and assignment of all rental rights to Bank CIMB. Minimum fiduciary liens on tools and equipment of Rp150,000 million and cash collateral of 20% upon issuance of the SBLC, which shall be made in the same currency. The collaterals are cross-collateralized to all credit facilities from Bank CIMB to the Company.

Compliance with loan covenants

The credit agreement includes restrictions and covenants whereby the Company, without prior written consent from Bank CIMB, is not permitted to change the status of the institution, articles of association, the composition of the Board of Directors, Commissioners, and shareholders, as well as distribute dividend exceeding 50% of income for the year.

The Company is also required to meet the obligation to maintain financial ratios with total liabilities/total equity of maximum 3 (three) times, Debt Service Coverage Ratio (DSCR) of minimum 1.5 (one point five) times, and total bank loan/ Earnings Before Interest, Tax, Depreciation, and Amortization (EBITDA) of maximum 2 (two) times.

In 2017, the Company amended its articles of association by distributing dividend exceeding 50% of income for the year which is thereafter deposited back as additional paid-in capital. With this, the breach of the negative covenant required by Bank CIMB has been approved to be waived in 2017.

The Company also had approval from Bank CIMB in connection with the initial public offering of PT Sarimelati Kencana on IDX, with the condition the Company maintains the required financial ratio and remains actively engaged in operational activities at Bank CIMB.

As of December 31, 2015, the Company had approval from Bank CIMB to waive the financial ratio required by Bank CIMB.

As of December 31, 2017 and 2016, the Company had complied with all covenants stipulated in the relevant agreement.

The Company obtained the written approval from CIMB based on (i) the Letter No. 041/SX/CBTVI/III/2018 dated March 7, 2018 and (ii) Letter No. 073/SX/CBTVI/IV/2018 dated April 23, 2018, in connection with the Company's Share Initial Public Offering.

The Bank of Tokyo-Mitsubishi UFJ, Ltd., Jakarta Branch (BTMU)

On December 23, 2011, the Company obtained an uncommitted working capital credit facility from BTMU with a credit limit of Rp50,000 million. The facility shall be used to finance working capital and subject to an interest rate equivalent to cost of fund plus 1.75%.

On July 26, 2012, the Company's credit limit increased to Rp100,000 million. The facility is subject to an annual interest rate, ranging from 9.8% to 10.5% in 2017, from 11.3% to 12% in 2016, and from 10.8% to 12.05% in 2015. The facility is secured with fiduciary liens on inventories and equipment in the amount equivalent to 120% of the credit limit.

On December 23, 2015, BTMU and the Company agreed to decrease the credit limit for this facility from Rp100,000 million to Rp50,000 million. The facility is valid up to December 23, 2012, and has been extended several times, the latest up to December 23, 2018. The outstanding balance of the facility as of December 31, 2017, 2016, and 2015, amounted to Rp50,000 million, respectively.



Compliance with loan covenants

The credit agreement includes restrictions and covenants whereby the Company, without prior written consent from Bank BOTM, is not permitted to change the capital structure, association of articles, the composition of the Board of Directors, Commissioners, and shareholders, as well as distribute dividend equal to or exceeding 50% of income for the year.

The Company is also required to meet the obligation to maintain financial ratios with maximum 2 (two) times in Debt to Equity Ratio (DER), minimum 3.5 (three point five) time in Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) to interest expense and maximum 2 (two) times in total bank loan/Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA).

In 2017, the Company amended its Articles of Association by distributing dividend exceeding 50% of income for the year which is thereafter deposited back as additional paid-in capital. With this, the breach of the negative covenant required by Bank BOTM has been approved to be waived in 2017.

As of December 31, 2017, 2016, and 2015, the Company had complied with all covenants stipulated by the Bank.

The Company obtained the written approval from BTMU based on the Letter No. 005/02/LCBD/2018 dated February 23, 2018, in connection with the Company's Share Initial Public Offering.

PT Bank Mandiri (Persero) Tbk (Bank Mandiri)

On April 28, 2015, the Company obtained several credit facilities from Bank Mandiri, consisting of:

- Revolving Overdraft Working Capital Credit Facility from Bank Mandiri, which was used as additional working capital, including to take over the Overdraft Facility from PT Bank Permata Tbk, with a credit limit of Rp35,000 million, and has been extended several times, the latest up to April 27, 2018. This facility is subject to an annual interest rate at 10.5% in 2017, from 10.5% to 10.75% in 2016, and 10.75% in 2015, waived from provision fee in the first year, and subject to an annual provision fee of 0.25% of the credit limit thereafter. The outstanding balance of the facility as of December 31, 2017, 2016, and 2015, amounted to Rp25,632 million, Rp33,916 million and Rp14,159 million, respectively.
- Treasury Line Facility with a credit limit of US\$3,000,000, which is used to hedge the purchase of raw materials, payment of franchise fees, purchase of machinery and equipment against the risk of fluctuating exchange rate of the United States Dollar/Rupiah with a period of one (1) year from the signing of the agreement, at maximum period of 6 months per transaction. On April 28, 2017, there was an increase in the plafond of this facility to US\$5,000,000. The outstanding balance of the facility as of December 31, 2017, 2016, and 2015, amounted to Rp nil, respectively.

The facilities are secured with fiduciary liens on a number of buildings, outlet furniture and fixtures, and certain inventories owned by the Company, in the amount equivalent to 100% of the Company's credit limit. The collaterals are cross-collateralized to all credit facilities from Bank Mandiri to the Company.

The facility is an integral part of the investment credit facility from the same bank recorded as long-term bank loans.

Compliance with loan covenants

The credit agreement includes restrictions and covenants whereby the Company, without prior written consent from Bank Mandiri, is not permitted to change its composition of the shareholders, change name, nature and purpose of the business activity and the status of the Company as well as distribute dividend exceeding 50% of income for the year.

The Company is also required to meet the obligation to maintain financial ratios with maximum 2.3 (two point three) times in Debt to Equity Ratio (DER), minimum 1 (one) time in Debt Service Coverage Ratio (DSCR), and maximum 3.5 (three point five) times in total bank loan/Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA).

In 2017, the Company amended its Articles of Association by distributing dividend exceeding 50% of income for the year which is thereafter deposited back as additional paid-in capital. With this, the breach of the negative covenant required by Bank Mandiri has been approved to be waived in 2017.

The Company also had approval from Bank Mandiri in connection with the initial public offering of PT Sarimelati Kencana on IDX with the condition that the Company change its articles of association by increasing its share capital by distributing dividend with maximum amount of Rp300,000,000,000 from retained earnings that is thereafter deposited back, maximum percentage of initial public offering is 35% from subscribed and fully paid-up shares, as well as the proceeds from initial public offering will be used to repay credit facilities and develop the Company's business.

As of December 31, 2017, 2016, and 2015 the Company had complied with all covenants stipulated by the Bank. The Company has secured written approval from Bank Mandiri based on (i) electronic letter dated April 10, 2018, (ii) Letter No. CBG.LC1/CGD.100/2018 dated April 10, 2018, and (iii) Letter No. CBG.LC1/GCD.140/2018 dated May 7, 2018, in relation to the Company's Shares Initial Public Offering.



2. TRADE PAYABLES

Total trade payables as of December 31, 2017, amounted to Rp137,244 million, with details as follow:

		(In Rupiah)
DESCRIPTION		AMOUNT
<u>Related Parties</u>		
PT Sriboga Flour Mill		5,508,121,999
PT Sriboga Marugame Indonesia		48,600,001
Sub - total		5,556,722,000
<u>Third Parties</u>		
PT Lasallefood Indonesia		10,078,000,477
PT Unilever Indonesia Tbk		7,516,436,242
PT Jaya Abadi Packindo		7,020,468,485
PT Soejasch Bali		6,283,477,800
PT Charoen Pokphand Indonesia Tbk		5,586,228,078
PT San Miguel Pure Foods Indonesia		5,245,806,345
PT Macrosentra Niagaboga		4,179,537,301
PT Eka Timur Raya		3,645,000,000
PT Belfoods Indonesia		2,727,333,600
PT SAF Indonusa		2,692,184,394
PT Kartikawira Adisukses		2,555,053,050
PT Ciomas Adisatwa		2,431,434,984
PT Ultrajaya Milk Industry Tbk		2,200,046,200
PT Estika Tata Tiara		2,109,235,927
PT Jaya Gas Indonesia		2,101,561,142
PT Mulia Raya Prima		2,044,334,208
PT Nirwana Lestari		1,785,199,772
PT Dwi Selaras Jayapack Surabaya		1,735,861,100
PT Pangan Lestari		1,545,140,000
PT Indolakto		1,529,409,852
PT Ecolab Indonesia		1,510,641,857
CV Sicma Inti Utama		1,281,126,000
PT Indomarco Adi Prima		1,256,219,040
PT Kraft Ultrajaya Indonesia		1,250,567,537
PT Bumi Menara Internusa		1,150,368,492
PT iClean Indonesia		1,121,714,148
PT Buana Distrindo		993,081,845
PT Dagsap Endura Eatore		960,788,440
PT Agro Boga Utama		887,691,807
PT Jaya Latexindo Internusa		863,500,000
HD & Tek, Co., Ltd.		831,270,055
PT Solusi Prima Packaging		775,170,000
CV Mekar Plastik		768,951,594
PT Sukanda Djaya		764,138,205
PT Foodindo Dwivestamas		745,450,578
PT Sinarmas Distribusi Nusantara		722,800,000
PT Foodex Inti Ingredients		717,959,100
PT Sanpak Unggul		689,065,500
PT Suparma Tbk		634,375,496
PT Globe MZM		585,084,113
PT Volensa Indonesia		569,149,742
PT So Good Food		539,100,000
PT Biru Hujan Pelangi		531,700,000
PT Segar Mas Prima		521,069,249
PT Anugrah Abadi		515,472,500
Others (each below Rp500,000,000)		35,489,228,331
Sub - total		131,687,432,586
Total Trade Payables		137,244,154,586

Trade payables are unsecured, non-interest bearing, and to be settled in cash.

The trade payable aging analysis is presented below:

		(In Rupiah)
DESCRIPTION		AMOUNT
Current		90,716,563,545
30 - 90 days due		34,241,085,603
Due > 90 days		12,286,505,438
Total Trade Payables		137,244,154,586



The details of trade payables by currency are as follows:

		(In Rupiah)
DESCRIPTION		AMOUNT
<u>Rupiah</u>		
Related Parties		5,556,722,000
Third Parties		130,587,681,815
Sub - total		136,144,403,815
<u>US Dollars</u>		
Third Parties		1,099,750,771
(US\$81,174 in 2017, US\$520,222 in 2016 and US\$163,303 in 2015)		
Sub-total		1,099,750,771
Total Trade Payables		137,244,154,586

3. OTHER PAYABLES

Total other payables as of December 31, 2017, amounted to Rp35,886 million. Other payables are obligations that arises from transaction such as the Company's operational costs, balance payable, nominal voucher to be traded and renovation of rented building to:

		(In Rupiah)
DESCRIPTION		AMOUNT
<u>Related Parties</u>		
PT Sriboga Marugame Indonesia		108,382,319
PT Sriboga Flour Mill		7,896,351
Sub - total		116,278,670
<u>Third Parties</u>		
Credit card issuers		4,433,231,343
Astek		4,202,728,608
PT Wira Pamungkas Pariwara		1,756,029,983
Nominal vouchers		1,594,338,001
PT Trisarana Prima		1,235,416,760
State Treasury		1,175,484,000
PT Gama Pratama		932,727,273
PT Karya Mandiri Sejahtera		766,279,984
PT Cipta Gemilang Teknik Mandiri		636,133,672
PT Griya Idaman Sejahtera		609,532,388
PT Sinar Indah		580,498,750
PT Kharisma Bayu Mandiri		520,828,243
PT Real Lustrum (Laura Olivia)		506,052,571
Others (each below Rp500,000,000)		16,820,900,093
Sub - total		35,770,181,669
Total Other Payables		35,886,460,339

The other payables aging analysis is presented below:

		(In Rupiah)
DESCRIPTION		AMOUNT
Current		26,437,451,534
Mature in 30-90 days		2,309,439,229
Mature in >90 days		7,139,569,576
Total Other Payables		35,886,460,339

All other payables are denominated in Rupiah. Other payables does not have interest rate, without collateral, and the settlement will be done in cash in less than one year.



4. TAXES PAYABLE

Total taxes payable as of December 31, 2017, amounted to Rp55,981 million.

<i>(In Rupiah)</i>	
DESCRIPTION	AMOUNT
Hotel and restaurant tax (PB1)	34,400,253,832
Value added tax	2,427,793,940
Income Tax	
Article 26	2,738,587,939
Article 4 (2)	2,269,792,911
Article 23	400,017,182
Article 25	6,008,329,279
Article 29	7,736,474,641
Total Taxes Payable	55,981,249,724

5. ACCRUED EXPENSES

Total accrued expenses as of December 31, 2017, amounted to Rp148,725 million.

<i>(In Rupiah)</i>	
DESCRIPTION	AMOUNT
Rental and facilities	75,669,984,070
Advertising and promotions	25,375,094,605
Continuing franchise fee	21,872,842,084
Salaries	22,647,509,462
Interest on loan	2,011,602,466
Professional fees	1,148,354,766
Total Accrued Expenses	148,725,387,453

6. LONG-TERM BANK LOANS

Total long-term bank loans as of December 31, 2017, amounted to Rp219,096 million.

<i>(In Rupiah)</i>	
DESCRIPTION	AMOUNT
PT Bank CIMB Niaga Tbk	120,369,919,572
PT Bank Mandiri (Persero) Tbk	110,430,224,163
PT Bank HSBC Indonesia	42,674,840,402
Total	273,474,984,137
Less Current maturities	(54,378,902,124)
Total Long-Term Bank Loans	219,096,082,013

PT Bank CIMB Niaga Tbk (Bank CIMB)

- On February 27, 2012, the Company obtained Revolving Overdraft Facility with a credit limit of Rp35,000 million for the purpose of financing the Company's operational activities from Bank CIMB.
- On November 20, 2012, the Company obtained the Investment Credit Facility 2 from Bank CIMB, with a credit limit of Rp50,000 million for the purpose of opening new PHR or PHD outlets.

The facility is subject to an annual interest rate, ranging from 10.5% to 11% in 2017, at 11% in 2016 and 2015, and was valid up to October 5, 2017. The outstanding balance of the facility as of December 31, 2017, 2016, and 2015, amounted to Rp nil, Rp9,298 million and Rp21,798 million, respectively. On October 5, 2017, the Company had paid the facility. Total payments for the facility in 2017, 2016, and 2015 amounted to Rp9,298 million, Rp12,500 million, and Rp12,500 million, respectively.

- On June 19, 2017, the Company obtained the Investment Credit Facility 3 from Bank CIMB, with a credit limit of Rp150,000 million for the purpose of opening new PHR and PHD outlets, Kitchen by Pizza Hut, and Pizza Hut Kiosks during the period from 2017 - 2018.

The facility is subject to an annual interest rate of 10.5% per (floating) in 2017, and is valid up to June 18, 2022. As of December 31, 2017, the outstanding balance of this facility amounted to Rp120,370 million. Total payments for the facility in 2017 was Rpnil.



All credit facilities from Bank CIMB are secured with a number of buildings owned by the Company and fiduciary liens on equipment in the amount equivalent to 100% of the credit limit of existing long-term bank loans, and assignment of all rental rights to Bank CIMB. Minimum fiduciary liens on tools and equipment of Rp150,000 million and cash collateral of 20% upon issuance of the SBLC, which shall be made in the same currency. The collaterals are cross-collateralized to all credit facilities from Bank CIMB to the Company.

Compliance with loan covenants

The credit agreement includes restrictions and covenants whereby the Company, without prior written consent from Bank CIMB, is not permitted to change the status of the institution, articles of association, the composition of the Boards of Directors and Commissioners, and shareholders, as well as distribute dividend exceeding 50% of income for the year.

The Company is also required to fulfill its obligation to maintain financial ratios such as total liabilities/total equity of maximum 3 (three) times, Debt Service Coverage Ratio (DSCR) of minimum 1.5 (one point five) times, and total bank loan/ Earnings Before Interest, Tax, Depreciation, and Amortization (EBITDA) of maximum 2 (two) times.

In 2017, the Company amended the Company's articles of association by distributing dividend exceeding 50% of income for the year which is thereafter deposited back as additional paid-in capital. With this, the breach of the negative covenant required by Bank CIMB has been approved to be waived in 2017.

The Company also had approval from Bank CIMB in connection with the initial public offering of PT Sarimelati Kencana Tbk on IDX with the condition that the Company maintains the required financial ratio and remains actively engaged in operational activities at Bank CIMB.

On December 31, 2015, the Company had approval from Bank CIMB to waive the financial ratio required by Bank CIMB.

As of December 31, 2017 and 2016, the Company had complied with all covenants stipulated in the relevant agreement.

The Company obtained the written approval from CIMB based on the Letter No. 041/SX/CBTVI/III/2018 dated March 7, 2018, and (ii) Letter No. 073/SX/CBTVI/IV/2018 dated April 23, 2018, in connection with the Company's Share Initial Public Offering.

PT Bank Mandiri (Persero) Tbk (Bank Mandiri)

a. On April 28, 2015, the Company obtained several credit facilities from Bank Mandiri, consisting of:

- i. Investment Credit Facility I with a credit limit of Rp50,000 million, used for affition to working capital, particularly for outlet rent cost (to decrease the limit of Working Capital Credit Facility in Bank of Tokyo – Mitsubishi UFJ, Ltd). The Facility is valid for 5 years up to April 27, 2020.

The facility is subject to an annual interest rate of 10.5% in 2017, between 10.5% to 10.75% in 2016 and 10.75% in 2015. The outstanding balance of the facility as of December 31, 2017, 2016, and 2015, amounted to Rp23,729 million Rp33,898 million and Rp44,068 million.

Total payment of this facility during 2017, 2016 and 2015 amounted to Rp10,169 million, Rp10,169 million and Rp5,932 million, respectively.

- ii. Investment Credit Facility II (Refinancing) with a credit limit of Rp50,000 million for the purpose of refinancing the Pizza Hut and Pizza Hut Delivery outlets. The facility is valid for 5 years up to April 27, 2020. The facility is subject to an annual interest rate of 10.5% in 2017, between 10.5% to 10.75% in 2016, and 10.75% in 2015. The outstanding balance of the facility as of December 31, 2017, 2016, and 2015, amounted to Rp36,660 million, Rp46,664 million and Rp45,000 million, respectively. Total payments for the facility in 2017, 2016, and 2015 amounted to Rp10,004 million, Rp3,336 million, and Rp nil, respectively.

b. On May 30, 2017, the Company obtained the Special Transaction Credit Facility II from Bank Mandiri, with a credit limit of Rp50,000 million for the purpose of financing deficit cash flows. The facility is valid for 4 years up to May 29, 2021. The facility is subject to an annual interest rate of 10.5% in 2017. As of December 31, 2017, the outstanding balance of this facility amounted to Rp50,000 million. The first payment will be made starting from January 2018.

The facilities are secured with fiduciary liens on a number of buildings, outlet furniture and fixtures, and certain inventories owned by the Company, in the amount equivalent to 100% of the Company's credit limit. The collaterals are cross-collateralized to all credit facilities from Bank Mandiri to the Company.

Compliance with loan covenants

The credit agreement includes restrictions and covenants whereby the Company, without prior written consent from Bank Mandiri, is not permitted to change its composition of the shareholders, change name, nature and purpose of the business activity and the status of the Company, as well as distribute dividend exceeding 50% of income for the year.



The Company is also required to fulfill its obligation to maintain financial ratios such as Debt to Equity Ratio (DER) of maximum 2.3 (two point three) times, Debt Service Coverage Ratio (DSCR) of minimum 1 (one) time, and total bank loan/ Earnings Before Interest, Tax, Depreciation, and Amortization (EBITDA) of maximum 3.5 (three point five) times.

In 2017, the Company made changes to its Articles of Association by distributing dividend exceeding 50% of income for the year, which was retained as paid-up capital. Since then, the violation of the negative covenant required by Bank Mandiri was removed for the year 2017.

The Company have also acquired approval from Bank Mandiri in relation to PT Sarimelati Kencana Initial Public Offering in IDX in condition that the Company execute change in its article of association with increase in capital by dividend distribution amounting to maximum of Rp300.000.000.000 from retained earnings and the remaining to be reinvested, the percentage of the initial Public Offering does not exceed 35% of fully subscribed and fully paid share. In addition, the proceed from the Initial Public Offering will be used for repayment of a proportion of Company's credit facilities and Company's business development.

As of December 31, 2017, 2016, and 2015 the Company had complied with all covenants stipulated by the Bank. The Company has secured written approval from Bank Mandiri based on (i) electronic letter dated April 10, 2018, (ii) Letter No. CBG.LC1/CGD.100/2018 dated April 10, 2018, and (iii) Letter No. CBG.LC1/GCD.140/2018 dated May 7, 2018, in relation to the Company's Shares Initial Public Offering.

PT Bank HSBC Indonesia (Bank HSBC)

On November 23, 2017, the Company obtained a credit facility from Bank HSBC with a credit limit of Rp100,000 million for the purpose of financing outlet rental and purchases of new outlets for Pizza Hut and Pizza Hut Delivery. The facility is valid for 5 years up to November 23, 2022.

The facility is secured by assets financed by Bank HSBC and several buildings owned by the Company. The facility is subject to an annual interest rate of 10.25% in 2017. As of December 31, 2017, the outstanding balance of this facility amounted to Rp42,675 million. The first installment will be made starting December 2018.

Compliance with loan covenants

The credit agreement includes restrictions and covenants whereby the Company, without prior written consent from Bank HSBC, is not permitted to change its composition of the shareholders and distribute dividend exceeding 50% of income for the year.

The Company is also obligated to fulfill its obligation to maintain its financial ratios. The Company' will have to maintain its Debt Service Coverage Ratio (DSCR) at minimum of 1.2 (one point two) times, External Gearing ratio to up to 2.3 (two point three) times and total Bank Loan /Earning Before Interest, Tax, Depreciation and Amortization (EBITDA) to up to 3 (three) times.

In 2017, The Company amended its Articles of Association by distributing dividend exceeding 50% of income for the year which afterwards deposited back as additional paid-in capital. With this, the breach of the negative covenant required by Bank HSBC has been approved to be waived in 2017.

As of December 31, 2017, the Company had complied with all covenants stipulated by the Bank.

7. FINANCE LEASE PAYABLE

On December 23, 2015, the Company entered into a sale and leaseback agreement with PT Mitsubishi UFJ Lease & Finance Indonesia (MULI) for the Company's restaurant equipment in the amount of Rp29,869 million. The agreement will mature on January 29, 2020, and is subject to a floating interest rate, ranging from 9.55% to 11.7% in 2016. On January 29, 2016, the Company paid the security deposit and administration fee of Rp5,974 million, and the first installment was paid on February 29, 2016. The finance lease payable is secured by the relevant finance lease assets.

The outstanding balance of the facility as of December 31, 2017 and 2016, amounted to Rp13,591 million and Rp19,258 million, respectively.

Future minimum payments of the finance lease payable are set out below:

YEAR	(in Rupiah) AMOUNT
2018	7,122,848,880
2019	7,122,848,880
2020	593,570,740
Total minimum payments	14,839,268,500
Less interest portion	(1,247,994,327)
Finance lease payable	13,591,274,173
Less Current maturities	(6,233,784,996)
Long-term portion	7,357,489,177

The interest rate of the financing lease facility in 2017 ranged from 8.25% to 9.55% in 2017, and ranging from 9.6% to 11.7% in 2016.



8. DUE TO RELATED PARTY

Due to related party transactions represent non-trade payables to shareholders which was used for The Company's operations. This transactions is denominated in Rupiah, and non-interest bearing, without collateral and the settlement will be done in cash in less than one year.

(In Rupiah)		
DUE TO RELATED PARTY	AMOUNT	PERCENTAGE TO TOTAL LIABILITIES
PT Sriboga Raturaya	23,688,022,826	2.11%

9. EMPLOYEE BENEFITS LIABILITIES

The employee benefits liabilities as of December 31, 2017, are calculated by independent actuary PT Dian Artha Tama which used the projected unit credit method in its report dated January 26, 2018. The principal actuarial assumptions used by the independent actuary were as follows:

DESCRIPTION	2017
Discount rate	7.0%
Projection of increase in salary level	8.0%
Mortality Table	Indonesia – III (2011)
Disability rate	0.02%
Rate of resignations	
Aged 18-30year	5.0% per annum
Aged 31-40 year	4.0% per annum
Aged 41-44 year	3.0% per annum
Aged 45-52 year	1.0% per annum
Aged 53-54 year	0.0% per annum
Retirement Age (years old)	56

The provision for employment benefit expenses for the year ended December 31, 2017 is presented as part of Selling Expenses in the statement of profit or loss and other comprehensive income.

The amount reported in the statement of profit or loss and other comprehensive income are as follows:

(In Rupiah)	
DESCRIPTION	AMOUNT
Current service cost	31,016,214,091
Interest cost	17,962,889,524
Total	48,979,103,615

The movements in employee benefits liabilities in the statement of financial position are as follows:

(In Rupiah)	
DESCRIPTION	AMOUNT
Beginning balance, January 1,	211,328,112,051
Provision in the statement of profit or loss and other comprehensive income	48,979,103,615
Remeasurement of employee benefits liabilities	32,278,172,322
Payments during the year	(3,835,236,404)
Ending Balance	288,750,151,584

The movements of present value of employee benefit liabilities in the statement of financial position are as follows:

(In Rupiah)	
DESCRIPTION	AMOUNT
Beginning balance, January 1,	211,328,112,051
Current service costs	31,016,214,091
Interest costs	17,962,889,524
Payments during the year	(3,835,236,404)
Remeasurement of employee benefits liabilities	32,278,172,322
Ending Balance	288,750,151,584



The movements in the balance of remeasurement charged to other comprehensive income are as follows:

(In Rupiah)	
DESCRIPTION	AMOUNT
Beginning balance, January 1	30,455,654,013
Actuarial loss (gain) charged to other comprehensive income	32,278,172,322
Ending Balance	62,733,826,335

The following table demonstrates the sensitivity to a reasonably possible change in discount rates and salary increment rate of 1%, with all other variables held constant, of the present value of employee benefits liabilities: (unaudited)

(In Rupiah)				
Description	Discount rate		Salary increment rate	
	Increase	Decrease	Increase	Decrease
Effect on the aggregate current service cost 2017	(3,290,109,480)	4,056,315,847	3,970,891,354	(3,286,489,654)
Effect on present value of employee benefits liabilities 2017	(31,111,433,580)	37,257,225,316	36,492,055,955	(31,086,953,794)

The maturity profile analysis of the present value of employee benefits liabilities as of December 31, 2017: (unaudited)

(In Rupiah)	
DESCRIPTION	AMOUNT
1 year	3,907,744,600
2 -5 years	45,349,118,115
More than 5 years	5,072,385,010,005
Total	5,121,641,872,720

The weighted average duration of the present value of employee benefits obligation at the end of reporting period is 12 years.

10. COMMITMENTS

The Company has various operating lease agreements for its restaurant outlets with fixed lease payment commitment for each period. The minimum Company's Lease commitment as of 31 December 2017 were as follows:

(In Rupiah)	
DESCRIPTION	AMOUNT
Within one year	59,370,247,913
Between one to three years	64,257,346,412
Between three to five years	17,784,474,291
Total	141,412,068,616

THE COMPANY HAS NO OTHER OBLIGATIONS OTHER THAN THOSE DISCLOSED IN THIS PROSPECTUS AND DISCLOSED IN THE FINANCIAL STATEMENTS PRESENTED IN THIS PROSPECTUS. THERE ARE NO LIABILITIES THAT ARE DUE AND UNPAID BY THE COMPANY. FROM THE DATE OF THE FINANCIAL STATEMENTS UP TO THE DATE OF THE INDEPENDENT AUDITOR'S REPORT, AND FROM THE DATE OF THE INDEPENDENT AUDITOR'S REPORT UP TO THE EFFECTIVE DATE OF THIS REGISTRATION STATEMENT, THE COMPANY HAS NO OTHERS LIABILITIES OTHER THAN THE TRADE PAYABLES AND LIABILITIES ARISING FROM THE COMPANY'S NORMAL COURSE OF BUSINESS AND THE LIABILITIES THAT HAVE BEEN DISCLOSED IN THIS PROSPECTUS AND THE COMPANY'S FINANCIAL STATEMENTS WHICH FORM AN INTEGRAL PART OF THIS PROSPECTUS.

THE MANAGEMENT, WHICH IN THIS RESPECT ACTS FOR AND ON BEHALF OF THE COMPANY AND PURSUANT TO ITS DUTIES AND RESPONSIBILITIES FOR THE COMPANY, HEREBY REPRESENTS ITS ABILITIES TO MEET THE ALL OF THE COMPANY'S LIABILITIES THAT ARE DISCLOSED IN THE COMPANY'S FINANCIAL STATEMENTS PRESENTED IN THIS PROSPECTUS.

THE COMPANY CONDUCTED NO BREACH OF COVENANTS STIPULATED IN THE CREDIT AGREEMENTS THAT MAY HAVE MATERIAL EFFECTS TO THE COMPANY'S BUSINESS CONTINUITY.

THERE WAS NO PAYMENT DEFAULT WITH RESPECT TO THE PRINCIPAL AND/OR INTEREST ON LOANS FROM THE LAST FINANCIAL STATEMENTS UNTIL THE EFFECTIVENESS OF THE REGISTRATION STATEMENTS.

WITH RESPECT TO AFOREMENTIONED LIABILITIES, THERE ARE NO NEGATIVE COVENANTS THAT MAY HARM THE RIGHTS OF THE PUBLIC SHAREHOLDERS.

ALL OF THE COMPANY'S LIABILITIES AS OF THE DATE OF THE INDEPENDENT AUDITOR'S REPORT HAVE BEEN DISCLOSED IN THIS PROSPECTUS.



IV. KEY FINANCIAL HIGHLIGHTS

Prospective Investors are required to read the key financial highlights presented below in conjunction with the Company's financial statements and notes to the financial statements presented in the Prospectus. Prospective investors are also required to read Chapter V concerning Management discussion and Analysis.

Comparative information for the statements of financial position, statements of profit or loss and other comprehensive income, and statements of cash flows and other notes are based on the audited financial statements as of December 31, 2017.

The tables below present the key financial highlights of the Company, which figures are derived from the Company's financial statements and supplementary information as of and for the years ended December 31, 2017, 2016, and 2015. The Company's financial statements as of December 31, 2017, 2016, and 2015, and for the years then ended, have been audited by the Registered Public Accountant Purwanto, Sungkoro & Surja, an independent auditors', which expressed an unmodified opinion on the fairness of the Company's financial statements in its independent auditors' report dated April 9, 2018, which was signed by Agung Purwanto (Public Accountant Registration No. AP.0687). The Registered Public Accountant Purwanto, Sungkoro & Surja's independent auditors' report includes Other Matter paragraph regarding the purpose of issuance of the audited financial statements.

Summary of Statements of Financial Position

(In Rupiah)

Description	December 31,		
	2015	2016	2017
Total Current Assets	372,805,782,541	397,891,244,336	515,282,455,550
Total Non-Current Assets	673,589,808,071	753,801,026,015	978,722,623,486
Total Assets	1,046,395,590,612	1,151,692,270,351	1,494,005,079,036
Total Current Liabilities	467,940,763,105	522,733,423,057	609,105,198,309
Total Non-Current Liabilities	291,193,636,533	290,378,033,391	515,203,722,744
Total Liabilities	759,134,399,638	813,111,456,448	1,124,308,921,083
Total Equity	287,261,190,974	338,580,813,903	369,696,157,953

Summary of Statements of Profit and Loss and Other Comprehensive Income

(In Rupiah)

Description	Years ended December 31,		
	2015	2016	2017
Net Sales	2,493,741,525,376	2,695,314,276,202	3,027,006,714,345
Cost of Goods Sold	832,170,763,243	872,600,656,432	1,001,536,144,082
Gross Profit	1,661,570,762,133	1,822,713,619,770	2,025,470,570,263
Income from Operation	122,180,127,691	206,886,893,977	222,516,938,273
Income Before Tax Expense	83,113,157,869	176,295,148,481	189,456,568,486
Income for the Year	61,376,896,625	130,427,829,249	141,323,973,291
Other comprehensive income - net of tax	12,526,754,611	(11,108,206,320)	(24,208,629,241)
Total Comprehensive Income for the Year	73,903,651,236	119,319,622,929	117,115,344,050
Basic Earnings per Share – as Restated	1,067	2,268	167

Summary of Statements of Cash Flows

(In Rupiah)

Description	Years ended December 31,		
	2015	2016	2017
Net Cash Provided by Operating Activities	204,615,986,161	359,576,055,981	192,866,673,652
Net Cash Used in Investing Activities	(113,151,155,624)	(131,761,292,562)	(294,669,429,458)
Net Cash Provided by (Used in) Financing Activities	(68,722,767,386)	(224,936,541,040)	76,618,602,003
NET DECREASE/INCREASE IN CASH AND CASH EQUIVALENTS	22,742,063,151	2,878,222,379	(25,184,153,803)
Effect on Foreign Exchange Rate Changes	16,037,563	(7,403,793)	2,242,089
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	21,034,234,802	43,792,335,516	46,663,154,102
CASH AND CASH EQUIVALENTS AT END OF YEAR	43,792,335,516	46,663,154,102	21,481,242,388
Cash and cash equivalents consist of:			
Cash on hand and in banks	62,955,933,863	112,535,738,780	75,462,135,621
Overdraft	(19,163,598,347)	(65,872,584,678)	(53,980,893,233)
CASH AND CASH EQUIVALENTS AT END OF YEAR	43,792,335,516	46,663,154,102	21,481,242,388

Financial Ratios

Description	December 31,		
	2015	2016	2017
Profitability Ratios (%)			
Gross Profit/Net Sales	66.63	67.63	66.91
Income from Operations/Net Sales	4.90	7.68	7.35
Income for the Year/Net Sales	2.46	4.84	4.67
EBITDA Margin*)	9.86	12.72	12.74



Description	December 31,		
	2015	2016	2017
Income for the Year/Total Equity	21.37	38.52	38.23
Income for the Year/Total Assets	5.87	11.32	9.46
Days payable outstanding (days)	44	57	50
Days receivable outstanding (days)	1	2	2
Average inventory turnover (days)	75.63	62.00	97.94
Liquidity Ratio (x)			
Current assets/Current liabilities	0.80	0.76	0.85
Cash/Current Liabilities	0.13	0.22	0.12
Solvency Ratio (x)			
Total Liabilities/Total Assets	0.73	0.71	0.75
Total Liabilities/Total Equity	2.64	2.40	3.04
Total Assets/Total Liabilities	1.38	1.42	1.33
Interest-bearing debts/Equity Ratio *)	1.17	0.83	1.17
Debt Service Coverage Ratio (DSCR)	1.27	2.72	3.68
Growth (%)			
Net sales	7.67	8.08	12.31
Same store sales	3.6	6.1	5.9
Gross Profit	9.50	9.70	11.12
Income from Operation	42.12	69.33	7.55
Income for the Year	109.50	112.50	8.35
Comprehensive Income for the Year	229.59	61.45	-1.85
EBITDA*)	40.49	39.40	12.55
Total Assets	6.61	10.06	29.72
Total Liabilities	1.34	7.11	38.27
Total Equity	23.63	17.87	9.19

*) Adjusted EBITDA and Interest-Bearing Debt Calculation

(In Rupiah)

Description	Years ended December 31,		
	2015	2016	2017
Income Before Tax Expense	83,113,157,869	176,295,148,481	189,456,568,486
Interest and finance expense	(39,783,025,003)	(32,477,796,073)	(33,619,782,154)
Interest income	716,055,181	1,886,050,577	559,412,367
EBIT	122,180,127,691	206,886,893,977	222,516,938,273
Depreciation of property and equipment	89,305,369,460	94,887,876,493	106,025,894,179
Employee Benefits	24,472,162,173	29,694,249,437	45,143,867,211
Amortization of franchise fee	9,905,544,380	11,252,814,208	12,040,816,197
EBITDA	245,863,203,704	342,721,834,115	385,727,515,860
Interest Bearing Debts	336,025,487,412	280,144,075,391	434,033,494,571

Financial Ratios required for The Company's credit facilities

Description	December 31
	2017
Ratios for Credit Facilities from CIMB	
Net Liabilities to / Equity	2.84x
Maximum 3x	
DSCR	3.68x
Minimum 1.5x	
Bank Loan / EBITDA	1.09x
Maximum 2x	

Description	December 31
	2017
Ratios for Credit Facilities from BTMU	
Debt to Equity Ratio (DER)	1.17x
Maximum 2x	
EBITDA / Interest Expense	11.47x
Minimum 3.5x	
Bank Loan / EBITDA	1.09x
Maximum 2x	



Description	December 31 2017
Ratios for Credit Facilities from Bank Mandiri	
Debt to Equity Ratio (DER)	1.17x
Maximum 2.3x	
DSCR	3.68x
Minimum 1x	
Bank Loan / EBITDA	1.09x
Maximum 3.5x	

Description	December 31 2017
Ratios for Credit Facilities from HSBC	
DSCR	3.68x
Minimum 1.2x	
External Gearing Ratio	1.17x
Maximum 2.3x	
Bank Loan / EBITDA	1.09x
Maximum 3x	



V. MANAGEMENT DISCUSSION AND ANALYSIS

The management discussions and analysis on the Company's financial condition and results of operation presented in this chapter must be read in conjunction with the key financial highlights, the Company's financial statements and notes to the Company's financial statements presented in this Prospectus.

The Company's financial statements as of and for the year ended December 31, 2017, 2016, and 2015, have been prepared and presented in accordance with the Indonesian Financial Accounting Standards. The Company's financial statements as of and for the years ended have been audited based on the auditing standards stipulated by the Indonesian Institute of Certified Public Accountant (*Institut Akuntan Publik Indonesia*, "IAPI"), by the Registered Public Accountant Purwantono, Sungkoro & Surja, an independent auditor, which expressed an unqualified opinion on the presentation of the Company's financial statements in its audit report dated April 9, 2018, which was signed by Agung Purwanto (Public Accountant Registration No. AP.0687). The Registered Public Accountant Purwantono, Sungkoro & Surja's audit report includes paragraph of Other matter regarding the purpose of issuance of the audit report.

The discussions herein may contain forward-looking statements, and reflects the management's current views with respect to future events and financial performance, the actual results of which may materially differ as a result of the factors described in Risk Factors and other factors presented herein.

As a result of rounding, the presentation of sum totals of certain financial information below may slightly differ than the arithmetic sum totals.

1. Overview

The Company was established based on the notarial deed No. 132 dated December 16, 1987, drawn up by the Notary Lieke Lianadevi Tukgali, S.H. The deed of establishment referred to above was approved by the Minister of Justice of the Republic of Indonesia by virtue of Decree No. C2-4573.HT.01.01.TH.88 dated May 25, 1988, which was announced in the State Gazette of the Republic of Indonesia No. 102 dated December 20, 1988 and the Supplement to the State Gazette of the Republic of Indonesia No. 1388. The Company's Articles of Association have been amended several times, and were most recently amended by the Deed No. 11/2018.

Pursuant to the provisions of Article 3 of the Company's Articles of Association, the scope of the Company's business activities are to engage in the restaurant, catering, warehousing, distribution, food and food processing industries (including bread and cakes). The Company started its commercial operation in 1987. The Company operates "Pizza Hut" under a franchise agreement with Yum! Pizza Hut Asia.

As the franchisee in Indonesia, the Company owns the right to develop and operate Pizza Hut restaurants across Indonesia based on the international franchise agreement with Yum! Pizza Hut Asia. At present, with the exception of the outlet at the airport, the Company is the master franchisee of Pizza Hut in Indonesia. As of December 31, 2017, the Company operated 237 PHR outlets and 156 PHD outlets located in 28 provinces in Indonesia. The Company's restaurants and outlets offer a wide range of high quality pizza and complementary menus to its customers.

The Company offers innovative and extensive menus that are able to cater Indonesian consumers, targeting middle-class teenagers and families. The Company is popularly known for its original pan pizza and its iconic cheesy bites menu. The Company has developed two different concepts, namely PHR and PHD. The Company offers dine-in, delivery and online sales services with an extensive network. The Company believes that its current sales concepts and channels provide the Company with flexibility for sustainable growth. Therefore, the Company continues to create innovations in its menu selection by adapting the menu according to the palate of Indonesian people, and to improve its services to customers. In addition, with the support of the Company's shareholders and one of the SRR's shareholders, namely PT Dani Prisma Mitra, the Company also believes that its business activities will continue to grow and develop.

2. Key Factors Affecting the Company's Business Activities

The Company's business activities, results of operations and financial conditions are affected by a number of factors, the key ones being as follows:

- **Number, size and location of outlets**

The Company's business activities would be affected by the numbers of outlet operated. The Company has developed its business operation by increasing the number of outlets operated, which would result in an increase of net sales. In addition, the size and location of the Company's outlets is one of the main factors that affect the sales value of outlets. Outlets with bigger size in strategic locations will have more positive effect compared to other outlets.

The following table presents the number of operational outlets up to December 31, 2017, presented based on geographical location:

Total outlets	PHR	PHD	Total
Java and Bali	173	144	317
Sumatra	34	6	40
Kalimantan	13	-	13
Sulawesi	13	6	19
East Nusa Tenggara, West Nusa Tenggara, Bali, Maluku and Papua	4	-	4
TOTAL	237	156	393



- **Same store sales growth (SSSG)**

The Company's business operation is also affected by its ability to increase sales from operational outlets, or known as Same Store Sales Growth ("SSSG"). SSSG is calculated based on sales growth of an operational outlet for one or more years in the comparative period. In addition to increasing number of outlets, net sales growth is also supported by SSSG. Furthermore, SSSG is affected by various factors, such as total sales per transaction, and total transactions per outlet.

The following table presents the Company's SSSG (including PHR and PHD) during the period from 2015-2017:

Description	December 31,		
	2015	2016	2017
Same store sales growth (%)			
PHR	3.3	6.9	5.5
PHD	5.7	1.1	8.7
Total All Outlets	3.6	6.1	5.9

- **Single supplier for raw materials**

The Company's business operation is dependent on the supply of raw materials from suppliers. Accordingly, the Company's business operation would be affected if any of its raw material suppliers experienced difficulties. In addition, certain raw materials used by the Company are procured from a single supplier, which presents the Company's difficulty to control the price and the availability of such raw materials. The foregoing could affect the Company's operational activities as well as profit margin.

- **Competition**

The Company's business operation is also affected by competition with other full-service pizza restaurant, as well as other delivery services. The Company competes in terms of taste, menu variety, quality and price of the food and beverages offered, service quality, location, and customer satisfaction. The Company believes that its ability to understand the taste and behaviors of Indonesian consumers, as well as its ability to create a unique dining experience also contribute to maximize the Company's competitive edge.

- **Social, political, and economic conditions**

The Company may enjoy the growth of its business operation based on any improvements on Indonesian economic, political and social conditions. As an example, increase in income and population of mid-class workers may lead to higher business growth. Furthermore, changes in consumer's behavior tends to follow the trends and prioritize the popular lifestyle, which may also contribute to the growth of Company's business operation.

3. Analysis of Liquidity and Capital Adequacy

The Company's sales transaction comprised of 70% cash sales. Meanwhile, non-cash sales are dominated by debit and credit card transactions by customers. Card payment transactions are generally collected by no later than 2 (two) banking days.

Payment to suppliers for the purchase of raw materials are made within a period of 14-56 days from the date of receipt of invoice and the required supporting documents required by the Company from suppliers. The Company has also obtained working capital facilities from several banks, totaling Rp120,000,000,000.

4. Significant Accounting Policies

a. Basis for Preparation of the Financial Statements

The financial statements have been prepared in accordance with Indonesian Financial Accounting Standards ("FAS"), which comprise the Statements and Interpretations issued by the Board of Financial Accounting Standards of the Indonesian Institute of Accountants and the Regulations No. VIII G.7 concerning the Financial Statement Presentation and Disclosures of Listed Entities, issued by The Financial Services Authority ("FSA"). The financial statements have been prepared on the accrual basis, except for the statements of cash flows, using the historical cost concept of accounting, except as disclosed in the relevant notes herein.

The statements of cash flows, which have been prepared using the direct method, presents cash receipts and payments classified into operating, investing and financing activities. The presentation currency used in the preparation of the financial statements is the Indonesian Rupiah, which is also the functional currency of the Company.

b. Cash on hand and in banks

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand and in banks, net of outstanding overdraft, if any.

c. Transactions with related parties

The Company has transactions with related parties as defined under SFAS No. 7 (Revised 2015), "Related Party Disclosures". The transactions are made based on terms agreed by the parties, whereas such terms may not be the same as those transactions with unrelated parties. All significant transactions and balances with related parties are disclosed in the relevant notes to the financial statements.



d. Inventories

Inventories are stated at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated cost necessary to make the sale. Cost is determined using the weighted average method and comprises all costs of conversion and other costs incurred in bringing the inventory to its present location and condition. Allowance for inventory losses is provided, if any, to reduce the carrying value of inventories to its net realizable value.

e. Prepaid expenses

Prepaid expenses are charged to operations over the periods benefited. The long-term portion of prepaid expenses is presented as part of non-current assets.

f. Property and equipment

Property and equipment are stated at cost less accumulated depreciation, amortization and impairment losses. Such cost includes the cost of replacing part of assets when that cost is incurred, if the recognition criteria are met. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the assets as a replacement if the recognition criteria are satisfied. All repairs and maintenance costs that do not meet the recognition criteria are recognized in the statement of profit or loss and other comprehensive income as incurred.

Depreciation of an asset begins when its available for use and is computed using the straight-line method over the estimated useful lives of the assets as follows:

	<u>Tariff/Rate</u>	<u>Years</u>
Buildings	5%	20
Leasehold improvements	10%	10
Restaurant equipment	10% - 20%	5 - 10
Furniture and fixtures	12,5%	8
Office equipment	20%	5
Vehicles	20%	5

Land is stated at cost and is not depreciated as the management believes that such land rights are highly likely to be renewed/extended upon expiration.

The legal costs relating to the application of land rights in the form of Right to Cultivate (*Hak Guna Usaha*, "HGU"), Right to Build (*Hak Guna Bangunan*, "HGB"), and Right to Use (*Hak Pakai*, "HP") incurred when first acquiring the land are recognized as part of the land acquisition cost under the "Property and Equipment" account, and are not amortized. Whereas the legal costs relating to the extension or renewal of land rights in the form of HGU, HGB and HP are recognized as intangible assets and amortized over the shorter period of the legal right life and the land economic useful life.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss and other comprehensive income in the year the asset is derecognized.

The residual values, useful lives and methods of depreciation of property and equipment are reviewed, and adjusted prospectively if appropriate, at each financial year end.

g. Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed for whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if the right is not explicitly specified in an arrangement.

Finance Lease - the Company as Lessee

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the leased assets. Such leases are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability.

If there is reasonable certainty that the lessee will obtain ownership by the end of the lease term, the leased asset is depreciated over the estimated useful lives of the assets. If there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the leased assets are depreciated over the shorter of the estimated useful life of the leased assets or the lease term. Any excess of sales proceeds over the carrying amount of an asset in sale and lease-back transaction shall not be immediately recognized as income by a seller - lessee. Instead, it shall be deferred and amortized over the lease term.



Operating Lease - the Company as Lessee

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of the leased asset. Accordingly, the related lease payments are recognized in operations on a straight-line method over the lease term.

h. Impairment of non-financial assets

The Company assesses at each annual reporting period whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's ("CGU") fair value less costs to sell and its value in use, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying value of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, the Company used an appropriate valuation model to determine the fair value of the assets. These calculations are corroborated by valuation multiples or other available fair value indicators.

An assessment is made at each reporting date to assess whether there is any indication that previously recognized impairment losses recognized may no longer exist or may have decreased. If such indication exists, the asset's or CGU's recoverable amount is estimated.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

If that is the case, the carrying amount of the asset is increased to its recoverable amount. The reversal is limited so that the carrying amount of the assets does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Reversal of an impairment loss is recognized in profit or loss. After such a reversal, the depreciation charge on the said asset is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

i. Deferred franchise fee

Deferred franchise fee represents payments to Yum! Asia Franchise Pte. Ltd. for the opening of new restaurants in Indonesia. This deferred franchise fee is amortized using the straight-line method over the estimated useful life of 10 (ten) years.

j. Provision

Provisions are recognized when the Company has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

k. Revenue and expense recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates and development tax (PB 1). Revenue is recognized based on cash receipts or credit transaction from cash register.

Income from delivery services are recorded as part of "Other operating income" in the statement of profit or loss and other comprehensive income.

For all financial instruments measured at amortized cost, interest income or expense is recorded using the Effective Interest Rate ("EIR"), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

Expenses are recognized when incurred using accrual method.



I. Foreign currency transactions and balances

Transactions involving foreign currencies are recorded in Rupiah at the rates of exchange prevailing at the time the transactions are made. At the end of reporting period, monetary assets and liabilities denominated in foreign currencies are translated to Rupiah based on the middle rates published by Bank Indonesia at the last banking transaction date for the year. The resulting gains or losses are credited or charged to the operation of the current year.

The exchange rates used to translate the monetary assets and liabilities denominated in foreign currencies are as follows:

	<i>December 31</i>		
	2017	2016	2015
United States Dollar (US\$) 1	13,548	13,436	13,795

m. Employee benefits liabilities

The Company recognized a provision for employee benefits in accordance with the Labor Law No. 13/2003 dated March 25, 2003. In accordance with this law, the Company is required to pay severance, gratuity and compensation benefits if certain conditions in this law are met.

The cost of providing employee benefits is determined using the “projected unit credit” actuarial valuation method.

Remeasurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurement is not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- the date of the plan amendment or curtailment, and
- the date the Company recognizes related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation under “Selling expenses” in the statement of profit or loss and other comprehensive income:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements.
- Net interest expense or income.

Gains or losses on the curtailment or settlement of a defined benefit plan are recognized when the curtailment or settlement occurs.

A curtailment occurs when an entity either:

- Is demonstrably committed to make a significant reduction in the number of employees covered by a plan; or
- Amends the terms of a defined benefit plan so that a significant element of future service by current employees will no longer qualify for benefits, or will qualify only for reduced benefits.

A settlement occurs when the Company enters into a transaction that eliminates all further legal or constructive obligation for part or all of the benefits provided under a defined benefit plan.

Other long-term benefits

Other long-term benefits such as long service leave and sympathy allowance are calculated using the projected unit credit method and discounted to present value. Any actuarial gains and losses that arise from the adjustments and changes in actuarial assumptions are recognized in profit or loss.

n. Taxation

Income tax expense represents the sum of the corporate income tax currently payable and deferred tax.

i) Current tax

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted at the reporting date.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit or loss and other comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



Interest and penalties for the underpayment or overpayment of income tax, if any, to be presented as part of "Tax Expense" in the statement of profit or loss and other comprehensive income.

The amounts of additional tax principal and penalty imposed through a tax assessment letter (SKP) are recognized as income or expense in the current year of the statement of profit or loss and other comprehensive income, unless further settlement is submitted. The amounts of tax principal and penalty imposed through SKP are deferred as long as they meet the asset recognition criteria.

Amendments to taxation obligations are recorded when an assessment is received or, if objection and or appeal are applied, when the results of the objection and or appeal have been determined.

ii) Final tax

Tax regulation in Indonesia determined that certain taxable income is subject to final tax. Final tax applied to the gross value of transactions is applied even when the parties carrying the transaction recognizing losses.

Referring to revised SFAS No. 46 (Revised 2014) as mentioned above, final tax is no longer governed by SFAS No. 46. Therefore, the Company has decided to present all of the final tax arising from interest income as separate line item.

iii) Deferred tax

Deferred tax is provided using the financial position method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences with certain exceptions. Deferred tax assets are recognized for deductible temporary differences and tax losses carry forwards to the extent that it is probable that taxable income will be available in the future years against which the deductible temporary differences and tax losses carry forwards can be utilized.

Deferred tax assets are reviewed at every reporting date and adjusted as appropriate at such date.

Deferred tax assets and liabilities are offset in the statement of financial position, except for different legal entities, in the same manner the current tax assets and liabilities are presented.

Deferred tax is calculated at the tax rates that have been enacted or substantively enacted at statement of financial position date. Changes in the carrying amount of deferred tax assets and liabilities due to a change in tax rates are credited or charged to current year operations, except to the extent that they relate to items previously charged or credited to equity.

iv) Value-added tax ("VAT")

Revenue, expenses and assets are recognized net of the amount of VAT, except:

- a) the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- b) receivables and payables that are stated inclusive of the VAT amount.

v) Tax Amnesty

Tax amnesty asset and liabilities are recognized when Tax Amnesty Letter ("TAL") are issued by Indonesia Ministry of Finance, and are not recognized as netted.

Tax amnesty assets and liabilities are initially recognized at the amount approved in the TAL.

After initial recognition, the tax amnesty assets and liabilities are measured in accordance to the relevant FAS and to each tax amnesty asset and liabilities classification

o. Financial assets

Initial recognition

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The Company determines the classification of its financial assets at initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year end.

Financial assets are recognized initially at fair value, in the case of investments not at fair value through profit or loss, includes directly attributable transaction costs.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way purchases) are recognized on the trade date, i.e., the date that the Company commit to purchase or sell the assets.



The Company's financial assets include cash on hand and in banks, trade receivables, other receivables, other current assets and security deposits which are classified under the loans and receivables category.

Subsequent measurement

The subsequent measurement of a financial asset depends on its classification.

- Loans and receivables

Loans and receivables are non-derivative financial assets that have fixed or determinable payments, which are not quoted in any active market. After initial measurement, such financial assets are carried at amortized cost using the Effective Interest Rate ("EIR") method. The related gains or losses are recognized in the profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process.

Derecognition

A financial asset, or, where applicable a part of a financial asset or part of a group of similar financial assets, is derecognized when:

- (i) the contractual rights to receive cash flows from the financial asset have expired; or
- (ii) the Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement and either (a) has transferred substantially all the risks and rewards of the financial asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the financial asset, but has transferred control over the financial asset.

Where the Company has transferred its rights to receive cash flows from a financial asset or has entered into a pass-through arrangement, or has neither transferred nor retained substantially all the risks and rewards of the financial asset but has transferred control over the financial asset, a new financial asset is recognized to the extent of the Company's continuing involvement in the asset.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration received that the Company could be required to repay.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of (i) the consideration received, including any new asset obtained less any new liability assumed; and (ii) any cumulative gain or loss that has been recognized directly in equity, is recognized in profit or loss.

Impairment

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is an objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization, and when observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables, the Company first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognized are not included in a collective assessment or impairment.

When there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original Effective Interest Rate (EIR). If a loan or receivable has a variable interest rate, the discount rate for measuring impairment loss is the current Effective Interest Rate.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is directly recognized in the statement of profit or loss and other comprehensive income. Interest income continues to be accrued on the reduced carrying amount based on the rate of interest used to discount future cash flows for the purpose of measuring impairment loss. Loans and receivables, together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral, if any, has been realized or has been transferred to the Company.



If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortized cost would have been had the impairment not been recognized at the date the impairment is reversed. If a future write-off is later recovered, the recovery is recognized in profit or loss.

Financial liabilities

Initial recognition

Financial liabilities are classified as financial liabilities at fair value through profit or loss, or financial liabilities at amortized cost. The Company determines the classification of its financial liabilities at initial recognition.

Financial liabilities are recognized initially at fair value and, in the case of financial liabilities at amortized cost, less directly attributable transaction costs.

The Company's financial liabilities include short-term bank loans, trade payables, other payables, accrued expenses, due to related parties, long-term bank loans and finance lease payable.

Subsequent measurement

After initial recognition, other financial liabilities are subsequently measured at amortized cost using EIR method.

Gains and losses are recognized in the statement of profit or loss and other comprehensive income when the liabilities are derecognized as well as through the amortization process.

Derecognition

A financial liability is derecognized when the obligation under the contract is discharged or canceled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of profit or loss and other comprehensive income.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount are reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities together.

This means that the right to set off:

- a. must not be contingent on a future event, and
- b. must be legally enforceable in all of the following circumstances:
 - i. the normal course of business;
 - ii. the event of default; and
 - iii. the event of insolvency or bankruptcy.

Revenues and expenses are presented net only if allowed by the accounting standards.

Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.



All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

p. Segment information

The amount of each segment item reported shall be the measure reported to the chief operating decision maker for the purposes of making decisions about allocating resources to the segment and assessing its performance.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment.

q. Basic earnings per Share

Basic earnings per Share is calculated by dividing income for the year attributable to equity holders of the parent entity by the weighted average number of shares outstanding during the year.

r. Accounting Standards Amendments, Annual Improvements and Interpretation Which Became Effective in 2016

The Company adopted the following amendment and annual improvements, which are considered relevant, starting on January 1, 2017:

- SFAS No. 1 (2016 Amendment), "Presentation of Financial Statements".
- SFAS No. 24 (2016 Improvement) "Employee Benefits".
- SFAS No. 60 (2016 Improvement) "Financial Instruments: Disclosures".

The Company has assessed that the adoption of the above mentioned accounting standards does not have significant impact to the financial statements.

s. Accounting standards issued but not yet effective

The standards and interpretations that are issued by the DSAK, but not yet effective for the current financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

- SFAS 73: Leases, adopted from IFRS 16, effective 1 January 2020 with earlier application is permitted, but not before an entity applies SFAS 72: Revenue from Contracts with Customers.

This SFAS establish the principles of recognition, measurement, presentation, and disclosure of the lease by introducing a single accounting model, with the requirement to recognize the right-of-use assets and liability of the lease: there are 2 optional exclusions in the recognition of the lease assets and liabilities: (i) short-term lease and (ii) lease with low-value underlying assets.

- Amendments to SFAS 2: Statement of Cash Flows on the Disclosures Initiative, effective January 1, 2018 with earlier application is permitted.

The amendments require entities to provide disclosures that enable the financial statements users to evaluate the changes in liabilities arising from financing activities, including changes from cash flow and noncash.

- Amendments to SFAS No. 46: "Income Taxes on the Recognition of Deferred Tax Assets for Unrealized Losses", effective January 1, 2018 with earlier application is permitted.

These amendments clarify that to determine whether the taxable income will be available so that the deductible temporary differences can be utilized; estimates of the most likely future taxable income can include recovery of certain assets of the entity exceeds its carrying amount.

- SFAS 71: Financial Instruments, adopted from IFRS 9, effective 1 January 2020 with earlier application is permitted.

This SFAS provides for classification and measurement of financial instruments based on the characteristics of contractual cash flows and business model of the entity; expected credit loss impairment model that results in information that is more timely, relevant and understandable to users of financial statements; accounting for hedging that reflect the entity's risk management better by introducing a more general requirement based on the management's judgment.

The Company is presently evaluating and has not yet determined the effects of these accounting standards on the financial statements.

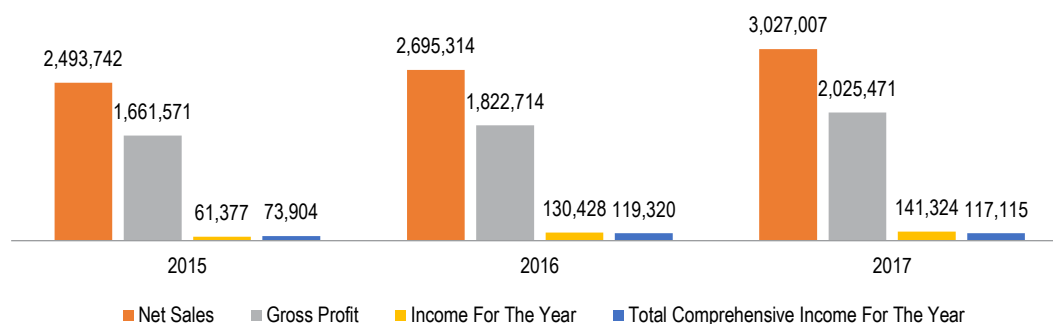


5. Finance

5.1. Development of the Company's Statements of Profit or Loss and Other Comprehensive Income

The development of the Company's net sales, gross profit, income for the year and total comprehensive income for the period 2015 to 2017 is presented below:

(In millions of Rupiah)



The Company's net sales and comprehensive income for the year for the period 2015 - 2017 demonstrated a compounded annual growth rate (CAGR) of 10.17% and 25.88%, respectively. In general, such growth during the period from 2015 - 2017 was driven by the net increase of new outlets, total customers, and average transaction value.

5.1.1 Net Sales

Sales growth generated by each of the Company's business segment from the years ended December 31, 2015 to 2017, are presented below:

(In Rupiah)

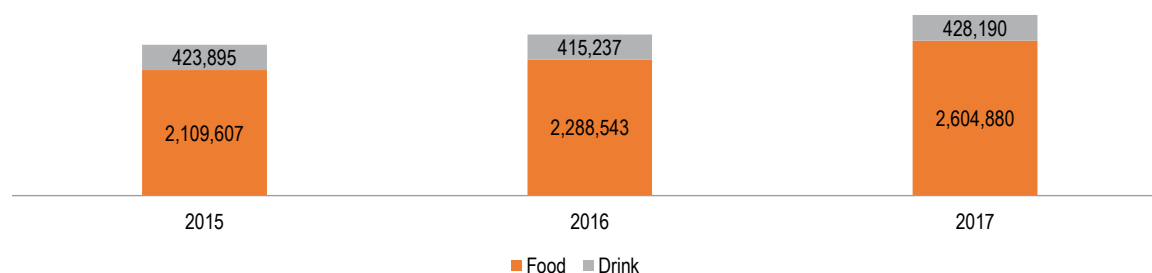
Net sales	Years ended December 31,					
	2015	%	2016	%	2017	%
Food	2,109,606,938,288	84.60%	2,288,543,227,488	84.91%	2,604,879,695,297	86.05%
Beverages	423,894,749,757	17.00%	415,236,929,560	15.41%	428,190,390,784	14.15%
Sub - total	2,533,501,688,045		2,703,780,157,048		3,033,070,086,081	
Sales Discount	(39,760,162,669)	-1.60%	(8,465,880,846)	-0.32%	(6,063,371,736)	-0.20%
TOTAL NET SALES	2,493,741,525,376	100.00%	2,695,314,276,202	100.00%	3,027,006,714,345	100.00%

Note: the per centage presented above refers to the per centage to total net sales for each respective period.

For the period 2015 to 2017, the Company's net sales composition was dominated by the food segment, which contributed approximately 86.05% of the total net sales in 2017.

Discussions on the Company's net sales growth from year to year are presented below.

(In millions of Rupiah)



Comparison of net sales for the years ended December 31, 2017, and 2016

Net sales for the year 2017 increased by 12.31% or Rp331,692 million from Rp2,695,314 million in 2016, to Rp3,027,007 million in 2017. The higher net sales was mainly driven by new outlets from 342 outlets in 2016 to 393 outlets in 2017. The Company's Same Store Sales Growth ("SSSG") has experienced a positive growth of 5.9% in 2017.



Comparison of net sales for the years ended December 31, 2016, and 2015

Net sales for the year 2016 increased by 8.08% or Rp201,573 million, from Rp2,493,741 million in 2015 to Rp2,695,314 million in 2016. The higher net sales were mainly driven by new outlets from 322 outlets to 342 outlets in 2016. The Company's SSSG has experienced a positive growth of 6.1% in 2016 compared to 3.6% in 2015. .

5.1.2 Cost of Goods Sold

The composition of cost of goods sold of each of the Company's business segment for the years ended December 31, 2015 to 2017, are presented below:

(In Rupiah)

Cost of Goods Sold	Years ended December 31,					
	2015	%	2016	%	2017	%
Beginning inventories	136,163,330,060	16.36%	160,404,419,569	18.38%	135,195,777,837	13.50%
Purchases						
Related Parties	39,081,116,713	4.70%	36,618,770,731	4.20%	42,268,066,981	4.22%
Third Parties	817,330,736,039	98.22%	810,773,243,969	92.91%	1,078,422,519,799	107.68%
Goods available for sale	992,575,182,812		1,007,796,434,269		1,255,886,364,617	
Ending inventories	(160,404,419,569)	-19.28%	(135,195,777,837)	-15.49%	(254,350,220,535)	-25.40%
TOTAL COST OF GOODS SOLD	832,170,763,243	100.00%	872,600,656,432	100.00%	1,001,536,144,082	100.00%

Note: the percentage presented above refers to the percentage to total cost of revenue for each respective period.

Comparison of cost of goods sold for the years ended December 31, 2017, and 2016

Cost of goods sold for the year 2017 increased by 14.78% or Rp128,935 million from Rp872,601 million for the year 2016, to Rp1,001,536 million in 2017. The higher cost of goods sold was mainly driven by the increased number of outlets by 51 outlets. The increase in cost of goods sold of 14.78% was higher than the increase in net sales by 12.31%, which resulted from 15% increase in cost of main packaging related to delivery services

Comparison of cost of goods sold for the years ended December 31, 2016, and 2015

Cost of goods sold for the year 2016 increased by 4.86% or Rp40,430 million from Rp832,171 million in 2015, to Rp872,601 million in 2016. The increase was mainly driven by the increased number of outlets by 20 outlets. On the other hand, Rupiah had appreciated against US Dollar resulting in a lower cost of imported raw materials incurred by the Company.

5.1.3 Gross Profit

Discussions on the Company's gross profit growth from year on year are presented below.

Comparison of gross profit for the years ended December 31, 2017, and 2016

Gross profit for the year 2017 increased by 11.12% or Rp202,757 million from Rp1,822,714 million in 2016, to Rp2,025,471 million in 2017. The increase was mainly driven by an increase in net sales by 12.31% or Rp331,692 million from Rp2,695,314 million in 2016, to Rp3,027,007 million in 2017.

Comparison of gross profit for the years ended December 31, 2016, and 2015

Gross profit for the year 2016 increased by 9.70% or Rp161,134 million from Rp1,661,571 million in 2015, to Rp1,822,714 million in 2016. The increase was mainly driven by the increase in net sales by 8.08% or Rp201,573 million from Rp2,493,741 million in 2015, to Rp2,695,314 million in 2016.

5.1.4 Selling Expenses

The following table presents the details of the Company's selling expenses from December 31, 2015, to December 31, 2017:

(In Rupiah)

SELLING EXPENSES	Years ended December 31,					
	2015	%	2016	%	2017	%
	(In Rupiah)		(In Rupiah)		(In Rupiah)	
Salary and benefits	565,146,716,290	38.50%	633,504,719,088	41.43%	704,356,192,186	41.32%
Continuing franchise fee	162,950,507,674	11.10%	176,540,035,641	11.54%	193,913,928,806	11.38%
Electricity, water and gas	144,808,513,135	9.86%	137,854,110,966	9.01%	151,458,021,183	8.89%
Building rental	151,230,967,133	10.30%	156,108,988,497	10.21%	168,392,921,300	9.88%
Advertising and promotions	107,446,585,188	7.32%	97,439,559,268	6.37%	117,055,845,628	6.87%
Depreciation	81,327,925,727	5.54%	86,628,253,455	5.67%	97,594,533,111	5.73%
Operating supplies	55,865,671,013	3.81%	54,237,859,932	3.55%	65,317,453,111	3.83%
Transportation	38,442,457,096	2.62%	39,295,478,246	2.57%	44,539,406,103	2.61%
Repairs and maintenance	38,879,741,518	2.65%	39,465,188,574	2.58%	43,973,300,182	2.58%
Building services	35,746,994,791	2.43%	37,023,243,657	2.42%	38,904,367,040	2.28%
Equipment rental	21,146,975,100	1.44%	15,704,061,912	1.03%	11,055,161,185	0.65%
Amortization of franchise fee	9,905,544,380	0.67%	11,252,814,208	0.74%	12,040,816,197	0.71%
Professional fees	2,402,153,254	0.16%	2,640,140,223	0.17%	10,664,265,170	0.63%



SELLING EXPENSES	Years ended December 31,					
	2015 (In Rupiah)	%	2016 (In Rupiah)	%	2017 (In Rupiah)	%
Communication	9,971,001,911	0.68%	10,153,078,288	0.66%	10,484,844,370	0.62%
Credit card fees	8,849,482,186	0.60%	9,081,283,061	0.59%	10,065,773,365	0.59%
License	9,211,309,203	0.63%	9,570,553,531	0.63%	9,564,717,294	0.56%
Insurance	12,121,549,308	0.83%	6,552,132,341	0.43%	5,515,156,466	0.32%
Training and recruitment	3,592,196,893	0.24%	2,700,770,640	0.18%	3,616,334,891	0.21%
Uniform	2,398,007,336	0.16%	2,175,882,892	0.14%	2,376,059,013	0.14%
Others (each below Rp600 million)	6,638,202,032	0.45%	1,249,999,079	0.08%	3,675,557,266	0.22%
TOTAL SALES EXPENSE	1,468,082,501,168	100.00%	1,529,178,153,499	100.00%	1,704,568,653,867	100.00%

Note: the percentage presented above refers to the percentage to total selling expenses for each respective period.

The majority of the Company's selling expenses from 2015 to 2017 mainly consist of employee salary and benefits representing 40.42% and continuing franchise fee representing 11.34% of the total selling expenses. The Company's salary and benefits expenses mainly consist of basic salaries, bonuses and religious holiday allowance of employees working at the Company's outlets.

Comparison of selling expenses for the years ended December 31, 2017, and 2016

Selling expenses for the year 2017 increased by 11.46% or Rp175,890 million from Rp1,529,178 million in 2016, to Rp1,704,569 million in 2017. The increase was mainly driven by an increase in salary and benefits by 11.18% or Rp70,851 million to Rp704,356 million in 2017 compared to the amount reported in 2016 of Rp633,505 million. Such increase in salaries and benefits was mainly due to the annual basic salary increment. In addition, advertising and promotions also increased by 20.13% or Rp19,616 million to Rp117,056 million compared to the amount reported in 2016 of Rp97,439 million, which was in line with the Company's more aggressive outlet opening activities.

Comparison of selling expenses for the years ended December 31, 2016, and 2015

Selling expenses for the year 2016 increased by 4.16% or Rp61,096 million from Rp1,468,082 million in 2015, to Rp1,529,178 million in 2016. The increase was mainly driven by an increase in salary and benefits by 12.09% or Rp68,358 million to Rp633,505 million compared to the amount reported in 2015 of Rp565,147 million. Such increase in salaries and benefits was mainly driven by the annual basic salary increment. In addition, the increase of selling expense in 2016 can be suppressed to 4.16% due to improving macroeconomic condition of Indonesia and also decreasing electricity tariff by 6.4% and decreasing gas price of 8.8%.

5.1.5 General and Administrative Expenses

The following table presents the details of the Company's general and administrative expenses from December 31, 2015, to December 31, 2017:

GENERAL AND ADMINISTRATIVE EXPENSES	Years ended December 31,					
	2015 (In Rupiah)	%	2016 (In Rupiah)	%	2017 (In Rupiah)	%
Salary and benefits	76,027,938,125	63.59%	83,032,330,704	63.47%	95,684,127,441	65.74%
Depreciation	7,977,443,733	6.67%	8,259,623,038	6.31%	8,431,361,068	5.79%
Training and recruitment	5,204,002,891	4.35%	7,057,406,720	5.39%	8,048,236,922	5.53%
Professional fees	3,473,740,144	2.91%	6,734,321,311	5.15%	7,394,752,095	5.08%
Travel	7,107,900,959	5.95%	6,944,381,366	5.31%	7,313,869,792	5.02%
Building rental	3,388,278,139	2.83%	3,754,305,972	2.87%	4,150,336,579	2.85%
Transportation	3,525,062,392	2.95%	3,384,195,970	2.59%	3,824,054,322	2.63%
Operating supplies	2,804,446,351	2.35%	3,182,902,560	2.43%	2,367,043,173	1.63%
Communication	1,368,014,447	1.14%	1,505,628,835	1.15%	1,571,334,791	1.08%
Subscriptions	828,486,971	0.69%	994,756,905	0.76%	1,348,465,826	0.93%
Insurance	2,069,733,323	1.73%	1,317,296,987	1.01%	1,310,935,825	0.90%
License	933,561,270	0.78%	1,201,292,942	0.92%	1,086,447,274	0.75%
Repairs and maintenance	982,730,046	0.82%	1,086,262,711	0.83%	871,160,672	0.60%
Donation	1,600,907,789	1.34%	649,489,921	0.50%	421,992,146	0.29%
Others (each below Rp600 million)	2,261,832,209	1.89%	1,713,915,165	1.31%	1,734,654,481	1.19%
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	119,554,078,789	100%	130,818,111,107	100%	145,558,772,407	100%

Note: the percentage presented above refers to the percentage to total general and administrative expenses for each respective period.

The significant component of the Company's general and administrative expenses from 2015 to 2017 pertains to employee salary and benefits, which represents 64.34% of the total general and administrative expenses, followed by depreciation expenses, which represents 6.23% of the total general and administrative expenses. The Company's salary and benefits expenses mainly consist of employees' basic salaries, bonuses and religious holiday allowance.

Comparison of general and administrative expenses for the years ended December 31, 2017, and 2016

General and administrative expenses for the year 2017 increased by 11.26% or Rp14,741 million, from Rp130,818 million in 2016 to Rp145,559 million in 2017. The increase was mainly driven by an increase in salary and benefits by 15.23% or Rp12,652 million, to Rp95,684 million in 2017 compared to the amount reported in 2016 of Rp83,032 million. Such increase in salaries and benefits was mainly driven by the annual basic salary increment. Salary and benefit expense in general and administrative expenses represent wages of the main office's employees which is not directly proportional to the increase of number of restaurant chains. Nonetheless, increase in salary expense is resulted from increase in yearly basic salary and increasing number of main office's employees.



Comparison of general and administrative expenses for the years ended December 31, 2016, and 2015

General and administrative expenses for the year 2016 increased by 9.42% or Rp11,264 million from Rp119,554 million in 2015, to Rp130,818 million in 2016. The increase was mainly driven by increase in salary and benefits by 9.21% or Rp7,004 million to Rp83,032 million compared to the amount reported in 2015 of Rp76,028 million. Such increase in salaries and benefits was mainly driven by the annual basic salary increment.

5.1.6 Income from Operations

The development of the Company's income from operations for the year ended December 31, 2015, to December 31, 2017, is presented below:

INCOME FROM OPERATIONS	Years ended December 31,		
	2015	2016	2017
NET SALES	2,493,741,525,376	2,695,314,276,202	3,027,006,714,345
COST OF GOODS SOLD	832,170,763,243	872,600,656,432	1,001,536,144,082
GROSS PROFIT	1,661,570,762,133	1,822,713,619,770	2,025,470,570,263
OPERATING INCOME (EXPENSES)			
Selling expenses	(1,468,082,501,168)	(1,529,178,153,499)	(1,704,568,653,867)
General and administrative expenses	(119,554,078,789)	(130,818,111,107)	(145,558,772,407)
Other operating income	62,080,298,583	61,174,224,416	59,643,654,438
Other operating expenses	(13,834,353,068)	(17,004,685,603)	(12,469,860,154)
INCOME FROM OPERATIONS	122,180,127,691	206,886,893,977	222,516,938,273

Discussions on the development of the Company's income from operations from year on year are presented below.

Comparison of income from operations for the years ended December 31, 2017, and 2016

Income from operations for the year 2017 increased by 7.55% or Rp15,630 million, from Rp206,887 million in 2016 to Rp222,517 million in 2017. The increase was driven by higher gross profit of 11.12% or Rp202,757 million compared to the increment in the Company's operating expenses by 11.58% or Rp187,127 million. The Company's growth ratio decreased from 69.33% in 2016 to 7.55% in 2017. This is due to the increase in the Company's operational expense, mainly due to increase in selling expense by 10.96% and increase in general and administrative expense by 11.27%.

Comparison of income from operations for the years ended December 31, 2016, and 2015

Income from operations for the year 2016 increased by 69.33% or Rp84,707 million from Rp122,180 million in 2015, to Rp206,887 million in 2016. The increase was mainly driven by an increase in the Company's gross profit by 9.70% or Rp161,143 million, whereas the Company managed to maintain operating expense at a lower increment of 4.97% or Rp76,436 million.

5.1.7 Finance Expenses

The following table presents the growth of finance expense for the period 2015 to 2017:

DESCRIPTION	Years ended December 31,		
	2015	2016	2017
Finance expense	39,783,025,003	32,477,796,073	33,619,782,154
Interest Bearing Debt:			
Accrued costs of borrowings	1,617,382,420	800,335,390	2,011,602,466
Bank Loans - Short-term	126,102,613,541	134,851,023,783	146,967,236,261
Long-Term Liabilities, Current Portion			
Bank Loans	85,552,158,192	60,604,491,518	54,378,902,124
Lease Payables	-	5,638,638,750	6,233,784,996
Long-Term Liabilities, Net of Current Maturities			
Bank Loans	124,370,715,679	65,430,224,162	219,096,082,013
Lease Liabilities	-	13,619,697,178	7,357,489,177
Total Interest Bearing Debt	337,642,869,832	280,944,410,781	436,045,097,037

The Company has two bank credit facilities, namely working capital credit facility and investment credit facility. Up to the years ended December 31, 2017, short-term bank loans in the form of working capital credit facility dominated the Company's outstanding debts. The Company's finance expense for the years from 2015 to 2017 decreased from Rp39,783 million to Rp33,620 million. Although the outstanding bank loans in 2017 was higher than 2015, a decrease in interest rate resulted in the decrease of finance expense. The Company made significant payment of loans in 2016, and secured new bank loans in the second half of 2017.



Comparison of finance expense for the years ended December 31, 2017, and 2016

Finance expense for the year 2017 increased by 3.5% or Rp1,142 million from Rp32,478 million in 2016, to Rp33,620 million in 2017. The increase was mainly driven by additional bank loans during the years, in relation to the increased number of outlets. However, the Company managed to secure lower interest rates for such loans.

Comparison of finance expenses for the years ended December 31, 2016, and 2015

Finance expense for the year 2016 decreased by 18.4% or Rp7,305 million from Rp39,783 million in 2015, to Rp32,478 million in 2016. Such decrease was mainly due to the significant payment of bank loans in 2016, combined with the lower interest rate secured by the Company for bank loans.

5.1.8 Total Comprehensive Income for the Year

The following table presents the development of the Company's total comprehensive income for the year from December 31, 2015, to December 31, 2017:

TOTAL COMPREHENSIVE INCOME FOR THE YEAR	Years ended December 31,		
	2015	2016	2017
<i>(In Rupiah)</i>			
INCOME FROM OPERATIONS	122,180,127,691	206,886,893,977	222,516,938,273
Interest income	895,068,951	2,357,563,221	699,265,459
Final tax on interest income	(179,013,770)	(471,512,644)	(139,853,092)
Interest and finance expense	(39,783,025,003)	(32,477,796,073)	(33,619,782,154)
INCOME BEFORE TAX EXPENSE	83,113,157,869	176,295,148,481	189,456,568,486
Tax Expense, Net	(21,736,261,244)	(45,867,319,232)	(48,132,595,195)
INCOME FOR THE YEAR	61,376,896,625	130,427,829,249	141,323,973,291
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss:			
Remeasurement of employee benefit liabilities	16,702,339,481	(14,810,941,760)	(32,278,172,322)
Income tax effect	(4,175,584,870)	3,702,735,440	8,069,543,081
Other comprehensive income - net of tax	12,526,754,611	(11,108,206,320)	(24,208,629,241)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	73,903,651,236	119,319,622,929	117,115,344,050

Comparison of total comprehensive income for the years ended December 31, 2017, and 2016

Total comprehensive income for the year 2017 decreased by 1.85% or Rp2,204 million from Rp119,320 million in 2016, to Rp117,115 million in 2017. Such decrease was primarily driven by an increase in remeasurement of employee benefit liabilities by 117.93% or Rp17,467 million.

Comparison of total comprehensive income for the years ended December 31, 2016, and 2015

Total comprehensive income for the year 2016 increased by 61.45% or Rp45,416 million from Rp73,904 million in 2015, to Rp119,320 million in 2016. Such increase was mainly driven by an increase in the Company's income from operations by 69.33% or Rp84,707 million, combined with an increase in interest income by 163.39% or Rp1,462 million.

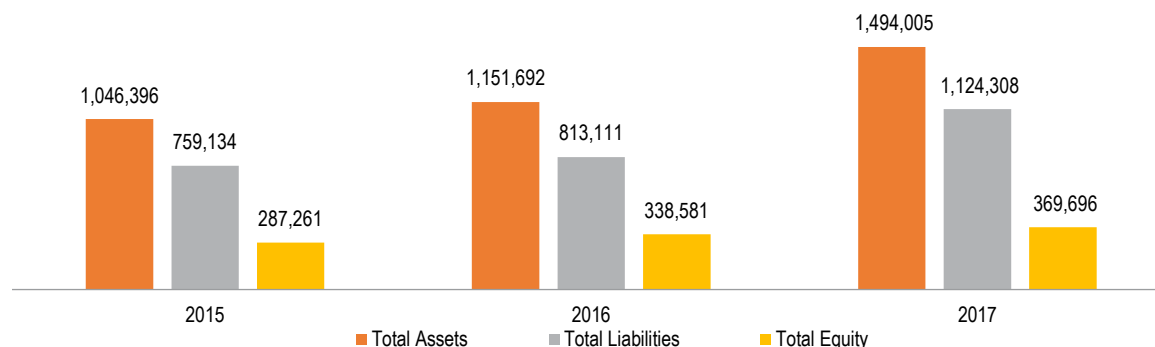
5.2. Growth of the Company's Statements of Financial Position

Presented below are the tables and charts that indicate the growth of the Company's assets, liabilities and equity from December 31, 2015, up to December 31, 2017:

STATEMENTS OF FINANCIAL POSITION	December 31,		
	2015	2016	2017
<i>(In Rupiah)</i>			
Total Assets	1,046,395,590,612	1,151,692,270,351	1,494,005,079,036
Total Liabilities	759,134,399,638	813,111,456,448	1,124,308,921,083
Total Equity	287,261,190,974	338,580,813,903	369,696,157,953



(In millions of Rupiah)



5.2.1 Assets

a) Current Assets

The growth of the Company's current assets from December 31, 2015, to December 31, 2017, is presented below:

(In Rupiah)

DESCRIPTION	December 31,		
	2015	2016	2017
Cash on hand and in banks	62,955,933,863	112,535,738,780	75,462,135,621
Trade Receivables	8,978,305,717	11,631,395,149	14,503,260,354
Other receivables			
Related Parties	10,164,282,645	4,453,783,548	2,867,462,362
Third Parties	814,654,119	1,271,885,508	988,007,100
Inventories	172,419,038,570	148,233,880,944	268,742,350,356
Prepaid taxes	734,997,638	1,241,799,956	141,174,075
Prepaid expenses			
- current portion	106,429,560,706	108,774,401,370	137,816,582,420
Advances to suppliers	8,389,047,058	8,395,411,093	14,147,933,088
Other current assets	1,919,962,225	1,352,947,988	613,550,174
Total Current Assets	372,805,782,541	397,891,244,336	515,282,455,550

The most significant components of current assets in the Company's financial statements are inventories, prepaid expenses - current portion, and cash on hand and cash in banks, which on represents 45.22%, 27.54%, and 19.94% of the total current assets, respectively, in 2015-2017.

Comparison of current assets as of December 31, 2017, and 2016

Total current assets as of 2017, increased by 29.50% or Rp117,391 million, from Rp379,891 million as of 2016, to Rp515,282 million as of 2017. Such increase was mainly driven by an increase in inventories by 81.30% or Rp120,508 million, from Rp148,234 million as of 2016, to Rp268,742 million as of 2017. Such increase in inventories was part of the Company's preparation for business expansion specifically opening of new outlets. In addition, the Company's prepaid expenses - current portion, also experienced a significant increase of 26.70% or Rp29,042 million, from Rp108,774 million as of 2016, to Rp137,817 million as of 2017. Such increase in prepaid expenses - current portion represents prepaid rent for outlets opened in 2017. On the other hand, cash on hand and in banks decreased by 32.94% or Rp37,074 million, from Rp112,536 million as of 2016, to Rp75,462 million as of 2017, as a result of the Company's more aggressive outlet opening.

Comparison of current assets as of December 31, 2016, and 2015

Total current assets as of 2016, increased by 6.73% or Rp25,086 million, from Rp372,806 million as of 2015, to Rp397,891 million as of 2016. Such increase was mainly driven by an increase in cash on hand and cash in banks by 78.75% or Rp49,580 million, from Rp62,956 million as of 2015, to Rp112,536 million as of 2016. Such increase in cash on hand and in banks was driven by an increase of overdraft at the end of the year. In addition, the Company's inventories also experienced a significant decrease of 14.03% or Rp24,185 million, from Rp172,419 million as of 2015, to Rp148,234 million as of 2016. Such decrease in inventories was driven by an increase in sales at the end of the year.

b) Non-Current Assets

The growth of the Company's non-current assets from December 31, 2015, to December 31, 2017, is presented below:

(In Rupiah)

NON-CURRENT ASSETS	December 31,		
	2015	2016	2017
Deferred Tax Assets - net	6,047,963,702	16,370,904,170	33,621,440,056
Property and equipment - net	480,625,066,863	498,921,794,245	670,979,920,094
Equipment not yet used in operation	4,623,331,696	5,670,208,821	9,806,428,802
Advances for purchase of property and equipment	9,501,322,900	20,365,495,788	14,459,990,838
Initial franchise fee	55,812,072,073	70,518,569,705	74,427,032,293
Prepaid expenses - long-term	95,559,853,942	123,821,524,781	154,970,563,623
Estimated claims for tax refund	4,257,923,082	-	-
Security deposits	17,162,273,813	18,132,528,505	20,457,247,780
TOTAL NON-CURRENT ASSETS	673,589,808,071	753,801,026,015	978,722,623,486



The most significant components of non-current assets in the Company's financial statements are property and equipment, followed by prepaid expenses - long-term portion, which represents 68%, and 15%, respectively, as of 2015-2017.

Comparison of non-current assets as of December 31, 2017, and 2016

Total non-current assets as of 2017, increased by 29.83% or Rp224,921 million, from Rp753,801 million as of 2016, to Rp978,722 million as of 2017. Such increase was mainly driven by an increase in property and equipment which contributed 34.48% or Rp172,058 million, from Rp498,922 million as of 2016, to Rp670,980 million as of 2017. Such increase in property and equipment was mainly due to the Company's more aggressive outlet opening. In addition, the Company's prepaid expenses - long-term portion, also experienced a significant increase of 25.16% or Rp31,149 million, from Rp123,822 million as of 2016, to Rp154,971 million as of 2017, in line with the company's more aggressive outlet opening.

Comparison of non-current assets as December 31, 2016, and 2015

Total non-current assets as of 2016 increased by 11.90% or Rp80,211 million, from Rp673,590 million as of 2015, to Rp753,801 million as of 2016. The increase was mainly driven by an increase in prepaid expenses - long-term portion by 29.57% or Rp28,262 million from Rp95,560 million as of 2015 to Rp123,822 million as of 2016, which represented the payment of prepaid expenses for the outlets built in 2016. In addition, the Company's deferred tax assets, net, also experienced a significant increase of 170.68% or Rp10,323 million, from Rp6,048 million as of 2015 to Rp16,371 million as of 2016, which was mainly driven by deferred tax assets arising from accrued employee benefit liabilities.

c) Total Assets

The composition of total assets in the Company's financial statement comprise of current assets and non-current assets, which represent 34.83% and 65.17%, respectively, as of 2015-2017.

Comparison of total assets as of December 31, 2017, and 2016

Total assets as of, 2017, increased by 29.72% or amounting to Rp342,313 million, from Rp1,151,692 million as of December 31, 2016, to Rp1,494,005 million as of 2017. The increase is mainly due to the increase in non-current asset by 29.83% or Rp224,921 million from Rp753,801 million in 2016 to Rp978,722 million in 2017. The increase in non-current asset is mainly driven by the increase in fixed asset by 34.49% or Rp172,058 million, from Rp498,922 million as of 2016, to Rp670,980 million as of 2017, and the increase in long-term prepaid expenses by 25.16% or Rp31,149 million, from Rp123,822 million as of 2016, to Rp154,971 million as of 2017. Increase in fixed assets and long term prepaid expenses are directly related to opening of Company's outlets in 2017, which is almost twice as many as outlets opened in 2016.

Comparison of total assets as of December 31, 2016 and 2015

Total assets as of 2016, increased by 10.06% or Rp105,297 million, from Rp1,046,396 million as of 2015, to Rp1,151,692 million as of 2016. The increase is mainly due to the increased in non-current asset by 11.90% or Rp80,211 million, from Rp673,590 million as of 2015 to Rp753,801 million as of 2016. The increase was mainly due to an increase in long-term prepaid expenses of 29.57% or Rp28,262 million, from Rp95,560 million as of 2015 to Rp123,822 million as of 2016, specifically for prepayment of lease on new stores opened in 2016. In addition, there is also a significant increase in the Company's net deferred tax assets of 170.68% or amounting to Rp10,323 million, from Rp6,048 million as of 2015, to Rp16,371 million as of 2016, primarily due to additional provision for employee benefits.

5.2.2 Liabilities

a) Current Liabilities

The growths of the Company's current liabilities from December 31, 2015, to December 31, 2017, are presented below:

(In Rupiah)

CURRENT LIABILITIES	December 31,		
	2015	2016	2017
Short-term bank loans	126,102,613,541	134,851,023,783	146,967,236,261
Trade Payables			
Related Parties	8,373,093,999	11,067,327,599	5,556,722,000
Third Parties	92,559,551,182	125,175,123,590	131,687,432,586
Other Payables			
Related Parties	1,249,254,037	114,892,574	116,278,670
Third Parties	25,351,773,439	28,765,809,922	35,770,181,669
Accrued Expenses	83,162,045,046	92,278,819,190	148,725,387,453
Due to related parties	-	-	23,688,022,826
Taxes payable	45,590,273,669	64,237,296,131	55,981,249,724
Long-term liabilities - net of current maturities			
Long-term bank loans	85,552,158,192	60,604,491,518	54,378,902,124
Finance lease payable	-	5,638,638,750	6,233,784,996
TOTAL CURRENT LIABILITIES	467,940,763,105	522,733,423,057	609,105,198,309

The most significant components of current liabilities in the Company's statements of financial position are short-term bank loans, trade payables - third parties and accrued expenses, which represents 25.63%, 21.78%, and 19.95% of the total current liabilities, respectively, as of 2015-2017. The growth of such significant components are generally in line with the Company's growing business scale.



Comparison of current liabilities as of December 31, 2017, and 2016

Total current liabilities as of 2017, increased by 16.52% or Rp86,372 million, from Rp522,733 million as of 2016, to Rp609,105 million as of 2017. Such increase was mainly driven by an increase in accrued expenses by 61.17% or Rp56,447 million, from Rp92,279 million as of 2016, to Rp148,725 million as of 2017, which reflected an increase in accrued expenses for the purchase of property and equipment.

Comparison of current liabilities as of December 31, 2016, and 2015

Total current liabilities as of 2016, increased by 11.71% or Rp54,793 million, from Rp467,941 million as of 2015, to Rp522,733 million as of 2016. Such increase was mainly driven by an increase in trade payables to third parties by 35.24% or Rp32,616 million, from Rp92,560 million as of 2015, to Rp125,175 million as of 2016, which reflected the outstanding trade payables for the purchase of raw materials. In addition, the Company's taxes payable also experienced a significant increase of 40.90% or Rp18,647 million from Rp45,590 million, as of 2015, to Rp64,237 million as of 2016, which resulted from the significant increase in income for the year that resulted in a significant increase in corporate income tax payable as of 2016.

b) Non-Current Liabilities

The growths of the Company's non-current liabilities from December 31, 2015, to December 31, 2017, are presented below:

(In Rupiah)

NON-CURRENT LIABILITIES	December 31,		
	2015	2016	2017
Long-term liabilities - net of current maturities			
Long-term bank loans	124,370,715,679	65,430,224,162	219,096,082,013
Finance lease payable	-	13,619,697,178	7,357,489,177
Employee benefits liabilities	166,822,920,854	211,328,112,051	288,750,151,584
TOTAL NON-CURRENT LIABILITIES	291,193,636,533	290,378,033,391	515,203,722,774

The most significant components of non-current liabilities in the Company's statements of financial position are long-term bank loans and employee benefits liabilities, which represents 35.92% and 62.04% of the total non-current liabilities, respectively, as of 2015-2017.

Comparison of non-current liabilities as of the December 31, 2017 and 2016

Total non-current liabilities as of 2017, increased by 77.43% or Rp224,826 million, from Rp290,378 million as of 2016, to Rp515,204 million as of 2017. Such increase was mainly driven by an increase in long-term bank loans by 234.85% or Rp153,666 million, from Rp65,430 million as of 2016, to Rp219,096 million as of 2017. Such increase in long-term bank loans was driven by an increase in the Company's long-term debts, which mainly consist of bank loans obtained to finance the Company's more aggressive new outlets opening.

Comparison of non-current liabilities as of the December 31, 2016 and 2015

Total non-current liabilities as of 2016, decreased by 0.28% or Rp816 million, from Rp291,194 million as of 2015, to Rp290,378 million as of 2016. Such decrease was mainly driven by a lower long-term bank loans by 47.39% or Rp58,940 million, from Rp124,371 million as of 2015, to Rp65,430 million as of 2016. Such decrease in long-term bank loans can be attributed to the settlement of matured bank loans.

c) Total Liabilities

The composition of total liabilities in the Company's statements of financial position comprises of current liabilities and non-current liabilities, which represents 59.33% and 40.67% of the total liabilities, respectively, as of 2015-2017.

Comparison of total liabilities as of December 31, 2017 and 2016

Total liabilities as of 2017, increased by 38.27% or amounting to Rp311,197 million, from Rp813,111 million as of December 31, 2016, to Rp1,124,309 million as of 2017. The increase mainly due to higher non-current liabilities by 77.43% or Rp224,826 million, from Rp290,378 million as of December 31, 2016, to Rp515,204 million as of 2017. The increase is attributed to higher long-term bank loan by 234.85% or Rp153,666 million, from Rp65,430 million as of 2016, to Rp219,096 million as of 2017. The increase in long-term bank loan is in line with the Company's more aggressive outlet opening which is almost twice as many as the opening of outlets in 2016. In addition, the increase came from employee benefits liabilities, which increased by 36.64% or Rp77,422 million, from Rp211,328 million as of 2016 to Rp288,750 million as of 2017, primarily due to the decrease in discount rate applied in 2017 which decreased by 1.5% from 8.5% in 2016 to 7.0% in 2017.

Short-term liabilities as of 2017, increased by 16.52% or Rp86,372 million, from Rp522,733 million as of 2016, to Rp609,105 million as of 2017. The increase was primarily due to higher accrued expenses of 61.17% or Rp 56,447 million, from Rp92,279 million as of 2016, to Rp148,725 million as of 2017, most of which is accrual for purchase of fixed assets.



Comparison of total liabilities as of December 31, 2016 and 2015

Total liabilities as of 2016, increased by 7.11% or amounting to Rp53,977 million, from Rp759,134 million as of 2015, to Rp813,111 million as of 2016. The increase is mainly due to higher current liabilities by 11.71% or Rp54,793 million, from Rp467,941 million as of 2015 to Rp522,733 million as of 2016. The increase can be attributed to higher third party trade payables by 35.24% or amounting to Rp32,616 million, from Rp92,560 million as of 2015 to Rp125,175 million as of 2016, in the form of payables for purchases of raw materials. In addition, there is also a significant increase in the Company's taxes payable of 40.90% or Rp18,647 million, from Rp45,590 million as of 2015, to Rp64,237 million as of 2016, due to higher fiscal income in 2016.

5.2.3 Equity

The growths of the Company's equity from December 31, 2015, to December 31, 2017, are presented below:

(In Rupiah)

EQUITY	December 31,		
	2015	2016	2017
Capital stock - Par Value of Rp100 per share on December 31, 2017 and Rp1,000,000 per share on December 31, 2016 and 2015			
Authorized - 9,000,000,000 Shares on December 31, 2017 and 20,000 share on December 31, 2016 and 2015			
Subscribed and fully paid - 2,417,500,000 shares on December 31, 2017 and 5,750 share on December 31, 2016 and 2015.	5,750,000,000	5,750,000,000	241,750,000,000
Retained Earnings			
Appropriated for general reserve	1,150,000,000	1,150,000,000	1,150,000,000
Unappropriated	292,094,725,163	354,522,554,412	173,846,527,703
Remeasurement of employee benefits liabilities – net of deferred tax	(11,733,534,189)	(22,841,740,509)	(47,050,369,750)
TOTAL EQUITY	287,261,190,974	338,580,813,903	369,696,157,953

Comparison of equity as of December 31, 2017, and 2016

Equity as of 2017, increased by 9.19% or Rp31,115 million, from Rp338,581 million as of 2016, to Rp369,696 million as of 2017. Such increase was mainly driven by an increase in income in 2017. On the other hand, the Company distributed dividends amounting to Rp322,000 million, where Rp236,000 million of which was reinvested to the Company.

Comparison of equity as of December 31, 2016, and 2015

Equity as of 2016, increased by 17.87% or Rp51,320 million, from Rp287,261 million as of 2015, to Rp338,581 million as of 2016. Such increase was mainly driven by an increase in unappropriated retained earnings by 21.37% or Rp62,428 million from Rp292,095 million as of 2015 to Rp354,522 million as of 2016.

5.3. Segment information

The division of segments is divided into Jakarta, Java Bali, Sumatera, Sulawesi, Kalimantan and Eastern Region which helps The Company to focus more on future performance improvement and business development in order to meet the conditions required for reporting.

Management monitors the operating results of its business units separately for the purpose of making decisions on resources allocations and performance appraisal. Segment performance is evaluated based on operating profit or loss and measured consistently with operating profit or loss on the financial statements. However, funding (including funding costs and funding earnings) and the Company's taxes revenues are managed by the Company and not allocated to the operating segment.

The following table presents the net sales information in connection with the Company's operating segment:

(In Rupiah)

Description	Year ended December 31, 2017						Total
	Jakarta	Java-Bali	Sumatera	Sulawesi	Kalimantan	Eastern Area	
Net Sales	1,327,415,514,631	876,789,282,157	398,943,470,906	195,401,975,622	173,227,451,158	55,229,019,871	3,027,006,714,345
Cost of Goods Sold	(443,583,159,694)	(293,384,763,364)	(127,322,892,953)	(63,062,939,151)	(56,008,235,670)	(18,174,153,250)	(1,001,536,144,082)
Gross Profit	883,832,354,937	583,404,518,793	271,620,577,953	132,339,036,471	117,219,215,488	37,054,866,621	2,025,470,570,263
Allocable Operating Expense	(769,916,662,298)	(452,174,766,316)	(205,801,986,635)	(92,129,157,372)	(78,239,183,597)	(28,308,840,542)	(1,626,570,596,760)
Segment Result	113,915,692,639	131,229,752,477	65,818,591,318	40,209,879,099	38,980,031,891	8,746,026,079	398,899,973,503

(In Rupiah)

Description	Year ended December 31, 2016						Total
	Jakarta	Java-Bali	Sumatera	Sulawesi	Kalimantan	Eastern Area	
Net Sales	1,218,819,156,903	772,501,109,362	348,941,785,046	157,777,704,422	156,787,869,955	40,486,650,514	2,695,314,276,202
Cost of Goods Sold	(400,605,890,796)	(250,914,222,191)	(108,681,774,944)	(49,327,891,038)	(49,922,380,904)	(13,148,496,559)	(872,600,656,432)
Gross Profit	818,213,266,107	521,586,887,171	240,260,010,102	108,449,813,384	106,865,489,051	27,338,153,955	1,822,713,619,770
Allocable Operating Expense	(708,786,429,894)	(407,178,586,123)	(184,867,110,775)	(73,574,652,255)	(69,013,744,751)	(20,830,801,049)	(1,464,251,324,847)
Segment Result	109,426,836,213	114,408,301,048	55,392,899,327	34,875,161,129	37,851,744,300	6,507,352,906	358,462,294,923



(In Rupiah)

Description	Year ended December 31, 2015						Total
	Jakarta	Java-Bali	Sumatera	Sulawesi	Kalimantan	Eastern Area	
Net Sales	1,168,655,817,671	695,709,925,916	328,013,589,691	139,399,509,323	135,872,320,375	26,090,362,400	2,493,741,525,376
Cost of Goods Sold	(398,860,907,361)	(231,740,379,284)	(104,222,266,310)	(44,364,374,120)	(44,151,975,239)	(8,830,860,929)	(832,170,763,243)
Gross Profit	769,794,910,310	463,969,546,632	223,791,323,381	95,035,135,203	91,720,345,136	17,259,501,471	1,661,570,762,133
Allocable Operating Expense	(693,774,065,155)	(386,666,174,212)	(183,497,535,900)	(71,727,456,890)	(59,090,240,420)	(13,862,358,170)	(1,408,617,830,747)
Segment Result	76,020,845,155	77,303,372,420	40,293,787,481	23,307,678,313	32,630,104,716	3,397,143,301	252,952,931,386

Comparison of segment net sales for the years ended December 31 2017 and 2016

By area segment, the area that contributed the most to the Company's net sales for 2017 was Jakarta area which contributed 43.85% or Rp1,327,416 million. The increase in net sales in 2017 was mainly due to increase in Jakarta area net sales by 8.91% or Rp108,596 million, and increase in net sales in Java-Bali Area by 13.50% or Rp104,288 million.

Comparison of segment net sales for the years ended December 31 2016 and 2015

By area segment, the area that contributed the most to the Company's net sales for 2016 was Jakarta area which contributed 45.22% or Rp1,218,819 million. The increase in net sales in 2016 was mainly due to increase in Java-Bali area net sales by 11.04% or Rp76,791 million, and increase in net sales in Eastern Indonesia Area by 55.18% or Rp14,396 million.

5.4. The Company's Liquidity

The Company has relatively sound liquidity sources consisting of internal cash flows, paid-in capital, and loans from third parties. Up to the date of issuance of this prospectus, the Company had several unutilized credit facilities from third parties as described below:

1. Bank CIMB Niaga
 - Revolving Overdraft Facility with a credit limit of Rp35,000 million
 - Revolving Special Import Transaction Loan, with a credit limit of US\$5,000,000
 - Investment Credit Facility 3 with a credit limit of Rp150,000 million
2. BTMU
 - The Company obtained an uncommitted working capital credit facility from BTMU with a credit limit of Rp50,000 million.
3. Bank Mandiri
 - Revolving Overdraft Credit Facility with a credit limit of Rp35,000 million
4. Bank HSBC
 - Credit Facility from Bank HSBC with a credit limit of Rp100,000 million

In addition, as of the issuance of this Prospectus, the Company was in the process of negotiation to obtain a new credit facility from PT Bank CIMB Niaga in the amount of Rp100,000,000,000.-. The Company plans to use the bank credit facility referred to above to finance the capital expenditures required for the Company's business development. In addition, such bank credit facility is intended as a stand-by liquidity source for the Company.

5.5. Growth of Statements of Cash Flows

The growth of the Company's cash flows from December 31, 2015, to December 31, 2017, is presented below:

(In Rupiah)

DESCRIPTION	Years ended December 31,		
	2015	2016	2017
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers	2,492,542,417,507	2,692,661,186,770	3,024,134,849,140
Cash received from tax restitution	-	3,482,440,522	-
Cash payments to suppliers	(838,483,034,655)	(811,701,628,993)	(1,122,679,909,873)
Cash payments for operating expenses	(1,335,030,984,486)	(1,372,047,451,573)	(1,480,734,407,330)
Prepayments of long-term rent	(143,321,105,602)	(168,030,027,899)	(204,102,889,020)
Tax payments	(11,985,215,341)	(38,290,657,429)	(70,941,205,311)
Receipts from other operational activities	46,273,496,064	56,345,962,882	52,748,219,682
Payments of interest	(5,379,587,326)	(2,843,768,299)	(5,557,983,636)
Net Cash Provided by Operating Activities	204,615,986,161	359,576,055,981	192,866,673,652
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of property and equipment	714,939,293	30,430,314,238	867,119,920
Increase of initial franchise fee	(13,327,372,960)	(25,959,311,840)	(15,949,278,785)
Additions to advances for purchase of property and equipment	(7,932,863,033)	(19,882,721,793)	(12,309,488,694)
Additions to equipment not yet used in operation	(1,591,768,487)	(2,894,385,720)	(7,085,700,055)
Additions to property and equipment	(91,014,090,437)	(113,455,187,447)	(260,192,081,844)
Net Cash Used in Investing Activities	(113,151,155,624)	(131,761,292,562)	(294,669,429,458)



DESCRIPTION	Years ended December 31,		
	2015	2016	2017
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from short-term bank loans	120,996,919,668	87,065,766,633	126,315,033,993
Proceeds from long-term bank loans	167,617,410,600	5,000,000,000	213,044,759,975
Payments of dividends	(29,000,000,000)	(68,000,000,000)	(322,000,000,000)
Additional Paid-in Capital	-	-	236,000,000,000
Payments of finance lease	-	(4,636,731,956)	(5,667,061,755)
Payments of short-term bank loans	(139,030,078,861)	(125,026,342,722)	(102,307,130,074)
Payments of long-term bank loans	(153,662,391,036)	(88,888,158,191)	(65,604,491,517)
Payments of interest	(35,644,627,757)	(30,451,074,804)	(26,850,531,445)
Increase in shareholder loans	-	-	23,688,022,826
Net Cash Provided by (Used in) Financing Activities	(68,722,767,386)	(224,936,541,040)	76,618,602,003
NET DECREASE/INCREASE IN CASH AND CASH EQUIVALENTS	22,742,063,151	2,878,222,379	(25,184,153,803)
Effect on Foreign Exchange Rate Changes	16,037,563	(7,403,793)	2,242,089
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	21,034,234,802	43,792,335,516	46,663,154,102
CASH AND CASH EQUIVALENTS AT END OF YEAR	43,792,335,516	46,663,154,102	21,481,242,388
Cash and cash equivalents consist of:			
Cash on hand and in banks	62,955,933,863	112,535,738,780	75,462,135,621
Overdraft	(19,163,598,347)	(65,872,584,678)	(53,980,893,233)
CASH AND CASH EQUIVALENTS AT END OF YEAR	43,792,335,516	46,663,154,102	21,481,242,388

5.5.1 Cash Flows from Operating Activities

Cash flows from operating activities are generated from the Company's operating results, which mainly consist of cash receipts from customers.

Comparison of cash flows from operating activities for the years ended December 31, 2017, and 2016

Cash flows from operating activities for the year ended December 31, 2017, decreased by 46.36% or Rp166,709 million, to Rp192,867 million compared to that reported in prior year of Rp359,576 million. Such decrease in cash flows was mainly driven by an increase in payments to suppliers by 38.31% or Rp310,978 million from Rp811,702 million in 2016 to Rp1,122,680 million in 2017. In addition, payments for operating expenses increased by 7.92% or Rp108,687 million from Rp1,372,047 million in 2016 to Rp1,480,734 million in 2017. Such increase in payments to suppliers and payments for operating expenses were in line with the Company's more aggressive outlet opening in 2017.

Comparison of cash flows from operating activities for the years ended December 31, 2016, and 2015

Cash flows from operating activities for the year ended December 31, 2016, increased by 75.73% to Rp359,576 million compared to that reported in prior year of Rp204,616 million. Such increase in cash flows was mainly driven by an increase in receipts from customers by 8.03% or Rp200,119 million from Rp2,492,542 million in 2015 to Rp2,692,661 million in 2016. Such increase was in line with the increase in the Company's sales, which improved compared to prior year. In addition, tax payments also increased by 219.48% or Rp26,305 million from Rp11,985 million in 2015 to Rp38,291 million in 2016.

5.5.2 Cash Flows Used in Investing Activities

Cash flows used in investing activities are mainly used to finance the acquisition of property and equipment.

Comparison of cash flows used in investing activities for the years ended December 31, 2017, and 2016

Cash flows used in investing activities for the year ended December 31, 2017, increased by 123.64% or Rp162,908 million to Rp294,669 million in 2017 compared to that reported in prior year of Rp131,761 million. Such increase in cash flows used in investing activities was mainly driven by additions to property and equipment, which increased by 129.33% or Rp146,737 million from Rp113,455 million in 2016 to Rp260,192 million in 2017 as a result of the Company's more aggressive outlet opening.

Comparison of cash flows used in investing activities for the years ended December 31, 2016, and 2015

Cash flows used in investing activities for the year ended December 31, 2016, amounted to Rp131,761 million compared to that reported in prior year of Rp113,151 million. Such increase in cash flows used in investing activities was driven by an increase in additions to property and equipment, which increased by 24.66% or Rp22,441 million from Rp91,014 million in 2015 to Rp113,455 million in 2016. In addition, proceeds from disposals of property and equipment also experienced a significant increase of 4,156.35% or Rp29,715 million. Furthermore, additions to advances for purchase of property and equipment also increased by 150.64% or Rp11,950 million. Such increase was in line with the Company's business development in 2016.

5.5.3 Cash Flows Provided by (Used in) Financing Activities

Cash flows provided by financing activities are mainly derived from proceeds from bank loan and/or proceeds from paid-in capital.



Comparison of cash flows used in financing activities for the years ended December 31, 2017, and 2016

Cash flows used in financing activities reported for the year ended December 31, 2017, increased by 134.06% or Rp301,555 million to Rp76,619 million compared to minus Rp224,936 million for the years ended December 31, 2016. Such increase was mainly driven by an increase in long-term bank loans by 4,160.90% or Rp208,045 million from Rp5,000 million as of 2016 to Rp213,045 million as of 2017. Such fluctuation resulted from the Company's more aggressive new outlet opening. In addition, the Company paid cash dividends amounting to Rp 322,000 million and capitalized Rp236,000 million of its retained earnings to additional paid-in capital.

Comparison of cash flows used in financing activities for the years ended December 31, 2016, and 2015

Cash flows used in financing activities reported for the year ended December 31, 2016, decreased by 227.31% or Rp156,214 million to Rp224,936 million compared to Rp68,723million for the year ended December 31, 2015. Such decrease was mainly driven by a decrease in proceeds from long-term bank loans by 97.02% or Rp162,617 million from Rp167,617 million in 2015 to Rp5,000 million in 2016. In addition, payments of dividend also experienced a relatively significant increase, i.e. by 134.48% or Rp39,000 million from Rp29,000 million in 2015 to Rp68,000 million in 2016.

5.6. Financial Ratios

Profitability Ratio

Profitability ratio reflects the Company's ability to generate profit from the utilization of its resources that consist of assets and equity. In addition, profitability ratio also reflects the Company's production efficiency. The table below presents the Company's profitability ratios.

PROFITABILITY RATIOS (%)	December 31,		
	2015	2016	2017
Gross profit/Net sales	66.63%	67.63%	66.91%
Income from Operations/Net sales	4.90%	7.68%	7.35%
Income for the Year/Net sales	2.46%	4.84%	4.67%
EBITDA MARGIN ^{*)}	9.86%	12.72%	12.74%
Income for the Year/Total equity	21.37%	38.52%	38.23%
Income for the Year/Total assets	5.87%	11.32%	9.46%

In general, the Company demonstrated stable gross profit/net sales ratio within the range of 67.06%. The Company's gross profit to sales ratio has reached 66.91% in 2017 compared to 67.63% in 2016. The income for the year to net sales ratio ranged from 2.46% - 4.84%, in line with the efficiency measures undertaken by the Company. The Company's increased assets and equity, particularly in 2016 and 2017, also affected the net income ratio.

Solvency Ratios

Solvency ratio reflects the Company's ability to meet its overall long-term liabilities, which is measured by the ratio of total liabilities to total assets, total liabilities to total equity, total assets to total liabilities and total interest-bearing debt to total equity. The table below presents the Company's solvency ratios.

SOLVENCY RATIO (TIMES)	December 31,		
	2015	2016	2017
Total Liabilities/Total Assets (times)	0.73	0.71	0.75
Total Liabilities/Total Equity (times)	2.64	2.40	3.04
Total Assets/Total Liabilities (times)	1.38	1.42	1.33
Interest-bearing debts/Equity Ratio (times) ^{*)}	1.17	0.83	1.17
Debt Service Coverage Ratio (DSCR)	1.27	2.72	3.68

The Company's total liabilities to total assets ratio as of December 31, 2017, has reached 0.75 times compared to 0.71 times as of December 31, 2016. The foregoing resulted from the significant increase in the Company's assets by 29.72%, whereas its liabilities increased by 38.27%. The Company's growing liabilities also affected the liabilities to equity ratio, which has reached 3.04 times as of December 31, 2017, compared to 2.40 times as of December 31, 2016. The Company's considerable asset growth resulted in an assets to liabilities ratio of 1.33 times as of December 31, 2017, compared to 1.42 times as of December 31, 2016.

Continuous payment of debts incurred by the Company has affected its interest bearing debt to total equity ratio. As of December 31, 2017, the Company's interest bearing debt to total equity ratio has reached 1.17 times compared to 1.17 times in 2015 and 0.83 times in 2016.

Liquidity Ratio

Liquidity ratio represents the Company's ability to meet its current liabilities in general, which is measured by current ratio, i.e., the ratio of current assets to current liabilities, and quick ratio, i.e., the ratio of cash and cash equivalents to current liabilities. The table below presents the Company's liquidity ratios.

LIQUIDITY RATIO (X)	December 31,		
	2015	2016	2017
Current assets/Current liabilities	0.80	0.76	0.85
Cash/Current Liabilities	0.13	0.22	0.12



The Company's current ratio during the years from 2015 to December 31, 2017, ranged between 0.76 times - 0.85 times. The growth of receivables and short-term bank loans has affected the Company's current ratio in accordance with business growth during those years.

In the meantime, the Company's quick ratio during the years from 2015 to 2017, ranged between 0.12 times - 0.22 times. Short-term bank loans and the Company's cash balances affected the level of the Company's quick ratio.

Working Capital Ratio

Working capital ratio reflects the Company's ability to manage its inventories, trade receivables, and trade payables in the course of its operations. Cash conversion cycle measures the Company's efficiency in managing its cash resources to support its operational activities. The following table presents the Company's working capital ratios.

WORKING CAPITAL RATIO (X)	December 31,		
	2015	2016	2017
Days payable outstanding (days)	44	57	50
Days receivable outstanding (days)	1	2	2
Days in inventory (days)	75.63	62.00	97.94

The Company's average days in inventory as of December 31, 2015, up to December 31, 2017, was within the range of 79 days. Meanwhile, the Company's days sales outstanding and days payable outstanding during the same period was each within the range of 2 days and 50 days, respectively. The decrease in average inventory turnover in 2017 compared to 2016, is due to a significant increase in inventories which was mainly caused by the increased inventories of cheese to anticipate the import quota of cheese and to meet the needs of raw materials in the first quarter of 2018 due to significant addition of new outlets by the end of 2017.

5.7. Loan and Facilities

The table below summarizes the Company's outstanding loan as of December 31, 2017:

		(In Rupiah)
		December 31 2017
Short-term bank loans		146,967,236,261
Current maturities of long-term liabilities:		
Long-term bank loans		54,378,902,124
Finance lease payable		6,233,784,996
Long-term liabilities - net of current maturities		
Long-term bank loans		219,096,082,013
Finance lease payable		7,357,489,177
Total		434,033,494,571

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

December 31, 2017	Within 1 year	1-2 year	3-5 year	Total
Short-term bank loans	158,532,718,664	-	-	158,532,718,664
Current maturities of long-term liabilities:				
Long-term bank loans	82,800,720,931	-	-	82,800,720,931
Finance lease payable	7,122,848,880	-	-	7,122,848,880
Long-term liabilities - net of current maturities				
Long-term bank loans	-	184,056,246,682	113,659,287,859	297,715,534,541
Finance lease payable	-	7,716,419,620	-	7,716,419,620
Total	248.456.288.475	191.772.666.302	113.659.287.859	553.888.242.636

The table below summarizes the Company's loan facilities from Banks as of December 31 2017:

		(In Rupiah)		
FACILITIES	Plafond	Facilities Used	Loan Balance	Unused Facilities
Bank CIMB Niaga				
Investment loan III	150,000,000,000	120,369,919,572	120,369,919,572	29,630,080,428
Special transaction loan for Imports	67,740,000,000	42,986,343,028	42,986,343,028	24,753,656,972
Revolving Overdraft	35,000,000,000	28,348,991,048	28,348,991,048	6,651,008,952
Sub-Total	252,740,000,000	191,705,253,648	191,705,253,648	61,034,746,352
Bank Mandiri				
Special transaction loan I	50,000,000,000	50,000,000,000	23,728,813,563	-
Special transaction loan II	50,000,000,000	50,000,000,000	50,000,000,000	-
Investment loan I	77,100,000,000	77,100,000,000	41,410,600	-
Investment loan II	50,000,000,000	50,000,000,000	36,660,000,000	-
Revolving Overdraft	35,000,000,000	25,631,902,185	25,631,902,185	9,368,097,815
Sub-Total	262,100,000,000	252,731,902,185	136,062,126,348	9,368,097,815



FACILITIES	Plafond	Facilities Used	Loan Balance	Unused Facilities
BTMU, Working Capital Loan	50,000,000,000	50,000,000,000	50,000,000,000	-
Bank HSBC, Investment Loan	100,000,000,000	42,674,840,402	42,674,840,402	57,325,159,598
PT Mitsubishi UFJ Lease & Finance Indonesia, Leasing	23,895,067,884	23,895,067,884	13,591,274,173	-
Total	688,735,067,884	561,007,064,119	434,033,494,571	127,728,003,765

5.8. Capital Expenditures

The growth of the Company's capital expenditures from December 31, 2015, to December 31, 2017, based on segment information is presented below:

CAPITAL EXPENDITURES	December 31,		
	2015	2016	2017
Jakarta	40,260,235,330	40,184,247,842	132,833,803,777
Java-Bali	34,496,302,193	60,921,447,905	73,685,720,383
Sumatra	12,703,149,581	18,249,083,997	25,730,084,799
Sulawesi	818,415,464	3,093,550,965	24,254,574,692
Kalimantan	11,271,284,460	10,126,789,970	9,497,062,921
Eastern Region	2,585,032,731	6,684,748,166	3,114,892,332
TOTAL CAPITAL EXPENDITURES	102,134,420,159	139,259,868,845	269,116,138,904

The Company's most significant capital expenditures for the period from 2015 to December 2017 were incurred for Jakarta area, with a total expenditure of Rp213,278 million. The components of the Company's capital expenditures primarily consisted of leasehold improvements, restaurant equipment, and vehicles.

The Company's capital expenditures in 2016 amounted to Rp139,260 million. As of December 31, 2017, the Company has incurred Rp269,116 million in capital expenditures, which was in line with the Company's strategy to be more aggressive in opening outlets.

The Company is not exposed to the material risk of foreign exchange fluctuation as capital expenditures are made in Rupiah.

5.9. Government Policies

There are certain Government policies that may potentially affect the Company's business operations as follows:

1. Government policies related to import. The foregoing may affect the Company's ability, particularly with respect to the Company's imported raw material supply, such as cheese and meat.
2. Government policies related to minimum wage. The foregoing may affect the Company's business operation, particularly as the Company's business operation is directly and indirectly depended on operating cost control, including employee salaries. Any increase in minimum wage could directly and indirectly increase the Company's operating expenses and reduce the Company's profit margin.
3. Government policies related to taxation the foregoing may affect the Company's income, in line with the change in value added tax and income tax.

Other than those described above, there are no other government policies and policies of other institutions in fiscal, monetary, public economy, and politics that may have direct and/or indirect effect to the Company's business operation and investment.

5.10. Currency Hedging Policies

The Company has not established any specific policy related to currency hedging in relation to the fluctuation of foreign exchange, since substantially all of the Company's financing and payments are made in Rupiah, therefore hedging against other currencies is not necessary.

Despite that, on certain occasions, the Company Hedge by implementing partial forward transactions mostly for Cheese and the remainder used for other ingredients.

5.11. Extraordinary Events or Transactions

There are no extraordinary and infrequent events or transactions, or material changes to economy that may affect the reported revenues and profitability stated in the financial statements audited by the Public Accountant.

5.12. Risk Management

1. Risks relating to limitation of the number of outlets independently owned by the Company based on Ministry of Trade Regulation

As of the date of this Prospectus, the Company has obtained key and important licenses from the competent authorities necessary to conduct its business activities as required by applicable laws and regulations and these principal and important licenses are still valid until the issuance of this Prospectus. At the end of 2014, the Company has 314 outlets, and based on the Franchise Registration Certificate (*Surat Tanda Pendaftaran Waralaba*, "STPW") No. 16/UPTP I/STPW/3/2016 dated April 25, 2016 issued for the Company, the Company has registered 314 outlets owned by itself. Furthermore, in February 2018, the Company has 397 self-owned outlets.



Violation of this provision pursuant to Article 11 of Regulation of the Minister of Trade No. 58/M-DAG/PER/9/2014 on the Amendment to Regulation of the Minister of Trade of the Republic of Indonesia No. 07/M-DAG/PER/2/2013 Year 2013 on Inner Partnership Development Franchise For Business Type of Food and Beverage Services, may be subject to administrative sanctions in stages in the form of:

- a. written warning at most 3 times in a row with a grace period of 2 weeks from the date of the warning letter by the STPW issuing authority;
- b. suspension of STPW for a maximum of 2 months if it does not meet the requirements of written warning as referred to in letter a above; and
- c. revocation of STPW if it does not meet the provisions referred to in letter b above

The Company has performed the annual reporting obligations of franchise activities as required by the STPW of the Company and the provisions of the applicable Trade Minister Regulations, and up to the date of issuance of this Prospectus, the Company has never received a written warning regarding the above sanctions from the Ministry of Trade of the Republic of Indonesia (*Kementerian Perdagangan Republik Indonesia*, "**Kemendag**").

In the event that the Company intends to open new outlets included in the Company's future development plan where it exceeds the limits of the number of outlets, the Company will add such outlets as long as it is done by franchising or cooperating with the pattern of equity participation in accordance with the provisions current laws and regulations.

2. Risk of Franchise Agreement

The Company's operational activities are subject to the term of an International Franchise Agreement (IFA) -with YUM! Pizza Hut Asia.

Under the agreement, the Company is required to comply with certain operational standards and manual stipulated by YUM! Pizza Hut Asia in connection with the franchise business. To the extent that the Company fails to comply with the terms of agreement, YUM! Pizza Hut Asia would be entitled to a number of rights, including the right to end the agreement. To anticipate failure in complying to the conditions stated in the agreement, the Company has conducted its business operations based on established standards and manuals, with implementation of process quality control for each production line or in each of the Company's outlets.

The agreement may also be terminated upon occurrence of a certain event, such as the Company's insolvency or bankruptcy. Good relationship between the Company and the Yum! Pizza Hut Asia is a critical factor as it may affect the continuity of existing agreement. The Company has ensured that the growth of its new outlets will help in boosting the Company's financial growth and avoiding the of Company's insolvency.

3. Risk of raw material supply

The laws and regulations applicable in Indonesia, in particular the regulations imposed by the Ministry of Trade, Ministry of Industry, and Ministry of Finance may from time to time affect the supply of raw materials required by the Company in its business operations. To anticipate this, the Company has taken several actions such as:

- The Company has 2-3 suppliers as back up
- The Company has alternative products as substitute for main products
- The Company conducts planning starting from 9-12 month before for more critical products so that any changes in regulation from the government can be anticipated beforehand.
- The Company always monitors and communicates with relevant authorities so that the Company can always anticipate changes in regulation if any.
- In addition the Company anticipates more inventory for critical products so that any shortage can be solved if the Company faces problems that arises from changes in regulation or late delivery from vendors.
- The Company conducts stock monitoring every day and does adjustment if necessary to revise order volume or delivery date.

4. Finance Risk

Main risk arising from the Company's financial instrument are currency risk, interest rate risk, credit risk, and liquidity risk and liquidity risk. The need to manage these risks has increased significantly considering changes in and volatility of the money market locally and internationally. The Company's Board of Directors has analyzed and approved policies and processes to manage risks summarized below:

- a. Interest rate risk on fair value and cash flow
Interest rate risk on fair value and cash flow is risk where the future fair value and cash flow of a particular financial instrument will fluctuate due to changes in market interest rate. The Company's exposure on changes in market interest rate mainly related to the Company's short term and long term loan. Fluctuation of interest rate affects expenses on new loans and interest on the Company's outstanding loan balance that are subject to floating rate.

The Company's policies related to interest rate risk is to manage interest rate through loans with variable interest rate. The Company evaluate comparison between fixed interest rate and floating rate of its short term bank loan, long term bank loan and leases in line with changes in relevant interest rate in the money market. Based on management appraisal, new loans will be priced on fixed or floating interest rate. The Company's long term bank loan and leases will be subject to floating interest rate



- b. **Currency risk**
Currency risk is risk where future fair value or cash flow of a particular financial instrument will fluctuate due to changes in exchange rate. The Company's exposure to exchange rate fluctuation is mainly from bank balances and trade payables. The Company does not hedge currency risk as of December 31, 2017, 2016 and 2015.
- c. **Credit risk**
Credit Risk is risk from losses that could arise from financial instruments if the counterparty failed to fulfill its obligations. Credit risk faced by the Company arise from trade receivables and bank balance. The Company policy is to monitor trade receivable balance continuously to minimize the Company's credit risk. The Company only place its cash in reputable banks and financial institutions. The maximum exposure to credit risk is proportionate to recorded value of financial assets.
- d. **Liquidity risk**
Liquidity risk is risk that the company will fail to fulfill its financial obligations due to lack of financial resource. The Company's need for liquidity historically arise from general funding and business operations. In monitoring liquidity risk, The Company maintain balance between funding continuity and flexibility in usage of bank loans. The Company implement prudent principle in managing its liquidity risk by maintaining sufficient balance of cash.

5. Operational Risk

Consistent food quality and safety as well as services are paramount in the food service industry. Inconsistent food quality and services provided by the Company may result in unsatisfied customers and lower repeat visits to the Company's outlets. To anticipate such condition, since the initial process of purchase of raw materials to delivery of food to customer, the Company implements strict Quality Control and high standards of procedure for each business line, the Company have also periodically organize human resources training programs to give optimal service to customers and develop give satisfactory selection of menus to the customers

6. Risk of Marketing and Public Relation

In conducting its business, marketing activities are paramount to the Company's success in increasing its brand awareness, maintaining existing customers and attract new ones. Even though the Company spent significant amount of capital to support its marketing programs nationally or locally, there is no guarantee that the Company's marketing programs would successfully attract new customers and maintain existing customers.

In addition, risk of public relation, negative publicity and perception on health and food safety, whether or not such publicity and perception are intentional, may affect consumer preference to buy the Company's products. Even in the event that such publicity on product safety may not be necessarily true, negative publicity and perception may have adverse impact to the Company's reputation and brand image, which in turn may have adverse effect on the Company's financial performance.

To anticipate such risks, the Company took several actions such as

- Utilizing some customer research instrument owned by the Company, including daily surveys on 12 Indonesian households (360 days a year), side by side comparison on Company's product delivery compared to competitors each year, giving testers of all Company's new products to customers before product launch, and procure customer reaction study after product launch.
- Focus Group Discussion (FGD) with customers held several times a year.
- Customer satisfaction survey by 30 customers per month for each outlet.
- Monitoring social media and immediately take actions on any incidents that are related to food safety of each outlets.
- Conduct periodical audit of each outlets and all suppliers to ensure compliance that are in line with standard form YUM! Pizza Hut Asia

7. Risk of Legal and Permission

In its business operations, the Company is bound to its franchise owner or its suppliers through contracts, work warrants and other documents that are adhering to conditions regulated by the law to define rights and obligations of each party that are agreed upon by both parties. Any breach or dispute could cause either side to conduct lawsuits to the other parties. Risks related to lawsuits are among others lawsuits from customers due to disparity between the quality of food or service that were received by customers and the Company's marketing materials or promotions.

The Company is engaged in the restaurant industry in Indonesia based on the licenses granted by the regional government where the Company opens its restaurants. In accordance with the laws and regulations in Indonesia, the Company is required to obtain a number of approvals, licenses and permits to operate a restaurant business. The Company cannot guarantee that such permits issued to the Company would not be suspended in the event of a noncompliance or suspected noncompliance with any requirements or regulations, or violation of applicable regulations.

Risk of regulations and licenses could be anticipated by the Company by implementing:

- Increase internal supervision to the Company's legal division
- Increase Quality Control of menus served to maximally increase customers satisfaction, to avoid lawsuits from customers



VI. RISK FACTORS

Investment in the Company's Shares involves a number of risks. Prospective Investors should carefully consider the following risk factors, and other information contained in this Prospectus, before making any investment in the Company's shares. The risks described below do not constitute a complete list of all risks currently faced by the Company or those that may arise in the future. Additional risks, whether known or unknown, may also have adverse impacts on the Company's business activities, financial condition and operating results in the future. The trading price of the Company's shares may fall as a result of such risks, and prospective investors may be exposed to the loss of all or a portion of their investments.

The risks disclosed in the following discussion consist of risks that are material to the Company. The following risks have been prepared based on the Company's considerations, and are presented in order of significance of risks towards the Company's financial performance, beginning with the Company's main risks.

A. Main Risks with Significant Impacts to the Company's Business Continuity

Risks relating to limitation of the number of outlets independently owned by the Company

Pursuant to the provisions of Minister of Trade of the Republic of Indonesia Regulation No. 07/M-DAG/PER/2/2013 of the year 2013, as amended by the Minister of Trade of the Republic of Indonesia Regulation No. 58/M-DAG/PER/9/2014 of the year 2014 (**Minister of Trade Regulation No. 07/2013**), franchisor or franchisee in the restaurant, eatery, bar/pub and cafe business is permitted to have up to 250 company-owned outlets, and any franchisor or franchisee that has more than 250 outlets at the time the Minister of Trade of the Republic of Indonesia Regulation No. 58/M-DAG/PER/9/2014 of the year 2014 took effect, specifically on 17 September 2014, is permitted to continue operations and own the number of specified outlets.

Pursuant to the Minister of Trade Regulation No. 07/2013, wherein the case of a franchisor or franchisee in the restaurant, eatery, bar/pub and cafe business that has more than 250 outlets and intends to establish new outlets, these additional assets must be (i) franchised, and/or (ii) established under partnership with equity participation. In case a franchisor or franchisee establishes new outlets under partnership with equity participation, the percentage of equity participation under such partnership shall be as follows: (i) for investment of less or equal to Rp10,000,000,000, the minimum amount of equity participation from other parties is 40%, or (ii) for investment of more than Rp10,000,000,000 the minimum amount of equity participation from other parties is 30%.

At the end of 2014, the Company owned 314 outlets, and based on the Franchise Registration Certificate (*Surat Tanda Pendaftaran Waralaba, "STPW"*) No. 16/UPTP I/STPW/3/2016 dated 25 April 2016, issued to the Company, the Company has registered a total of 314 company-owned outlets. Furthermore, at the end of February 2018, the Company owned 397 company-owned outlets.

Non-compliance to the Regulation of Minister of Trade of the Republic of Indonesia No. 07/2013 may be subject to administrative sanctions in the form of:

- a. written warning at maximum 3 times consecutively with a grace period of 2 weeks from the date the warning letter was released by the STPW issuing authority;
- b. suspension of STPW for a maximum of 2 months if requirements in the warning stated in letter above are not met; and
- c. revocation of STPW if it does not meet the provisions referred to in letter b above.

If the Company's STPW is revoked, it may subject the Company to the risk of non-compliance with the provisions of Government Regulation No. 42 of the year 2007 on Franchising. This may subject the Company to the risk of facing administrative sanctions, wherein the Company will be penalized the amount of Rp100,000,000. Administrative sanctions imposed could have material and adverse effects to the Company's business operations, financial conditions, results of operations and business prospects.

B. Risks Relating to the Company's Business

1. Risk of dependency on franchise agreement with YUM! Pizza Hut Asia

The Company's operational activities are subject to the terms of an International Franchise Agreement (IFA) with YUM! Pizza Hut Asia.

The agreement also stipulates, among others, the terms and conditions regarding the term period, renewal or extension of agreement and circumstances that may result in the termination of agreement or dissolution of the Company's rights prior to the agreed expiration date. At present, each outlet has its own IFA that is valid for a period of 10 years, and may be extended for a period of 10 years at a time thereafter, if all conditions for extension are met beforehand. Under the agreement, the Company is required to comply with certain operational standards and manual stipulated by YUM! Pizza Hut Asia in connection with the franchise business. In the extent that the Company fails to comply with the terms of agreement, YUM! Pizza Hut Asia is entitled to a number of rights, including the right to end the agreement.

The agreement may also be terminated upon occurrence of certain events, such as the Company's insolvency or bankruptcy. Good relationship between the Company and the Yum! Pizza Hut Asia is a critical factor as it may affect the continuity of existing agreement. If the franchise agreement or the Company's franchise right is terminated, the Company's business activities, financial condition, results of operations and business prospects could be materially and adversely affected. See Chapter VIII for further description of the IFA.



2. Risk of adverse changes in government policies on raw material supply

Raw material represents one of the largest components of the Company's production costs, consisting mainly of cheese, meat and flour. The Company purchases a substantial amount of its raw materials from domestic suppliers, and the remaining from foreign suppliers.

The majority of raw materials used by the Company are procured from and produced by domestic suppliers. However, the Company also directly imports some of the raw materials, such as cheese and meat that are influenced by certain quotas and foreign currency fluctuations. As for a number of raw materials such as wheat flour, although it is procured from domestic suppliers or produced locally, they are generally still made from imported raw materials. The quota on raw materials and weather conditions of areas where raw material are sourced from are critical factors to production and supply.

The laws and regulations applicable in Indonesia, in particular the regulations imposed by the Ministry of Trade, Ministry of Industry, and Ministry of Finance may, from time to time, affect the supply of raw materials required by the Company for its business operations.

Factors mentioned above could affect the Company's business operations, product quality, sales volume and financial performance.

3. Risk of increase in minimum wage

The Company's business operations are directly and indirectly dependent on management of operating expenses, including wages. Every increase in minimum wage could directly and indirectly increase the Company's operating expenses, reducing the Company's profit margin.

As of 31 December 2017, the Company's employee wages and remuneration represented 41.32% of the Company's total selling expenses. The minimum wage requirement in Indonesia continues to increase, and this may continue to increase the Company's operating expenses in the future. Employee salary levels in nearly all areas in Indonesia had increased in the recent years. The Labor Law prohibits employers to pay an employee wage below the minimum stipulated annually by the provincial or regional/city government.

However, as there are no specific provisions on how minimum wage increase is determined, the amount of minimum wage increases can be unpredictable. The Company may not be able to increase its product prices to a level that will sufficiently cover the increase of labor costs. This could materially affect the Company's business and results of operations.

4. Risk of negative publicity and perception

Negative publicity and perception on health and food safety, whether or not intentional, may affect consumers' preference to buy the Company's products. Even in the event that such publicity on product safety may not be necessarily true, negative publicity and perception may negatively impact the Company's reputation and brand image, which in turn may have adverse effects on the Company's financial performance.

5. Risk related to food quality, and safety and services

In the food service industry, consistency of food quality and safety, as well as services, are important. Inconsistent food quality and services provided by the Company may result in unsatisfied customers and lower repeat visits to the Company's outlets. The condition may arise due to intentional action by third parties or product contamination, or lower quality of product or raw materials occurring during procurement, production, transportation (transfer of materials and goods that are not in compliance with procedures) and below-standard storing processes from distributors or retailers to the Company's warehouse, despite stringent standard procedures implemented by the Company.

Also, it is essential to maintain service standards and good condition of equipment in each of the Company's outlets to encourage repeat visits from customers. High staff turnover, lack of staff or lack of proper supervision may affect the quality of food and services at our outlets. Although the Company can upgrade and renovate its restaurant outlets, it cannot guarantee that such upgrade would always provide customer satisfaction.

Failure to maintain food and service quality could have material and adverse effects to the Company's business operations, financial conditions, results of operation and business prospects.

6. Risk related to business competition

The food service industry in Indonesia is highly competitive and there are low *barriers to entry* due to the absence of regulation on qualification and certification for special skills and techniques and requirements for high-end equipment. Moreover, the industry does not require large capital amounts as a pre-requisite to new entrants and for growth of existing players offering the latest in food trends.

The Company competes with all food providers for share of stomach, whether direct (with Pizza business) and non-direct (non-Pizza business), at the national, regional and local level, as well as family restaurants that offer full service, and take-away as well as delivery services. The growing middle class and consumers in Indonesia have provided good prospects in the restaurant business and attracted new players. These further increased competition in the already fragmented restaurant business. New players are often supported by large conglomerates and financial institutions willing to spend substantial amounts of money to build more stores, as well as support attractive promotions to gain market share, despite non-profitability of such efforts.



Factors affecting the Company's ability to compete with other restaurants include, among others, its ability to provide quality food at the right price, new menu/products, suitable advertising and promotions, good service quality, well-maintained reputation, precise restaurant location, attractive and well-maintained properties.

The Company's failure to effectively compete in one or more factors/areas above could materially and adversely affect the Company's business, financial condition, results of operation and business prospects.

7. Risk related to maintaining *Halal* Certificate

The Company has obtained the Halal Certificate from the Indonesian Council of Ulema (*Majelis Ulama Indonesia*, “MUI”) since 1998 and maintains this certificate to date. To obtain and maintain the Halal Certificate, the Company is required to undergo a number of inspection procedures and testing on products and raw materials. Inspections and/or tests on the halal aspect of the products are conducted on-site during the production process. If any of the Company's business activities, products or raw materials fails to pass the test, the Company is required to find product(s) or raw material(s) substitutes that meet the requirements of MUI—the institution authorized to provide halal certification.

Since 2017, the Government has taken over MUI's authority to issue *Halal* Certificate. However, starting 2019 the Ministry of Religious Affairs will administer the *halal* certification process, and the issuance of *halal* certificate will not only be under MUI, but will involve at least three parties, namely (i) the *Halal* Product Guarantee Administration Agency (*Badan Penyelenggara Jaminan Produk Halal*, “BPJPH”) as the institution that functions and reports to the Ministry of Religious Affairs authorized to issue *Halal* Certificates; (ii) MUI; (iii) and the Halal Inspection Agency (*Lembaga Pemeriksa Halal*, “LPH”).

The Company will endeavor to continuously maintain its *Halal* Certification, since its loss could have material and adverse effects to the Company's business operations, financial conditions, results of operation and business prospects.

8. Risks related to the Company's ability to open new outlets, maintain existing outlets and select strategic locations

One of the main methods in carrying out the Company's growth strategy is to open new outlets, maintain existing outlets (including relocation thereof) and operate outlets profitably. The Company may not be able to open new outlets to achieve the targeted level of expansion. To successfully expand its business, new outlets must be opened on schedule and operated in an efficient and proper manner. Also, strategic locations and distance between outlets may affect the Company's competitiveness and revenues. Furthermore, based on the agreement with YUM! Pizza Hut Asia in 2017, the Company committed to open 175 new outlets from 2017 to 2019. The Company successfully opened 51 (net) PHR and PHD outlets in 2017, in accordance with the agreement. If in the following years the Company is unable to open new stores as stipulated in the agreement, the Company's operating income may not be as expected.

The Company's success in opening new outlets is subject to a number of factors, including:

1. The ability to identify and secure strategic locations;
2. The ability to negotiate new lease agreements or extend existing lease agreements under more favorable terms;
3. The ability to find, hire and train employees at each location;
4. The timely construction;
5. Any unforeseen technical or environmental issues at the lease locations;
6. Dependency on supporting infrastructures such as electricity and water;
7. The ability to generate sufficient fund from operations or to secure financing with acceptable terms to support the construction of outlets; and
8. The ability to secure the required government approvals, permits and licenses (including construction permit) in a timely manner, with consideration to differences in requirements within each regional government. Specifically for DKI Jakarta, among the PHR and PHD outlets currently owned by the Company, there are 5 outlets that may be affected by the implementation of zoning regulations.

Based on the above, although the Company has a Business Development team dedicated to determine the appropriate locations for the Company's outlets, there is no guarantee that the Company would be able to achieve the expected expansion target, open new outlets on schedule, or achieve maximum profitability from these new outlets. Furthermore, the Company's future business growth requires increased attention and commitment from the management team, improvements on the quality and quantity of systems and human resources, and improvements on financial control and information systems.

The Company's inability to manage the abovementioned factors effectively could have material and adverse effects to the Company's business activities, financial conditions, operation results and business prospects.

9. Risks of failure of suppliers to comply with and satisfy their contractual obligations, which may have negative effects on the Company's business

The Company's operations abide to the sufficient and timely delivery of ingredients, including raw materials and fresh produce. The Company largely relies on its distributors and third party suppliers for the delivery of these raw materials and fresh produce. There is no guarantee that such suppliers will continue to deliver their products in a timely manner and in accordance with the terms of agreement, or whether they will continue to meet the Company's needs in accordance with the expansion plan.



If the Company is unable to obtain raw materials in the quantity and quality required, or even at agreed prices, the Company's sales volume and/or quality may decrease, which may in turn have material effects on the Company's business operations, as well as adverse effect on the Company's financial performance.

10. Risk related to the Company's ability to renew outlet lease agreements at commercially acceptable terms

The Company leases a substantial number of its properties from third parties, with lease terms of generally up to 20 years for PHR and up to 10 years for PHD. Hence, the stability of the Company's business and area expansion of existing outlets, particularly in malls, are subject to the renewal of such lease agreements. Yet, areas like Jakarta have been experiencing significant property price surges which results in significant cost increase of property leases. Also, lease prices in shopping centers with high visitor traffic, such as malls, have an even higher lease price increase compared to its surrounding areas.

Although the Company will comply with the requirements of lease agreements, there is no guarantee that the Company's current retail outlet lease agreement would not be terminated by the respective landowner/property owner, or there is no guarantee that the Company will be able to continue to operate PHR and PHD outlets at their existing locations at desired commercial terms. Considering the limited availability of strategic locations and the relatively high lease prices, there is no guarantee that the Company will be able to renew its lease agreements at equal terms or obtain such locations at more favorable terms.

Even in the event the Company is able to find and lease alternative locations at equal or more favorable terms, relocation would require time, which could result in temporary loss of sales. Relocation is also subject to additional costs, e.g. equipment for the new locations and transportation of goods thereto.

If the Company cannot manage the conditions mentioned above effectively, the Company's business activities, financial condition, results of operation and business prospect could be adversely and materially affected.

11. Risks related to online aggregator

In marketing its products, the Company utilizes online channels (in-house website and apps) and telecommunication channels. In addition to these, the Company also cooperates with online aggregators (such as Go-Jek and Grab Bike) that provide delivery services using their online platforms. However, since such services are non-exclusive, competitors with similar, even non-similar, products to the company are able to offer their products and menus to customers using such platforms as well. While the rapid growth of online aggregators create potential growth for the Company, it also tightens competition in the food and beverage industry since customers are now presented with wider choices of food products using these delivery services. Online aggregators also have potential to control the delivery cost of food providers in the near future.

Generally, fleets owned by online aggregators are not sufficiently equipped to maintain quality of food and services, unlike the Company's delivery fleets that are equipped with a temperature guard to guarantee that the quality of food and services are maintained. Due to the fact that the Company cannot guarantee the quality of food delivered by the fleet of online aggregators, this may result in customers' dissatisfaction and unfavorable perception regarding the Company's product.

If the Company cannot manage the conditions mentioned above, its business activities, financial condition, results of operation as well as business prospects could be materially and adversely affected.

12. Risk of dependency on the Company's key management personnel

The present success of the Company's business is driven by the efforts, expertise and performance of the Company's senior management team and key personnel. They allow the Company to make the right and informed business decisions. They have played important roles in defining the Company's strategic directions, operating the Company's business, identifying, recruiting and training key personnel, identifying expansion opportunities, and arranging the required financing. The Company believes that these individuals cannot be easily replaced with other executives with equal experience and skills.

The success of the Company will continue to depend on the contributions from its senior management team and key personnel, whether individually or collectively. Its future performance would substantially depend on the ability to maintain and motivate its senior management team and key personnel. In addition, if any of these individuals joins its competitors or establishes a similar company, the Company may be exposed to loss of expertise, trade secrets, customers and key personnel.

The loss of key personnel, inability to recruit suitable replacement within a short period of time, or the costs involved in recruiting and training new personnel may cause interruptions, or have material and adverse effects, to the Company's business, financial condition, results of operations and business prospects.

13. Risks of information technology system interruptions

The Company's business development is highly affected by technological advances. With increasingly intense competition, technology is one of the keys to gain competitive advantage to win the competition. The Company is faced with the challenge to improve its services and increase customer satisfaction among a customer base that has become more critical in evaluating quality of service.



Failure in the Company's information technology systems as a result of possible network disruption, virus, and/or system breakdown may cause interruptions in business activities that could lead to transaction errors, inefficient management of back office, inventory and production processes. In addition, every incidence of breakdown and interruption may have material and adverse effects on the Company's business operations and performance.

The potential impact of system disturbances that may result in loss of potential sales and losses of the Company include:

1. *E-commerce* (www.phd.co.id)
Online ordering, payment, and order status checking system that facilitate ease in ordering, payment and order status monitoring by the customers.
2. *Customer Service Center* (1500-600)
A phone-based ordering system that also receives customer complaints. Any interruption thereto would result in difficulties in placing orders.
3. *Point of Sales*
A cashier system installed at each outlet that facilitates order process, order preparation, cash receipts as well as reporting.

The company's inability to anticipate the development of information technology may result in loss of opportunity to maintain customer loyalty and cause the transfer of existing customers to competitors. These could negatively affect Company's sales and growth.

14. Risks associated with unfavorable response to new menu developed by the Company

The Company regularly introduces new menus, both locally developed or from YUM! Pizza Hut Asia as part of its update and innovation strategy to prevent customers from becoming uninterested with the existing menus. However, there can be new menus introduced by the Company which could result in unfavorable responses from customers.

The Company's failure to develop and introduce new menus (the next big thing) could have material and adverse effects to the Company's business operations, financial conditions, results of operations and business prospects.

15. Risks related to unsuccessful marketing programs

In its line of business, marketing activities rank among one of the Company's key success requirements in increasing brand awareness, maintaining existing customers and attracting new ones. PHR and PHD have separate marketing divisions that are individually responsible for the development and success of marketing strategies. These groups conduct research about the customers, market condition, competitors, and implement marketing strategies as well as analyze the necessary changes thereof. The marketing divisions also actively market the Company's products through various media, such as television, radio, print media, social media, billboard, banner as well as exhibitions and other events.

Despite spending significant amount on its national and local programs, there is no guarantee that such programs would successfully attract new customers and maintain existing customers.

If the Company's marketing programs are unsuccessful, the Company's market share, business operations, financial conditions, results of operations and business prospects could be materially and adversely affected.

16. Risks related to changes in consumer preference and perception

Demand for the products offered by the Company and other companies in the food service industry is affected by consumers' preference and consumption trends as well as changes in consumer taste, which are in turn affected by external factors, including macroeconomic condition, income level and demographic profiles. For example, changes in consumers' preference and health perception may cause consumers to avoid pizza and other products offered by the Company, and they may prefer other food considered healthier, with low carbohydrate content and other similar types of food.

If the Company is unable to offer new products on time, and at competitive prices in response to consumers' preferences and consumption trends, or if new products are not accepted by the market, the Company's business, financial condition or prospects could be affected, which would lead to lower sales.

17. Risk related to negligence and failure to secure approvals, licenses, registrations and permits for the Company's business

The Company is engaged in the restaurant industry in Indonesia based on the licenses granted by the regional government where it operates outlets. In accordance with the laws and regulations in Indonesia, the Company is required to obtain a number of approvals, licenses and permits to operate its business. The mandatory licenses, among others, are approval and/or license from the Department of Tourism, BKPM, local permits, food service license, and hygiene certification. The majority of these licenses and permits are subject to periodic inspections or verifications by the authorized institutions, valid for a specific period of time, and subject to renewals and accreditations.

The Company cannot guarantee that permits issued to the Company would not be suspended in the event of a non-compliance or suspected non-compliance with any requirements or regulations, or departure from applicable regulations.



Failure to renew expired approvals or licenses, or failure to apply for and obtain the necessary permits, or any suspension/revocation of existing approval and permits or those to be issued to the Company may affect the Company's condition, revenues, profits and results of operation.

18. Risks in logistics and distribution

To support its business on a national scale, the Company performs centralized raw material procurement and stores the raw materials in 2 dry distribution centers ("DC") located in Jakarta. The Company then delivers the raw materials to all outlets or through satellite dry DCs in Medan, Surabaya and Makassar, using large trucks or containers for inter-island or long-distance deliveries and small trucks for short distance deliveries. The Company also owns 1 frozen DC in Jakarta, and 14 satellite frozen DCs located across a number of cities to send frozen raw materials to the PHR and PHD outlets in their vicinities using small refrigerated trucks for short-distance deliveries and reefer trucks or reefer containers for inter-island or long-distance delivery.

At present, not all of the warehouses and small trucks are owned by the Company, in addition, large trucks or containers to deliver various raw materials are rented by the Company. Therefore, the Company is partially dependent on the reliability of these third parties to execute its logistics and distribution processes.

Any disruption to its logistics and distribution processes, whether in terms of security and quality of storage facilities, transportation modes, access and infrastructures, and others, may materially and adversely affect the Company's business operations, financial conditions, results of operations and business prospects.

19. Risk associated to labor disputes or changes to labor law that may cause interruption to the Company's operations and affect the Company's profitability

In order to support its business activities and operations, the Company requires a large number of manpower, particularly to support its growth and the opening of new outlets. The Company's working relationship with its employees is governed by various labor laws, which may affect operating expenses. The law stipulates requirements on minimum wage, mandatory health benefits, overtime compensation and other requirements.

In addition, any labor dispute involving all or some of the Company's employees may harm the Company's reputation, disrupt production and sales processes that may prevent the Company from meeting its production target thereby reducing the Company's revenue. In addition, dispute settlement may increase the Company's costs.

If the Company cannot resolve labor disputes, its business, financial condition, or results of operations may be materially and adversely affected.

20. Risk of insufficient insurance policies carried by the Company

The Company has various insurance policies, which include coverage for damages or losses of property, equipment and inventory. However, if the damages or losses exceed its insurance coverage, or are not covered by its policies, the Company could suffer financial losses. Although the Company maintains insurance policies for public and product liability, any defects in the products it sells which may trigger significant and adverse reactions from customers and cause damages, and create negative publicity for the Company require additional time, effort and cost to remedy the issues and settle claims against the Company.

Although the Company currently maintains insurance coverage that is believed to be sufficient and consistent with the industrial practices in Indonesia, there is no guarantee that the insurance coverage in the future would be sufficient and available to cover insurance claims.

The Company's current insurance policies may not provide sufficient coverage for business interruptions caused by force majeure or other unforeseen events and liabilities that may arise from the Company's business. In addition, insurance premiums may increase in the future, and the Company may not be able to obtain equal insurance coverage at reasonable or exact same terms.

If the Company cannot sufficiently manage the issues related to scope of insurance mentioned above, it may cause material and adverse effects to its business activities, financial position, result of operations, and business prospects.

C. General Risk

1. Risk of Macroeconomic condition

The Company provides services and products that are closely related to the public's primary needs, i.e., food. The Company's operational results are susceptible to economic slowdown and recession and subject to consumer spending, which may be affected by the general economic condition in Indonesia. Certain factors that may affect consumer spending include, unemployment levels, income level fluctuation, fuel prices, stock market performance, and changes to consumer confidence level. The above macroeconomic factors may have adverse effects to target sales, profitability or expansion plans, which may have adverse effects on the Company's financial condition and results of operations.



Certain risks that may have material impact on the Company's business, operating results, cash flows and financial condition include:

- Political, social and economic uncertainties;
- Volatility of exchange rate;
- Acts of war, terrorism and civil conflicts;
- Government policy interventions, including customs, protectionism and subsidies;
- Change of legislations and tax regulations.
- Mandatory remedies stipulated by health and safety regulations;
- Cost and availability of insurance with sufficient coverage;
- Lack of transportation, energy and other infrastructures;
- Asset acquisition.

The Company is generally unable to predict risks related to political and social conditions, which may be subject to drastic change from time to time. Consequently, the information presented in this Prospectus may be outdated within a relatively short period. Should any of the above risks occur, such risks may have material adverse impacts to the Company's business activities, financial condition, operating results and prospects.

2. Risk of compliance with the prevailing laws and regulations applicable to the Company's business

In carrying out its business operations, the Company is required to comply with the prevailing laws and regulations. Such regulations govern matters related to product, environmental, health, labor, tax and safety standards. The Company is also required to comply with regulation related to license & permit requirements, trade practices, price setting, and tax. Although the Company believes that its operational activities have complied with all the prevailing regulations, failure to satisfy obligations arising from new regulations or their amendments, or interpretations and implementations thereof, and changes to interpretations or implementations of the prevailing laws and regulations, may expose the Company to civil sanctions, including fines, penalties and other criminal sanctions.

In addition, manpower regulations, change of law and regulations that govern minimum wage may also result in escalated issues in industrial relations, which may have material impacts to the Company's operational activities if any mass labor strike occurs.

The Company's business activities are governed by the Government through a set of regulations. The Company's failure to carry out and/or implement the new regulations set by the Government may affect the Company's operational activities, which may in turn affect the Company's performance.

3. Risk of social and political condition

The Company's performance is also affected by the economic, social and political stability in Indonesia. Any changes to, turmoil or instability of, social and political condition may result in a downturn in various activities in industrial sectors.

Social and political instability may be triggered by the following factors:

- The relatively high number of political parties in Indonesia, which causes significant conflicts of interest;
- Frequent demonstrations conducted by community organizations;
- Issues arising from land acquisitions; and
- Changes in Government or regional government policies.

Any of the abovementioned conditions may disrupt the performance of the Company's projects/works, which may in turn decrease the Company's revenue.

4. Risk of natural disasters

The Company carries out its restaurants, production and distribution processes in and through areas that cannot be separated from the risk of natural disasters, including, but not limited to, earthquake, volcanic eruption, flood and fire. Although the Company's offices, restaurants, production and distribution facilities are covered by insurance, the resulting temporary stoppage in production process or distribution delays may have adverse effect to the Company's business activities, financial condition, performance and prospects.

5. Risk of Lawsuits

In its business operations, the Company is bound to its franchise owner or its suppliers through contracts, work warrants and other documents that are adhering to conditions regulated by the law to define rights and obligations of each party that are agreed upon by both parties. Any breach or dispute could cause either side to file lawsuits against the other parties. Risks related to lawsuits are, among others, lawsuits from customers due to disparity between the quality of food or service that were received by customers and the Company's marketing materials or promotions.

6. Risk arising from other Nation's or International Law

To conduct transactions with parties from foreign countries, the Company need sufficient degree of knowledge in conducting transactions in other countries, particularly knowledge regarding applicable laws in those countries. If the Company fails to understand and interpret the applicable laws in other countries or any applicable international law, the Company faces risk of receiving warning or even sanctions from authorities from those countries



D. Risks Associated with Investment in the Company's Shares

1. Share Liquidity Risk

There is a risk that the offering shares in this Initial Public Offering may not be liquid. In addition, although the Company intends to list its shares on the IDX, there is no guarantee that the Company's shares will be actively traded or liquid since there is a possibility that the Company's shares will be held by one or several parties that do not trade their shares on the secondary market. Therefore, the Company cannot predict whether the market for the Company's shares will be active or that the Company's shares will remain liquid.

2. Risk of Fluctuation in Share Price

The Offer Price of the shares subsequent to the Public Offering may fluctuate, and the shares may be traded at a price that is significantly lower than the Offer Price as a result of numerous factors, including, among others:

- The Company's business prospects and operational activities;
- The difference between the Company's actual financial and operational performance compared to investors' and analysts' expectation;
- Changes in analysts' recommendation or perceptions on the Company or Indonesia;
- Any significant acquisition, strategic alliance, joint venture or divestment;
- Changes in economic, political or market conditions in Indonesia;
- Involvement in litigation;
- Changes in prices of equity securities of foreign companies (particularly in Asia) in the emerging markets; and
- Share market price fluctuation in general.

Therefore, the Company's shares may be traded at prices that are significantly lower than the Offer Price.

3. Risk of Indonesia's sovereign rating and credit rating of Indonesian companies may have adverse impact to the market price of the Offering Shares.

At present, Indonesia's long-term bonds in foreign currency are rated "Baa3 (stable)" by Moody's, "BBB- (stable)" by Standard & Poor's, and "BBB (stable)" by Fitch. The ratings reflect an assessment on the Government's overall financial capacity to meet its obligations and its ability or willingness to meet its financial commitments when due. Although the latest trend indicates that Indonesia's sovereign rating has been consistently positive, there is no guarantee that Moody's, Standard & Poor's, Fitch or other rating agencies will not downgrade Indonesia's sovereign rating or the ratings of Indonesian companies in general in the future. In the past, these rating agencies downgraded Indonesia's sovereign rating, debt rating of various sovereign debt instruments, the ratings of most financial companies and other companies in Indonesia.

Any downgrade may have adverse impact to the liquidity of Indonesia's financial market, the ability of Indonesian companies, including the Company, to secure additional financing and to obtain commercially acceptable interest rates and terms on such financing. The foregoing may have adverse impact to the market price of the Offering Shares.

4. The interest of the Company's controlling shareholders may conflict with the interest of prospective investors.

Controlling shareholders have had, and will continue to have, control over the Company, including control to:

- Approve any merger, consolidation or dissolution of the Company;
- Exercise significant influence to the Company's policies;
- Appoint the majority of the Company's Directors and Commissioners; and
- Determine the outcome of actions requiring the approval of shareholders (other than approval on transactions with conflict of interest in which the Controlling Shareholder has a conflict of interest or affiliation with the Director, Commissioner or Majority Shareholder (shareholders holding 20% or more of the outstanding shares) where the party with conflict of interest is prohibited from casting any vote according to the FSA Regulation), including the time and payment of dividends in the future.

To the extent that the terms and conditions stipulated in the prevailing laws and regulations, including the FSA regulations, are not violated and have been satisfied, the controlling shareholders are able to make the Company take actions that are not, or are in contrary to the best interest of the Company or other shareholders, which may put the Company's other shareholders in an unfavorable position.

5. Risk that the company's ability to distribute dividends in the future may be subject to retained earnings, financial conditions, cash flows, and working capital requirements in the future.

The Company has established a policy to distribute dividends and intends to do so starting from the 2018 fiscal year onwards, provided that the Company has positive retained earnings (net of statutory reserves). However, the amount of dividends to be paid by the Company in the future, if any, shall be subject to the Company's retained earnings, financial conditions, cash flows and working capital and capital expenditures requirements, contractual commitments and costs related to the Company's expansion. The Company may have financial agreements in the future that may further limit the Company's ability to distribute dividends, the Company may have to incur expenditures or payment of liabilities that may decrease or eliminate the cash flows available to distribute dividends.

All of the above factors may affect the Company's ability to pay dividends, which may in turn have adverse impacts to the Company's financial conditions or operating results and the Company's ability to distribute dividends to shareholders.

THE BUSINESS RISKS AND GENERAL RISKS HAVE BEEN PREPARED BY THE COMPANY IN THE ORDER OF SIGNIFICANCE OF SUCH RISKS TO THE COMPANY.



VII. MATERIAL EVENTS SUBSEQUENT TO THE DATE OF THE INDEPENDENT AUDITOR'S REPORT

There are no material events requiring a disclosure in this Prospectus and having material effects to the Company's financial position and results of operations that occur subsequent to the Independent Auditors' report dated April 9, 2018, on the Company's financial statements as of December 31, 2017, 2016, and 2015, and for the years then ended, which have been audited based on the Standards on Auditing established by the Indonesian Institute of Certified Public Accountants, by the Public Accounting Firm Purwantono, Sungkoro & Surja, an independent auditors', which expressed an unmodified opinion as stated in the independent auditors' report Signed by Agung Purwanto (Public Accountant Registration No. AP.0687). The Registered Public Accountant Purwantono, Sungkoro & Surja's independent auditors' report includes Other Matter paragraph regarding the purpose of issuance of the audited financial statements.



VIII. DESCRIPTION OF THE COMPANY, THE COMPANY'S BUSINESS ACTIVITIES, PROSPECTS AND TRENDS

1. Brief History of the Company

The Company was established on December 16, 1987 pursuant to Deed of Establishment No. 132 of the same date, passed before Lieke Lianadevi Tukgali, S.H., a Jakarta-based notary. MOLHR approved the Deed of Establishment by virtue of Decree no. C2-4573.HT.01.01-TH.88 dated May 25, 1988. It was registered in the District Court of Central Jakarta under Registry No. 1979/1988 dated 1 September 1988, and subsequently announced in the State Gazette of the Republic of Indonesia No. 102 dated December 20, 1988 and the Supplement to the State Gazette of the Republic of Indonesia No. 1388 ("**Deed of Establishment**").

Upon MOLHR's approval of the Deed of Establishment, the Company was duly established under the laws of the Republic of Indonesia. The Articles of Association set forth in the Deed of Establishment were amended several times, with the most recent amendment stipulated in:

1. The Deed of Shareholders Resolution on Amendment of Articles of Association No. 21 dated September 12, 2017, passed before Aryanti Artisari, S.H., M.Kn., a notary in South Jakarta. MOLHR approved the amendment by virtue of Decree No. AHU-0018930.AH.01.02. 2017 dated 14 September 2017 upon its report to the MOLHR pursuant to Receipt of Notification of Amendment to Articles of Association No. AHU-AH.01.03-0171514 and its subsequent Company Registry at the MOLHR under No. AHU-0114560.AH.01.11. 2017 of the same date ("**Deed No. 21/2017**").

Pursuant to Deed No. 21/2017, the Company's shareholders adopted the resolution to approve, among others:

- a. the increase of the Company's authorized capital from Rp20,000,000,000 to Rp900,000,000,000;
- b. the split of nominal value per share from Rp1,000,000 to Rp100;
- c. the increase of the Company's issued and paid-up capital from Rp5,750,000,000 to Rp241,750,000,000; and
- d. the amendment to provisions of Article 4 paragraph 1 and paragraph 2 of the Company's Articles of Association regarding capital.

2. The Deed of Shareholders Resolution on Amendment of Articles of Association No. 1 dated March 2, 2018, passed before Aulia Taufani, S.H., a Jakarta-based notary. MOLHR approved the amendment by virtue of Decree No. AHU-0005287.AH.01.02. 2018 dated March 7, 2018. It was registered in the Company Registry of the Ministry of Law and Human Rights under Registry No. AHU-0032673.AH.01.11. 2018 dated of the same date ("**Deed No. 1/2018**").

Pursuant to Deed No. 1/2018, the Company's shareholders approved (i) the expansion of the Company's business activities, and (ii) amendment to the Company's business activities, which in effect amended the provisions of Article 3 of the Company's Articles of Association regarding Company Aims, Objectives, and Business Activities.

3. The Deed of Shareholders Resolution on Amendment of Articles of Association No. 11 dated March 9, 2018, drawn up before Aulia Taufani, S.H., a notary in South Jakarta. MOLHR approved the resolution pursuant to its Decree No. AHU-0005908.AH.01.02. 2018 dated March 14, 2018 upon notification of the MOLHR pursuant to the Receipt of Notification of Amendment to Articles of Association No. AHU-AH.01.03-0109587 and its registry in the MOLHR Company Registry No. AHU-0036668.AH.01.11. 2018 of the same date ("**Deed No. 11/2018**").

Pursuant to Deed No. 11/2018, the Company's shareholders adopted the resolution to approve, among others:

- a. The Share Initial Public Offering through (i) the issuance of new shares from the Company's portfolio of up to 604,375,000 New Shares to be offered at the Offering Price determined by the Company's Board of Directors upon receipt of written approval from the Company's Board of Commissioners, to the public in and/or outside Indonesia. The Share Initial Public Offering is subject to the provisions of prevailing laws and regulations at the country where such shares shall be offered, through the Share Initial Public offering, which shall include the ESA Program, to be registered on the IDX. The Company's shareholders hereby waived their rights to subscribe to the New Shares that shall be issued. The use of proceeds from the Initial Public Offering shall be determined by the Board of Directors upon receipt of written approval from the Company's Board of Commissioners.
- b. The implementation of the ESA Program and MESOP in connection with the Share Initial Public Offering.
- c. The allocation of shares of up to 1% of the Company's total issued and paid-up capital subsequent to the Share Initial Public Offering in connection with MESOP, with due observance of the applicable IDX regulations wherein the Company's shares shall be listed and prevailing laws and regulations.
- d. Grant the power and authority to the Company's Board of Commissioners to issue new shares from the Company's portfolio to the eligible management and employees, including to declare the increase of the Company's issued and paid-up capital as a result of such MESOP implementation in a notarial deed.
- e. The change of the Company's status from a Private Company into a Public Company, and the change of the Company's name from PT Sarimelati Kencana to PT Sarimelati Kencana Tbk, which in effect amended the provisions of Article 1 of the Company's Articles of Association.
- f. The delegation and grant of authority to the Company's Board of Commissioners to execute this deed, including to determine the number of shares to be offered in the Share Initial Public Offering, in the amount that shall not exceed the amount determined by the Shareholders, and to report the realization or implementation of share issuance in connection with the Share Initial Public Offering, including to report the realization of shares to be issued under the ESA Program, and to register such shares on the IDX and at the Company's Shareholder Register through the SAB.



- g. The authorization of powers to the Company's Board of Directors to undertake all necessary actions in connection with the Share Initial Public Offering, including, but not limited to:
 - i. preparing, signing, and filing the registration statement to the FSA;
 - ii. negotiating and signing other agreements in connection with the Initial Public Offering under the terms and conditions deemed appropriate for the Company by its Board of Directors;
 - iii. signing, printing and/or issuing the abridged prospectus, correction and/or additional information of the abridged prospectus, the preliminary prospectus, prospectus, information memorandum, and/or other documents required for the Initial Public Offering;
 - iv. setting the offer price of the shares upon receipt of written approval from the Board of Commissioners;
 - v. determining the final number of shares to be offered upon receipt of approval from the Board of Commissioners;
 - vi. placing the Company's shares in the collective depository at KSEI in accordance with KSEI regulations;
 - vii. registering all Company's issued and paid-up capital on the IDX that are to be sold as shares to the public on the capital market and the shares held by the Shareholders; and appointing the capital market supporting professionals under the terms and conditions deemed appropriate for the Company by the Board of Directors.
- h. The approval of amendment for all provisions pertaining to the Company's Articles of Association to conform with prevailing laws and regulations in the capital market, including (i) Regulation No. IX.J.1, (ii) FSAR No. 32/2014, and (iii) FSAR No. 33/2014.
- i. The approval of amendment of Articles of Association in its entirety to conform with Capital Market Law, including (i) Regulation No. IX.J.1, (ii) FSAR No.32/2014, and (iii) FSAR No. 33/2014.

The Company's Capital Structure and Shareholder Composition

As stipulated in the Deed of Establishment, the Company's capital structure and shareholder composition as of its establishment were as follows:

Description	Nominal Value of Rp1.000.000.- per Share		
	Total Shares (share)	Nominal Value (Rp)	%
Authorized Capital	200	200,000,000	
Issued and Fully Paid-Up Capital			
1. Darmadi	50	50,000,000	50.00
2. Indrajaty Hadiwardoyo	50	50,000,000	50.00
Total Issued and Fully Paid-up Capital	100	100,000,000	100.00
Total Shares in Portfolio	100	100,000,000	

The capital structure, shareholder composition and shareholding composition referred to above were subject to amendments in the last three (3) years as stipulated in the following notarial deeds:

2017

Prior to 2017, the Company's capital and ownership structure were amended based on Deed of Meeting Resolution No. 27 dated 8 October 2004, notarized by Sri Agustini S.H, a Jakarta-based notary. It obtained approval from MOLHR based on Decree No. C-26425 HT.01.04.TH.2004 dated 22 October 2004. The Deed was then registered in South Jakarta's Administrative Office under Registry No. 1047/BH.09.03/X/2004 dated 26 October 2004, and subsequently announced in State Gazette of Republic of Indonesia No. 49 dated 21 June 2005 and supplement to the State Gazette of the Republic of Indonesia No, 6459 ("Deed No. 27/2004).

The Company's capital structure and shareholder composition pursuant to Deed No. 27/2014 were as follows:

Description	Nominal Value of Rp1.000.000.- per share		
	Total Shares (share)	Nominal Value (Rp)	%
Authorized Capital	20,000	20,000,000,000	
Issued and Fully Paid-Up Capital			
1. PT Sriboga Raturaya	5,232	5,232,000,000	90.99
2. Mountain High Investments Limited	518	518,000,000	9.01
Total Issued and Fully Paid-up Capital	5,750	5,750,000,000	100.00
Total Shares in Portfolio	14,250	14,250,000,000	

Pursuant to Deed No. 21/2017, the Company's shareholders adopted a resolution to approve, among others:

- a. the increase of the Company's authorized capital from Rp20,000,000,000 to Rp900,000,000,000;
- b. the split of nominal value per Share from Rp1,000,000 to Rp100;
- c. the increase of the Company's issued and paid-up capital from Rp5,750,000,000 to Rp241,750,000,000; and
- d. the amendment to the provisions of Article 4 paragraph 1 and paragraph 2 of the Company's Articles of Association regarding capital.



Consequently, the Company's capital structure and shareholder composition became as follows:

Description	Nominal Value of Rp1.000.000.- per Share		
	Total Shares (share)	Nominal Value (Rp)	%
Authorized Capital	9,000,000,000	900,000,000,000	
Issued and Fully Paid-Up Capital			
1. PT Sriboga Raturaya	2,199,683,250	219,968,325,000	90.99
2. Mountain High Investments Limited	217,816,750	21,781,675,000	9.01
Total Issued and Fully Paid-up Capital	2,417,500,000	241,750,000,000	100.00
Total Shares in Portfolio	6,582,500,000	658,250,000,000	

THE COMPANY'S BUSINESS ACTIVITIES

Pursuant to the provisions of Article 3 of the Company's Articles of Association, the aims and objectives of the Company are to engage in (among others) the restaurant, catering, warehousing, distribution, food and food processing industries (including bread and cakes).

To achieve the aims and objectives referred to above, the Company carries out the following business activities:

Main Business Activities:

- a. Restaurant includes food service business located in semi-permanent or permanent buildings, which sells and serves food and beverages to the public at its place of business, whether or not such business is equipped with the equipment or tools for the preparation and storage processes;
- b. Catering includes food service on the basis of agreements with customers at the location determined by the customer for a specified event and includes ready-to-eat food service business that caters orders to offices for celebrations, parties, seminars, meetings, and others. This generally includes ready-to-eat food delivered to the office, party, seminar, meeting and others, including the waiters to serve guests/participants of seminars and meetings or attendees of parties.
- c. Warehousing includes the business to store goods before such goods are sent to the final destination for commercial purposes. Such activities include storage of food ingredients;
- d. Distribution refers to distribution services for wholesale trade of other food and beverages, including but not limited to, food ingredients for restaurant business; and
- e. Food and Food Processing Industry which includes:
 - i. Ready-to-eat food (processed, flavored and cooked) that is processed as preserved or frozen food, which is generally packaged and labeled to be sold. It also includes meat, fish, poultry, ready-to-eat vegetables, canned boiled dishes, food in air-tight containers and other ready-to-eat dishes. The activities include, but not limited to, the production of beef lasagna, cannelloni, frozen pizza and other similar products;
 - ii. Meat and poultry preservation and processing industry by way of canning, smoking, salting, freezing, sweetening and others. The activities include, but not limited to, the production of various sausages and other similar products; and
 - iii. Bread, including frozen, and cake products. The activities include, but not limited to, the production of dough balls, puff pastries, croissants and other similar products.

Supporting Business Activities:

To achieve the aims and objectives, and support its main business activities referred to above, the Company carries out the following auxiliary activities:

- a. Export and import raw materials, meat, cheese and other ingredients related to production and distribution; and
- b. Deliver or distribute the relevant industrial products to restaurant outlets.

1.1. Key Milestones of the Company's Business Activities

The following events represent key milestones in the Company's business activities:

Year	Key Milestones
1987	Company is established
1998	Company obtains Halal certification
2003	Launch of Stuffed Crust pizza product
2004	PT Sriboga Raturaya acquires the Company



Year	Key Milestones
2005	Pizza Hut opens its 100 th outlet in Indonesia World Class Operation Award from YUM! Pizza Hut Asia
2006	Launch of Cheesy Bites pizza product
2007	PHD (Pizza Hut Delivery) opens its first outlet in Kelapa Gading, Jakarta
2011	World Class Operation Award from YUM! Pizza Hut Asia
2012	Pizza Hut opens its 200 th outlet in Indonesia
2015	PHD wins the Value Award from YUM! Pizza Hut Asia
2016	PHR wins the Value Award from YUM! Pizza Hut Asia
2017	2017 Technology Driver Award from YUM! Pizza Hut Asia

1.2. History of the Company's Shareholding Composition in the Last Three (3) Years

There were no changes to the Company's capital structure and shareholding composition from years 2014 until 2016.

The Company's capital structure and shareholding composition in the last three (3) years prior to the submission of Registration Statement in connection with the Company's Share Initial Public Offering are in accordance with Deed No. 21/2017.

Pursuant to Deed No. 21/2017, the Company's shareholders adopted the resolution to approve, among others:

- the increase of the Company's authorized capital from Rp20,000,000,000 to Rp900,000,000,000;
- the split of nominal value per Share from Rp1,000,000 to Rp100;
- the increase of the Company's issued and paid-up capital from Rp5,750,000,000 to Rp241,750,000,000; and
- the amendment of the provisions for Article 4 paragraph 1 and paragraph 2 of the Company's Articles of Association regarding capital.

Consequently, the Company's capital structure and shareholder composition, as of the date of issuance of this Prospectus, are as follows:

Description	Nominal Value of Rp100.- per Share		
	Total Shares (share)	Nominal Value (Rp)	%
Authorized Capital	9,000,000,000	900,000,000,000	
Issued and Fully Paid-Up Capital			
1. PT Sriboga Raturaya	2,199,683,250	219,968,325,000	90.99
2. Mountain High Investments Limited	217,816,750	21,781,675,000	9.01
Total Issued and Fully Paid-up Capital	2,417,500,000	241,750,000,000	100.00
Total Shares in Portfolio	6,582,500,000	658,250,000,000	

The Company's capital structure and amendments thereof, including the shareholding composition for the last three (3) years, have been made continuously in accordance with the Company's Articles of Association and prevailing laws and regulations. These have also been approved and reported to relevant authorities.

1.3. The Company's Licensing Documents

Presented below are the Company's business licenses to carry out its business activities.

No.	License	Description
1	Franchise Registration Certificate	The Company is registered as the franchisee of foreign franchise based on the Franchise Registration Certificate No 16/UPTP I/STPW/3/2016 dated April 25, 2016, issued by the Director of Business and Distributor Development on behalf of the Ministry of Trade. The Company has registered the franchise of Pizza Hut brand from the United States of America, with marketing area that covers all of Indonesia.
2	Import Identification Number - Producer	The Company is a registered importer based on Import Identification Number - Producer (API-P) No. 090501298-B dated January 15, 2016, issued by the Head of Investment Coordinating Board (BKPM) on behalf of Director of License Services, under restaurant business field. The API-P is valid as long as the Company continues to carry out its business activities, and requires a re-registration every 5 year or on January 15, 2021.
3	Restaurant Permanent Business License	Based on the Decision of the Head of Investment Coordinating Board No. 333/T/PAWISATA/2004 dated October 26, 2004, on Restaurant Permanent Business License issued by the Head of Investment Coordinating Board on behalf of the Minister of Culture, which is valid up for a period of 30 years up to August 2034. Pursuant to this license, the Company is required to, among others: - apply for an extension license if the Company increases its production by more than 30% above installed capacity; and - submit annual production report to the institution referred to in this decision in accordance with the prevailing regulations.



No.	License	Description
4	Principle License of Amendment to Foreign Investment	Principle License of Amendment to Foreign Investment No. 3274/1/IP-PB/PMA/2017 dated September 11, 2017, issued by the Deputy of Investment Service Department on behalf of the Head of Investment Coordinating Board. The Company has changed its capital structure.
5	Registration of Foreign Investment	Registration of Foreign Investment No. 506/1/PI/PMA/2018 dated February 14, 2018, issued by the Director of Application Service of the Investment Coordinating Board. Valid up to February 14, 2021 The Company has obtained the license to carry out activities in the food and processed food industry.
		Registration of Foreign Investment No. 439/1/PI/PMA/2018 dated February 9, 2018, issued by the Director of Application Service of the Investment Coordinating Board. Valid up to February 9, 2021 The Company has obtained the license to carry out activities in the processing and preservation of meat and poultry products.
		Registration of Foreign Investment No. 425/1/PI/PMA/2018 dated February 8, 2018, issued by the Director of Application Service of the Investment Coordinating Board. Valid up to February 8, 2021 The Company has obtained the license to carry out activities in the bread and cake industry.
		Registration of Foreign Investment No. 553/1/PI/PMA/2018 dated February 19, 2018, issued by the Director of Application Service of the Investment Coordinating Board. Valid up to February 19, 2021 The Company has obtained the license to carry out activities in the food and beverage industry.
		Registration of Foreign Investment No. 354/1/PI/PB/PMA/2018 dated February 14, 2018, issued by the Director of Application Service of the Investment Coordinating Board. The Company has amended its capital structure.

1. Tourism Business Registration Certificate (Tanda Daftar Usaha Pariwisata ("TDUP"))

PHD

No.	Outlet Name	Document	Term
1	PHD Kelapa Gading	Processing Receipt No. 232429/1/1/2018 dated February 2018, as stated in BKPM website	Indefinite
2	PHD Green Garden	TDUP No. 6728/2013/, dated 12/10/2013 & Re-registration No. 005/14.15.1/31.73.05/-1.858.8/2016 dated July 1, 2016, received by the One-Stop Integrated Service Agency of Kebon Jeruk District	July 1, 2017
3	PHD Tebet Barat	Processing Receipt No. 236468/1/1/2018 dated April 3 2018, as stated in BKPM website	Indefinite
4	PHD Bintaro	Renewal Receipt No. 3173082103640002 dated February 23, issued by the Capital Investment One-Stop Integrated Service Agency	Indefinite
5	PHD Serpong	TDUP No. 556/128-BP2T/2015, dated September 3, 2015, issued by the Integrated Licensing Service Agency of South Tangerang City.	Valid as long as the business activities continue and requires a re-registration every 2 years.
6	PHD Muara Karang	Processing Receipt No. 232654/1/1/2018 dated March 1, 2018, as stated on BKPM website	Indefinite
7	PHD Pondok Indah	Processing Receipt No. 234141/1/1/2018 dated March 28, 2018, as stated on BKPM website	Indefinite
8	PHD Kalimalang	Processing Receipt No. 236835/1/1/2018 dated April 5 2018, as stated in BKPM website	Indefinite
9	PHD Kemang Raya	Processing Receipt No. 236820/1/1/2018 dated April 5 2018, as stated in BKPM website	Indefinite
10	PHD Citra Garden	TDUP No. 07/2016/VI/2016., dated 6/15/2016 & TDUP Re-registration No. 007/14.13.1/31.73.06.1005/-1.858.8/2016 dated June 22, 2016, issued by the One-Stop Integrated Service Agency of Pesanggrahan District	June 22, 2017
11	PHD Cibubur	TDUP No. 556/0133/2016/VI/2016, dated September 14, 2016, issued by the Integrated Licensing Service and Investment Coordinating Board of Depok City.	September 14, 2020
12	PHD Mangga Besar	Processing Receipt No. 236691/1/1/2018 dated April 5 2018, as stated in BKPM website	Indefinite
13	PHD Harapan Indah	TDUP No. 556.11/074/HER/DPMP2T/PPJU dated March 27, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bekasi City	March 22, 2019
14	PHD Sunter	Processing Receipt No. 235153/1/1/2018 dated March 28, 2018, as stated on BKPM website	Indefinite
15	PHD Hasym Ashari	Processing Receipt No. 235720/1/1/2018 dated March 27, 2018, as stated on BKPM website	Indefinite
16	PHD Puri Beta Ciledug	Tourism Business License No. 556.1/Kep.27-BPPT/2010, dated August 31, 2010, issued by the Mayor of Tangerang	Indefinite
17	PHD Taman Duta Mas	TDUP No. 025/14.15.1/31.73.02/-1.858.8/2016 dated May 16, 2016, issued by the One-Stop Integrated Service Agency of Grogol Petamburan	May 15, 2017
18	PHD Villa Galaxy	TDUP application receipt, dated March 7, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bekasi City	Indefinite
19	PHD Karang Tengah Ciledug	TDUP No. 556.51.000021.10.2011, dated October 26, 2011, issued by the Integrated Licensing Service Agency of Tangerang City.	Indefinite
20	PHD Depok	No. 556/0016/2016/VI/2016, dated February 10, 2015, issued by the Integrated Licensing Service and Investment Coordinating Board.	February 9, 2020
21	PHD Rawamangun	Processing Receipt No. 232703/1/1/2018 dated March 1, 2018, as stated on BKPM website	Indefinite
22	PHD Cikini	Processing Receipt No. 232745/1/1/2018 dated March 5, 2018, as stated on BKPM website	Indefinite
23	PHD Pasar Minggu	Processing Receipt No. 236725/1/1/2018 dated April 5 2018, as stated in BKPM website	Indefinite
24	PHD Taman Semanan Indah	No. 389/RM.06/-1.858.8, dated December 31, 2014, issued by the Head of Tourism Department of West Jakarta Municipality	December 31, 2015
25	PHD Pamulang	TDUP No. 556/140-BP2T/2015, dated September 28, 2015, issued by the Integrated Licensing Service Agency of South Tangerang City.	September 28, 2017
26	PHD Bulungan	Processing Receipt No. 234255/1/1/2018 dated March 29, 2018, as stated on BKPM website	Indefinite
27	PHD Cipondoh	TDUP No. 556.51.000080.06.2012, dated June 29, 2012, issued by the Head of Integrated Licensing Service and Investment Coordinating Board of Tangerang City.	Valid as long as the business activities continue
28	PHD Thamrin Residence	Processing Receipt No. 236150/1/1/2018 dated March 28, 2018, as stated on BKPM website	Indefinite
29	PHD Margonda Residence	TDUP No. 556.11/0148/2016/VI/2016, dated December 31, 2014, issued by the Integrated Licensing Service and Investment Coordinating Board.	December 30, 2019
30	PHD Jatimakmur Residence	TDUP application receipt, dated March 1, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bekasi City	Indefinite
31	PHD Pos Pengumben	TDUP No. 2558/2013, dated May 16, 2013, issued by the Head of Tourism and Culture Agency of DKI Jakarta	Valid as long as the business activities continue and requires a re-registration every year.
32	PHD Taman Sunter Indah	Processing Receipt No. 232725/1/1/2018 dated March 1, 2018, as stated on BKPM website	Indefinite
33	PHD Alam Sutera	No. 503/001.1/90-Kaspar/2014 dated June 5, 2014, issued by the Head of Tourism and Culture Agency.	June 5, 2015
34	PHD Padjajaran Bogor	Tourism Business License No. 556.11.45/47-BPPT DPM, dated August 23, 2011, issued by the Head of Integrated Licensing Service and Investment Coordinating Board of Bogor City	August 23, 2016
35	PHD Sholeh Iskandar Bogor	Tourism Business License No. 556.11.45/46-BPPT DPM, dated August 23, 2011, issued by the Head of Integrated Licensing Service and Investment Coordinating Board of Bogor City	August 23, 2016
36	PHD Pasar Baru	TDUP No. 103/2014/, dated 1/13/2014 & Re-registration No. 4195/-1.858.22, dated December 29, 2014, by Tourism and Culture Agency of DKI Jakarta	Indefinite
37	PHD Antapani	Processing Receipt No. 236155/1/1/2018 dated March 29, 2018, as stated on BKPM website	Indefinite
38	PHD Jemur Sari	TDUP No. 503.08/62/436.7.19/2018 dated February 2, 2018, issued by the Head of Tourism and Culture Agency of Surabaya City	Indefinite



No.	Outlet Name	Document	Term
39	PHD Dago	Application receipt, dated February 28, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bandung City	Indefinite
40	PHD Menganti Wiyung	TDUP No. 503.08/272/436.6.14/2014 dated April 10, 2014, issued by the Head of Tourism and Culture Agency of Surabaya City	Indefinite
41	PHD Taman Rasuna Kuningan	Processing Receipt No. 235882/II/2018 dated March 28, 2018, as stated on BKPM website	Indefinite
42	PHD Dharma Husada Surabaya	TDUP No. 503.08/303/436.6.14/2014 dated April 22, 2014, issued by the Head of Tourism and Culture Agency of Surabaya City	Indefinite
43	PHD Fatmawati	TDUP No. 4741/2013, dated August 28, 2013, issued by the Head of Tourism and Culture Agency of DKI Jakarta	Valid as long as the business activities continue and requires a re-registration every year.
44	PHD Karawitan	TDUP application receipt, dated February 28, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency	Indefinite
45	PHD Darmo Indah	TDUP No. 503.08/274/436.6.14/2014 dated April 10, 2014, issued by the Head of Tourism and Culture Agency of Surabaya City	Indefinite
46	PHD Beringin	TDUP No. 556.51.000099.2012, dated September 14, 2012, issued by the Integrated Licensing Service and Investment Coordinating Board of Tangerang City.	Valid as long as the business activities continue
47	PHD Kelapa Hibrida	TDUP No. 126/14.15/31.72.06/-1.858.8/2016, dated August 29, 2016, issued by One-Stop Integrated Service Implementation Unit of Kelapa Gading district	February 28, 2017
48	PHD Taman Kopo Indah	TDUP application receipt, dated February 26, 2018, issued by Tourism and Culture Agency of Bandung City	Indefinite
49	PHD Buaran	Processing Receipt No. 236013/II/2018 dated March 29, 2018, as stated on BKPM website	Indefinite
50	PHD Rungkut Yakaya	TDUP No. 503.08/577/436.6.14/2015 dated October 27, 2015, issued by the Head of Tourism and Culture Agency of Surabaya City	Indefinite
51	PHD Setrasari Mall	TDUP application receipt, dated February 28, 2018, issued by One-Stop Integrated Service and Investment Coordinating Agency of Bandung City	Indefinite
52	PHD Condet	TDUP No. 001/14.15.14.16/31.75.04/-1.858.8/2016 dated March 4, 2016, issued by the Section Head of One-Stop Integrated Service Implementation Unit of Kramat Jati District *) Zoning for residential area	February 18, 2017
53	PHD Central Park	Processing Receipt No. 236164/II/2018 dated March 29, 2018, as stated on BKPM website	Indefinite
54	PHD Metro Margahayu	TDUP application receipt, dated March 1, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bandung City	Indefinite
55	PHD Villa Mutiara Gading	Tourism Business License No. 556/11/Kep-DU/Disparbudpora/2014, dated October 30, 2014, issued by the Head of Tourism, Culture, Youth and Sports Agency of Bekasi Regency	October 10, 2015
56	PHD Benhil	Processing Receipt No. 236013/II/2018 dated March 29, 2018, as stated on BKPM website	Indefinite
57	PHD Caman Jatibening	No. 556.11/015/HER/BPPT.3, dated February 12, 2015, issued by the Head of Integrated Licensing Service Agency of Bekasi City	2/19/2016
58	PHD Kedungdoro	TDUP No. 503.08/85/436.6.14/2014 dated February 28, 2014, issued by the Tourism and Culture Agency of Surabaya City	Not available
59	PHD Cijerah	TDUP application receipt, dated March 1, 2018, issued by One-Stop Integrated Service and Investment Coordinating Agency of Bandung City	Indefinite
60	PHD Mekar Wangi	TDUP application receipt, dated March 1, 2018, issued by One-Stop Integrated Service and Investment Coordinating Agency of Bandung City	Indefinite
61	PHD Taman Palembang	Processing Receipt No. 236167/II/2018 dated March 29, 2018, as stated on BKPM website	Indefinite
62	PHD Bintara	TDUP application receipt, dated March 7, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bekasi City	Indefinite
63	PHD Taman Sari	Re-Registration of TDUP No. 54/14.15.1/31.74.02/-1.858.8/2016, dated June 24, 2016, issued by Head of One-Stop Integrated Service Implementation Unit of Setiabudi District	December 10, 2016
64	PHD Emerald Bintaro	Renewal Receipt No. 3173082103640002 dated February 23, issued by the Capital Investment One-Stop Integrated Service Agency	Indefinite
65	PHD Mustika Jaya	No. 556.11/18/HER/BPPT.3, dated February 12, 2015, issued by the Head of Integrated Licensing Service Agency of Bekasi City	2/19/2016
66	PHD Kaliabang	TDUP application receipt, dated March 7, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bekasi City	Indefinite
67	PHD Cipinang Jaya	TDUP No. 1423/2013, dated March 27, 2013, issued by the Head of Tourism and Culture Agency of DKI Jakarta	Valid as long as the business activities continue and requires a re-registration every year.
68	PHD Kuta Bumi	TDUP No. 556.1/04-BP2T/2015, dated January 29, 2015, issued by the Integrated Licensing Service Agency of Tangerang district.	Valid for one year after approval (January 29, 2016)
69	PHD Ketintang	TDUP No. 503.08/186/436.6.14/2014 dated February 28, 2014, issued by the Head of Tourism and Culture Agency of Surabaya City	Indefinite
70	PHD Kartini Gresik	No. 556/83/HK/437.12/2013, dated December 2, 2013, issued by the Regent of Gresik	December 2, 2016
71	PHD Delta Sari Sidoarjo	TDUP No. 503/1/438.5.15/2018 dated February 14, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Sidoarjo	February 12, 2021
72	PHD Bugis Raya Priok	Not available	Not available
73	PHD Ciputat	No. 556/162-BP2T/2014, dated September 4, 2014, issued by the Integrated Licensing Service Agency of South Tangerang City.	9/4/2016
74	PHD Gading Serpong	Tourism Business License No. 556.1/179-BP2T/2014, dated November 10, 2014, issued by the Integrated Licensing Service Agency of Tangerang district.	11/10/2015
75	PHD Jababeka Cikarang	Tourism Business License No. 556/08/Kep-DU/Disparbudpora/2016, dated March 30, 2016, issued by the Head of Tourism, Culture, Youth and Sports Agency of Bekasi Regency	December 30, 2016
76	PHD Sawojajar Malang	TDUP Application Receipt No. TDUP/0048/PER/II/2018, dated February 23, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Malang City	Indefinite
77	PHD Villa Bogor Indah	No. 556.77/122-TDUP/BPPTPM/2014 dated November 14, 2014, issued by the Head of Integrated Licensing Service and Investment Coordinating Board on behalf of the Mayor of Bogor	Indefinite
78	PHD Kartini Bekasi	TDUP application receipt, dated March 7, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bekasi City	Indefinite
79	PHD Cikaret Cibinong	TDUP application receipt, dated February 15, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bogor Regency	Indefinite
80	PHD Utan Kayu	No. 02.05.10.14.00204, dated October 30, 2014, issued by the Head of Tourism Department of East Jakarta Municipality	Valid as long as the business activities continue and requires a re-registration every year.
81	PHD Cimahi	TDUP No. 503.23/0005/2054/KPPT/2015, dated September 18, 2015, issued by the Integrated Licensing Service Agency of Cimahi City	September 18, 2020
82	PHD Dinoyo Malang	TDUP No. 0137/35.73.407/2015, dated July 15, 2015, issued by the Head of Integrated Licensing Service Agency of Malang City	Valid as long as the business activities continue and requires a re-registration every 3 years.
83	PHD Koja	001/14.15.0/31.72.1002/-1.858.8/2015, dated July 1, 2015, issued by One-Stop Integrated Service Implementation Unit of Tugu Utara Sub-District	July 1, 2016
84	PHD Bandung Electronic Center	TDUP application receipt, dated February 28, 2018, issued by One-Stop Integrated Service and Investment Coordinating Agency of Bandung City	Indefinite
85	PHD Jatiwarna	TDUP application receipt, dated March 7, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bekasi City	Indefinite
86	PHD Dewi Sartika Cawang	Processing Receipt No. 236838/II/2018 April 5, 2018, as stated on BKPM website	Indefinite
87	PHD Depok Nusantara	TDUP No. 556/0027/TDUP/BPMP2T/II/2016 dated February 9, 2016, issued by the Head of Integrated Licensing Service and Investment Coordinating Board of Depok City.	February 8, 2021
88	PHD Electronic City SCBD	Processing Receipt 236815/II/2018 dated April 5, 2018, as stated on BKPM website	Indefinite
89	PHD Serua Ciater Pamulang	No. 556/90-BP2T/2016, dated May 13, 2016, issued by the Junior Administrator of Integrated Licensing Service Agency of South Tangerang City.	5/13/2018
90	PHD Purwakarta	No. 556.11/TDUP-1915-DPMPTSP/2017 dated May 23, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Purwakarta Regency	June 28, 2018
91	PHD Akses UI	TDUP No. 556/0075/TDUP/BPMP2T/II/2016 dated May 16, 2016, issued by the Head of Integrated Licensing Service and Investment Coordinating Board of Depok City.	May 15, 2021
92	PHD Sesetan Bali	TDUP No. 03/01/90/BPTSP&PM/2016, dated May 23, 2016, issued by the Integrated Licensing Service and Investment Coordinating Board of Denpasar City	Valid as long as the business activities continue and requires a re-registration every 5 years (5/23/2021)



No.	Outlet Name	Document	Term
93	PHD Gajah Mada Semarang	TDUP No. 535/36A/2016, dated June 16, 2016, issued by the Head of Tourism and Culture Agency of Semarang City	9/15/2019
94	PHD Colombo Yogyakarta	TDUP No. 503/005434.11.16/270.0/RM/TDUP/2016, dated June 30, 2016, issued by the Head of Integrated Licensing Service and Investment Coordinating Board.	Valid as long as the business activities continue and requires a re-registration every 3 years (June 30, 2019)
95	PHD Ngesrep Semarang	TDUP No. 535/38A/2016, dated July 28, 2016, issued by the Head of Tourism and Culture Agency of Semarang City	Valid as long as the business activities continue and requires a re-registration every 3 years (7/27/2019)
96	PHD Godean Yogyakarta	TDUP No. 0004/R.TR/2016, dated July 11, 2016, issued by the Head of Licensing Agency of Yogyakarta City	June 11, 2021
97	PHD Sultan Agung Semarang	TDUP No. 535/48A/2016, dated October 5, 2016, issued by the Head of Tourism and Culture Agency of Semarang City	Valid as long as the business activities continue and requires a re-registration every 3 years (10/4/2019)
98	PHD Hayam Wuruk Bali	TDUP No. 03/01/121/BPTSP&PM/2016, dated August 9, 2016, issued by the Integrated Licensing Service and Investment Coordinating Board of Denpasar City	Valid as long as the business activities continue and requires a re-registration every 5 years (August 9, 2021)
99	PHD Gatsu Barat Bali	TDUP No. 03/01/137/BPTSP&PM/2016, dated August 25, 2016, issued by the Integrated Licensing Service and Investment Coordinating Board of Denpasar City	Valid as long as the business activities continue and requires a re-registration every 5 years (August 25, 2021)
100	PHD Ragunan	No. 016/14.15.1/31.74/-1.858.8/2016, dated October 20, 2016, issued by the Head of One-Stop Integrated Service Agency of Pasar Minggu District	October 19, 2017
101	PHD Kerobokan Bali	TDUP No. 288/TDUP/DPMTSP/2018 dated January 22, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Badung Regency	Indefinite
102	PHD Joni Medan	TDUP No. 503/314/SK/TDUP.BR/RST/MK/2016 dated October 24, 2016, issued by the Tourism and Culture Agency of Medan City	October 24, 2019
103	PHD Cibubur Lapangan Tembak	Processing Receipt No. 234229/II/1/2018 dated March 29, 2018, as stated on BKPM website	Indefinite
104	PHD Dr Mansyur Medan	Not available	Not available
105	PHD Bona Indah	Processing Receipt No. 234382/II/1/2018 dated March 29, 2018, as stated on BKPM website	Indefinite
106	PHD S. Parman Medan	TDUP No. 503/07/SK/TDUP.BR/RST/MPT/2017 dated January 12, 2017, issued by the Tourism and Culture Agency of Medan City	January 12, 2020
107	PHD Tanjung Duren	Processing Receipt No. 236698/II/1/2018 dated April 5, 2018, as stated on BKPM website	Indefinite
108	PHD Pengasinan Bekasi	Not available	Not available
109	PHD Sidoarjo	TDUP No. 503/2/438.5.15/2018 dated February 14, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Sidoarjo	February 12, 2021
110	PHD Marelan	TDUP No. 503/08/SK/TDUP.BR/RST/MMRL/2017, dated January 12, 2017, issued by the Tourism and Culture Agency of Medan City	January 12, 2020
111	PHD Krakatau	TDUP No. 503/06/SK/TDUP.BR/RST/MT/2017, dated January 12, 2017, issued by the Tourism and Culture Agency of Medan City	January 12, 2020
112	PHD Cikarang	Not available	Not available
113	PHD Poris	TDUP No. 556.51.000010.12.2017, dated December 13, 2017, issued by the Head of Integrated Licensing Service and Investment Coordinating Board of Tangerang City	Valid as long as the business activities continue
114	PHD Pinang Ranti	Processing Receipt No. 234169/II/1/2018 dated March 28, 2018, as stated on BKPM website	Indefinite
115	PHD Kemangisan Dua	Not available	Not available
116	PHD Cempaka Putih Dua	Processing Receipt No. 234169/II/1/2018 dated April 3, 2018, as stated on BKPM website	Indefinite
117	PHD Parung Bingung	TDUP No. 556/0041/TDUP/DPMTSP/III/2017 dated March 29, 2017, issued by the Head of One-Stop Integrated Service Agency of Depok City	March 28, 2022
118	PHD Ujung Berung	License application receipt No. D8C696, dated March 2, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bandung City	Indefinite
119	PHD Magelang	Not available	Not available
120	PHD G-Walk Citiland	TDUP application receipt, dated January 3, 2018, issued by the Tourism and Culture Agency of Surabaya City	Indefinite
121	PHD Gunung Bawakaraeng	TDUP No. 503/00092/DPM-PTSP/TDUP/2017, dated July 24, 2017, issued by the Head of Integrated Licensing Service and Investment Coordinating Board.	July 24, 2022
122	PHD Mulyosari Surabaya	TDUP No. 503.08/674/436.7.19/2017 dated December 11, 2017, issued by the Head of Tourism and Culture Agency.	Indefinite
123	PHD Pengayoman Makassar	TDUP No. 503/00091/DPM-PTSP/TDUP/II/2017, dated July 24, 2017, issued by the Head of Integrated Licensing Service and Investment Coordinating Board.	July 24, 2022
124	PHD Kaliurang Yogyakarta	No. 503/005235.10.17/0084.0/RM/TDUP/2017 dated July 18, 2017	July 18, 2020
125	PHD Citra Raya Cikupa	TDUP No. 556.1/113- DPMPTSP/2017, dated September 15, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Tangerang Regency	Indefinite
126	PHD Kakatua Makassar	TDUP No. 503/00087/DPM-PTSP/TDUP/II/2017, dated July 18, 2017, issued by the Head of One-Stop Integrated Licensing Service and Investment Coordinating Board.	July 18, 2022
127	PHD Kudus	Not available *) Based on the Company's confirmation, there are issues related to the building.	Not available
128	PHD Binjai	TDUP application receipt, dated March 1, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Binjai City	Indefinite
129	PHD Cikarang Barat	Not available	Not available
130	PHD Sumedang	Nuisance Permit (HO) No. 503.IG/Kep.542.-DPMTPSP/2017, dated June 21, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Sumedang Regency	June 21, 2020
131	PHD Cimas Bogor	TDUP No. 556/005.005/00008/DPMTSP/2018, dated February 14, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bogor Regency	Valid as long as the business activities continue
132	PHD Mangun Jaya Tambun	Not available	Not available
133	PHD Jembatan Lima Tambora	Not available	Not available
134	PHD Kartini Depok Lama	TDUP No. 556/0126/TDUP/DPMTSP/X/2017, dated October 18, 2017, issued by the Head of One-Stop Integrated Licensing Service and Investment Coordinating Board.	October 17, 2022
135	PHD Daya Perintis Makassar	TDUP No. 503/00118/DPM-PTSP/TDUP/IX/2017, dated September 29, 2017, issued by the Head of Integrated Licensing Service and Investment Coordinating Board.	September 29, 2022
136	PHD Merpati Raya Ciputat	TDUP No. 556/53- DPMPTSP/2017, dated September 12, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Tangerang Regency	September 12, 2019
137	PHD Citra 6	Not available	Not available
138	PHD Canadian Kota Wisata	TDUP No. 556/005.005/00005/DPMTSP/2018 dated February 12, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bogor Regency	Valid as long as the business activities continue
139	PHD Pandu Raya Bogor Baru	TDUP No. 556/00120/TDUP/B/DPMTSP/XII/2017, dated December 8, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bogor Regency	Valid as long as the business activities continue and does not requires a re-registration.
140	PHD Cinunuk Bandung	TDUP No. 556.1/56-TDUP.BR/DPMTSP/XII/2017, dated December 29, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bandung Regency	Valid as long as the business activities continue
141	PHD Batu Bulan Bali	Not available	Not available
142	PHD Setiabudi Bandung	License application receipt No. D8C696, dated March 2, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bandung City	Indefinite
143	PHD Gandul Cinere	TDUP No. 556/0158/TDUP/DPMTSP/X/2017, dated December 6, 2017, issued by the Head of One-Stop Integrated Licensing Service and Investment Coordinating Board of Depok City.	December 5, 2022
144	PHD Tirtayasa Cilegon	Not available	Not available
145	PHD Tlogosari Semarang	Not available	Not available
146	PHD Mayor Syafei Serang	TDUP No. 556/06113/XI-TDUP/DPMTSP/2017, dated November 21, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Serang City	November 21, 2022



No.	Outlet Name	Document	Term
147	PHD Keradenan Cibinong	TDUP No. 556/005.005/00007/DPMTSP/2018 dated February 14, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bogor Regency	Valid as long as the business activities continue
148	PHD Tropodo Sidoarjo	TDUP No. 503/7/404.5.15/2017, dated December 19, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Sidoarjo	December 18, 2020
149	PHD Tulungagung	No. 503/3177/120/2017, dated October 23, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Tulungagung Regency	Valid as long as the business activities continue
150	PHD Sultan Hasanudin Gowa	TDUP recommendation No. 556.1/15/XI/Disparbud/2017 dated November 10, 2017 issued by Tourism and Culture Agency of Gowa Regency	Indefinite
151	PHD Imam Bonjol Pekalongan	No. 530/29/X/2017, dated October 24, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Pekalongan City	October 24, 2022
152	PHD Jalan Gudang Sukabumi	No. 503/SK.27/RST/2017/DPMTSP/2017, dated November 8, 2017, issued by the Head of Integrated Licensing Service and Investment Coordinating Board of Sukabumi City.	Valid as long as the business activities continue
153	PHD Soekarno Hatta Probolinggo	No. 556.3/59/425.117/2017 dated November 30, 2017, issued by the Acting Head of Integrated Licensing Service and Investment Coordinating Board of Probolinggo City	November 28, 2022
154	PHD Unhas Perintis Makassar	Receipt of TDUP Application Registration No. 14170178024, dated December 14, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Makassar City	Indefinite
155	PHD Cileungsi	TDUP No. 556/005.005/00004/DPMTSP/2018 dated February 12, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bogor Regency	Valid as long as the business activities continue
156	PHD Pesanggrahan Dua	TDUP No. 9/Y.1/31.73.08/-1.858.8/2018 dated January 30, 2018, issued by the Head of One-Stop Integrated Service Implementation Unit of Kembangan District	January 30, 2019
157	PHD Pamularsih Semarang	Not available	Not available
158	PHD Tuparev Cirebon	Not available	Not available
159	PHD Sukun Malang	Not available	Not available
160	PHD Jati Raya Banyumanik	Not available	Not available
161	PHD Galunggung Malang	TDUP No. 556.2/0039/35.73.313/2018 dated March 13, 2018, issued by the Head of One-Stop Integrated Service Implementation Unit of the city of Malang	March 13 2021

Up to the date of this prospectus, the Company is in the process to fulfill conditions required in order to get the required licenses that are still not available and/or have expired.

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No.	Outlet Name	Document	Term
1.	Segitiga Senen	TDUP No. 104/2014, dated January 13, 2014, issued by the Head of Tourism and Culture Agency of DKI Jakarta Province	Valid as long as the business activities continue and requires a re-registration every year.
2.	Tunjungan Plaza	TDUP No. 503.08/608/436.7.19/2017 dated November 15, 2017, issued by the Head of Tourism and Culture Agency.	Indefinite
3.	Pasar Festival	Processing Receipt No. 235697/1U1/2018 dated March 27, 2018, as stated on BKPM website	Indefinite
4.	Galaxy Mall	TDUP No. 503.08/605/436.7.19/2017, dated November 15, 2017, issued by the Head of Tourism and Culture Agency of Surabaya City	Indefinite
5.	Sunter Mall	TDUP No. 41/2014, dated January 8, 2014, issued by the Head of Tourism and Culture Agency of DKI Jakarta Province	Valid as long as the business activities continue and requires a re-registration every year.
6.	Pajajaran	Tourism Business License No. 556.11.45/76-BPPT/DPM, dated December 27, 2011, issued by the Head of Integrated Licensing Service Agency.	Valid as long as the business activities continue and requires a re-registration every 5 years (December 27, 2016)
7.	Bumi Serpong Damai	TDUP No. 556/163-BP2T/2015, dated October 22, 2015, issued by the Head of Integrated Licensing Service Agency.	Valid as long as the business activities continue and requires a re-registration every 2 years.
8.	Metropolitan Mall	TDUP No. 556.11/078/HER/DPMTSP.PPJU, dated March 27, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bekasi City	March 22, 2019
9.	Jemur Sari (2)	TDUP No. 503.08/566/437.19/2017 dated November 7, 2017, issued by the Head of Tourism and Culture Agency of Surabaya City	Indefinite
10.	Lippo Supermall	TDUP No. 556.1/272-BPMPTSP/2016, dated October 21, 2016, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Tangerang Regency	Valid for one year after approval
11.	Mangga Dua Mall	Processing Receipt No. 235863/1U1/2018 dated March 28, 2018, as stated on BKPM website	Indefinite
12.	Taman Angrek Mall	Restaurant Business Registration Certificate No. 94/2014, dated January 13, 2014, issued by the Head of Tourism and Culture Agency of DKI Jakarta Province	Valid as long as the business activities continue and requires a re-registration every year.
13.	Kopo	TDUP application receipt, dated February 26, 2018, issued by the Tourism and Culture Agency of Bandung City	Indefinite
14.	Dago	License application receipt No. 9D66E8, dated February 1, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bandung City	Indefinite
15.	Puri Indah Mall	Processing Receipt No. 235864/1U1/2018 dated March 28, 2018, as stated on BKPM website	Indefinite
16.	Darmo	TDUP No. 503.08/617/436.7.19/2017 dated November 21, 2017, issued by the Tourism and Culture Agency of Surabaya City	Indefinite
17.	Ciputra	Processing Receipt No. 232773/1U1/2018 dated March 1, 2018, as stated on BKPM website	Indefinite
18.	Menara Cakrawala	Processing Receipt No. 236025/1U1/2018 dated March 29, 2018, as stated on BKPM website	Indefinite
19.	Ratu Indah Makasar	TDUP No. TDU.10/03/DISPAR/2018, dated January 16, 2018, issued by the Head of Tourism Agency of Makassar City	January 2019
20.	Cibubur	Re-registration of Permanent Tourism Business License No. 5631/-1.858.22, dated December 28, 2012, issued by the Head of Tourism and Culture Agency of DKI Jakarta) Based on the Company's confirmation, the license cannot be processed while awaiting the supporting documents.	January 8, 2014
21.	Kemang	Processing Receipt No. 232693/1U1/2018 dated March 1, 2018, as stated on BKPM website	Indefinite
22.	Java Supermall	TDUP No. 535/43A/2016, dated September 19, 2016, issued by the Head of Tourism and Culture Agency of Semarang City	September 18, 2019
23.	Blok M Plaza	TDUP No. 54/2017, dated January 9, 2014, issued by the Head of Tourism and Culture Agency of DKI Jakarta	Valid as long as the business activities continue and requires a re-registration every year.
24.	Bali Gatot Subroto	Not available	Not available
25.	Malang, Semeru	TDUP No. 556.2/0015/35.73.407/2015, dated March 19, 2015, issued by the Head of Integrated Service Agency of Malang City	Valid as long as the business activities continue and requires a re-registration every 3 years.
26.	Daan Mogot	TDUP No. 556.51.000059.03.2012, dated March 26, 2016, issued by the Head of Integrated Licensing Service and Investment Coordinating Board of Tangerang City.	Valid as long as the business activities continue
27.	Buah Batu	License Application Receipt No. 231CC1, dated January 31, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bandung City	Indefinite
28.	Batam	TDUP No. 064/BPM-BTM/2014 dated February 20, 2014, issued by the Head of Investment Coordinating Board of Batam City	Indefinite
29.	Bena Kutai	TDUP application receipt, issued by the Integrated Licensing and Investment Coordinating Agency of Balikpapan City	Indefinite
30.	Istana Plaza Bandung	License Application Receipt No. 0620AD, dated February 1, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bandung City	Indefinite
31.	Kartini	Tourism Business License No. 556.1/KEP.007/BPMPTSP/IV/2017, dated April 12, 2017, issued by Integrated Licensing Service Agency of Cirebon	April 12, 2018
32.	Centra Plaza Samarinda	TDUP No. 100/06/JMM/100.26/2017, dated April 21, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Samarinda City	April 21, 2022
33.	Bintaro Plaza	TDUP No. 556/129-BP2T/2015, dated September 3, 2015, issued by the Head of Integrated Licensing Service Agency.	Valid as long as the business activities continue and requires a re-registration every 2 years.



No.	Outlet Name	Document	Term
34.	Solo	Food and Beverage Business Registration Certificate No. 556/0145/L-07/REST/III/2016, dated August 9, 2016, issued by the Head of Integrated Licensing Service and Investment Coordinating Board of Surakarta City.	Indefinite
35.	Gunung Sahari	TDUP No. 97/2014, dated January 13, 2014, issued by the Head of Tourism and Culture Agency of DKI Jakarta	Valid as long as the business activities continue and requires a re-registration every year.
36.	Kelapa Gading 3	Processing Receipt No. 236178/II/2018 dated April 2, 2018, as stated on BKPM website	Indefinite
37.	Panakukang	TDUP No. TDU.07/03/DISPAR/II/2018, dated January 16, 2018, issued by the Head of Tourism Agency of Makassar City	January 2019
38.	Adam Malik	Re-Registration No. 0026/0254/1.4/1103/01/2018, dated January 19, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Medan City	May 5, 2020
39.	Pesona Kahyangan	TDUP No. 556/0062/2016/2016 dated April 6, 2016, issued by the Head of Integrated Licensing Service and Investment Coordinating Board of Depok City.	April 5, 2021
40.	Cempaka Putih District	TDUP No. 128/2014, dated January 13, 2014, issued by the Head of Tourism and Culture Agency of DKI Jakarta	Valid as long as the business activities continue and requires a re-registration every year.
41.	Padang	TDUP No. 0097/2016/2016/2016 dated October 31, 2016, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Padang City	Valid as long as the business activities continue
42.	Bekasi Mega Mall	TDUP No. 588.11/136/HER/BPPT.3, dated August 9, 2016, issued by the Head of Integrated Licensing Service Agency of Bekasi City	August 4, 2017
43.	Slipi Plaza Jaya	Processing Receipt No. 232788/II/2018 dated March 2, 2018, as stated on BKPM website	Indefinite
44.	Pondok Gede Plaza	TDUP application receipt, dated February 2018	Indefinite
45.	Palembang	TDUP No. 060615604755, dated December 14, 2017, issued by the Mayor of Palembang	November 27, 2022
46.	Buncit	Processing Receipt No. 232781/II/2018 dated March 7, 2018, as stated on BKPM website	Indefinite
47.	Lippo Cikarang Mall	Re-registration of Tourism Business License No. 556/018/Kep-DU/Disparbudpora/2015, dated August 31, 2015, issued by the Head of Tourism, Culture, Youth and Sport Agency of Bekasi Regency	July 30, 2016
48.	Manado Mega Mall	TDUP No. 307/3713/8/UJMM/DPMPSTP/VI/2017, dated June 12, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Manado City	May 31, 2018
49.	Delta Plaza	TDUP No. 503.088/670/436.7.19/2017, dated December 7, 2017, issued by the Tourism and Culture Agency of Surabaya City	Indefinite
50.	Sun Plaza	Receipt of Renewal Application No. 0158, dated March 19, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Medan City	Indefinite
51.	Pliut Village	Processing Receipt No. 235670/II/2018 dated March 27, 2018, as stated on BKPM website	Indefinite
52.	Giant Ciledug	TDUP No. 556.61.000018.10.2011, dated August 26, 2011, issued by the Integrated Licensing Service Agency of Tangerang City.	Indefinite
53.	Malioboro Mall	TDUP No. 0002/R.DN/2015/3225/22, dated May 13, 2015, issued by the Head of Licensing Agency of Yogyakarta City	May 13, 2020
54.	Manyar Kertoarjo	TDUP No. 503.08/601/436.7.19/2017 dated November 15, 2017, issued by the Head of Tourism and Culture Agency.	Indefinite
55.	Permata Hijau	Processing Receipt No. 232848/II/2018 dated March 2, 2018, as stated on BKPM website	Indefinite
56.	Setiabudi Bandung	License Application Receipt No. 84A080, dated February 1, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bandung City	Indefinite
57.	Centro Kuta	TDUP No. 6266/BPPT/2014/IX/2014, dated September 25, 2014, issued by the Head of Integrated Licensing Service Agency of Badung Regency	Valid for 5 years and requires re-registration (September 25, 2019)
58.	Thamrin Plaza	TDUP No. 503/26/SK/2017/2017, dated January 24, 2017, issued by the Tourism and Culture Agency of Medan City	February 21, 2020
59.	Jambi	Restaurant Business License No. 517-0002-BPMPPT-1571004002-2015 dated April 21, 2015, issued by the Head of Integrated Licensing Service and Investment Coordinating Board of Jambi City	April 21, 2020
60.	Mulyosari	TDUP application receipt, dated January 3, 2018, issued by the Tourism Agency of Surabaya City	Indefinite
61.	Banjarmasin	Business Registration Certificate No. 503-118/UPW-IV/DPMPSTP/2017, dated April 4, 2017, issued by the Head of One-Stop Integrated Licensing Service and Investment Coordinating Board.	April 8, 2018
62.	Bogor Indah Plaza	TDUP No. 556.76/117-TDUP/BPPTPM/2014 dated November 5, 2014, issued by the Head of Integrated Licensing Service and Investment Coordinating Board.	Indefinite
63.	Plaza Semanggi	Processing Receipt No. 232791/II/2018 dated March 2, 2018, as stated on BKPM website	Indefinite
64.	Megamall Batam Center	TDUP No. 133/BPM-BTM/2014/2014, dated April 29, 2014, issued by the Head of Investment Coordinating Board of Batam City	Indefinite
65.	Cilegon Supermall	TDUP No. 503/2059/19-08/2213, dated June 3, 2016, issued by the Head of Integrated Licensing Service Agency of Cilegon City	June 3, 2019
66.	ITC Serpong	TDUP No. 131-BP2T/2015, dated September 9, 2015, issued by the Integrated Licensing Service Agency of South Tangerang	Valid as long as the business activities continue and requires a re-registration every 2 years.
67.	Pamulang	TDUP No. 556/164-BP2T/2015, dated October 22, 2015, issued by the Integrated Licensing Service Agency of South Tangerang	Valid as long as the business activities continue and requires a re-registration every 2 years.
68.	Ciputra Sraya Mall	Tourism Business Registration Certificate No. 223/03.03/DPMPSTP/XII/2017, dated December 20, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Pekanbaru City	Indefinite
69.	Karawang	TDUP No. 503/6890/33/ISJP/VI/2014, dated July 14, 2014, issued by the Integrated Licensing Service and Investment Coordinating Agency of Karawang Regency	July 13, 2017
70.	Sidoarjo	TDUP No. 503/04-PJ/404.6.2/2015, dated April 30, 2015, issued by the Head of Integrated Licensing Service Agency of Sidoarjo Regency	March 21, 2018
71.	Cibubur Junction	TDUP No. 440/2014, dated February 3, 2014, issued by the Head of Tourism and Culture Agency of DKI Jakarta	Valid as long as the business activities continue and requires a re-registration every year.
72.	Cempaka Mas	Processing Receipt No. 232745/II/2018 dated March 7, 2018, as stated on BKPM website	Indefinite
73.	Cijantung Mall	Processing Receipt No. 232767/II/2018 dated March 1, 2018, as stated on BKPM website	Indefinite
74.	King's Plaza	License Application Receipt No. E04879, dated February 1, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bandung City	Indefinite
75.	Medan Fair	Receipt of TDUP Renewal Application No. 0136, dated March 5, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Medan City	Indefinite
76.	Mercure	Not available	Not available
77.	Cilandak	TDUP No. 42/2014, dated January 8, 2014, issued by the Head of Tourism and Culture Agency of DKI Jakarta	Valid as long as the business activities continue and requires a re-registration every year.
78.	Sukabumi	TDUP No. 503/SK.37/RM/2017/2017, dated December 6, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency.	Valid as long as the business activities continue
79.	Ambarukmo Plaza	TDUP No. 503/002035.10.15/042.1/RT/DUP/2015, dated April 20, 2015, issued by the Integrated Licensing Service and Investment Coordinating Board.	Valid as long as the business activities continue and requires a re-registration every 3 years.
80.	Tamini Square	TDUP No. 830/2014, dated February 28, 2014, issued by the Head of Tourism and Culture Agency of DKI Jakarta	Valid as long as the business activities continue and requires a re-registration every year.
81.	Palembang Indah Mall	TDUP No. 503/2016/2016/2016 dated August 23, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Palembang City	August 23, 2018
82.	Tegal	TDUP No. 556/019/DUP/IX/2015, dated September 29, 2015, issued by the Integrated Licensing Service Agency.	September 29, 2020
83.	Lapangan Ross Tebet	Processing Receipt No. 232841/II/2018 dated March 2, 2018, as stated on BKPM website	Indefinite
84.	Setiabudi Semarang	TDUP No. 535/42A/2016, dated September 19, 2016, issued by the Tourism and Culture Agency of Semarang City	September 18, 2019
85.	Kalibata Plaza	Processing Receipt No. 236031/II/2018 dated March 29, 2018, as stated on BKPM website	Indefinite
86.	Kuningan	Processing Receipt No. 236040/II/2018 dated March 29, 2018, as stated on BKPM website	Indefinite
87.	Pasar Atom	TDUP No. 503.08/600/436.7.19/2017, dated November 15, 2017, issued by the Tourism and Culture Agency of Surabaya City	Indefinite
88.	Royal Plaza	TDUP No. 503.08/669/436.7.19/2017, dated December 7, 2017, issued by the Tourism and Culture Agency of Surabaya City	Indefinite
89.	Cikampek toll road KM 19	TDUP No. 040.04.16, dated May 1, 2016, issued by the Head of Tourism, Culture and Sports Agency of Bekasi Regency	January 19, 2017
90.	Pusat Grosir Cililitan	Processing Receipt No. 232787/II/2018 dated March 2, 2018, as stated on BKPM website	Indefinite
91.	Banda Aceh	Not available	Not available



No.	Outlet Name	Document	Term
92.	Setiabudi Medan	Re-registration of TDUP No. 0195/0256/1.4/1902/08/2017, dated August 10, 2014, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Medan City	April 30, 2020
93.	ITC Depok	TDUP No. 556/0185/TDUP/BPMP2T/XII/2016, dated December 21, 2016, issued by the Integrated Licensing Service and Investment Coordinating Board of Depok City.	June 22, 2020
94.	Malang Town Square	TDUP No. 556.2/0044/35.73.407/2016, dated March 24, 2016, issued by the Head of Integrated Licensing Service Agency of Malang City	Valid as long as the business activities continue
95.	Bandung Indah Plaza	License application receipt No. 1E2AE3, dated January 31, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bandung City	Indefinite
96.	Kemang Pratama	TDUP No. 556.11/111/HER/BPPT.3, dated August 4, 2015, issued by the Head of Integrated Licensing Service Agency of Bekasi City	June 23, 2016
97.	Pondok Kelapa	TDUP No. 018/14.15.0/31.75.07.000/-1.858.8/2016 dated June 28, 2016, issued by the One-Stop Integrated Service Agency of Duren Sawit.	December 28, 2016
98.	Gajah Mada Plaza	Processing Receipt No. 232703/II/2018 dated March 1, 2018, as stated on BKPM website	Indefinite
99.	Summarecon Serpong	TDUP No. 556.1/271-BPMP2TSP/2016, dated October 21, 2016, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Regency of Tangerang	Valid for one year after approval (October 21, 2017)
100.	Duta Pertiwi Mall	TDUP No. 535/41A/2016, dated September 19, 2016, issued by the Tourism and Culture Agency of Semarang City	September 18, 2019
101.	Ayani Megamall	TDUP No. 503/29/DPMTK/TDUP/R-VII/2018, dated February 1, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Pontianak City	January 2, 2023
102.	Margo City	TDUP No. 556/0026/TDUP/DPMP2TSP/II/2017, dated February 17, 2017, issued by the Head of Integrated Licensing Service and Investment Coordinating Board of Depok City.	February 16, 2022
103.	Kiara Condong	License application receipt No. D45E7F, dated February 1, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bandung City	Indefinite
104.	Modernland	TDUP No. 556.51.000060.03.2012, dated March 26, 2012, issued by the Head of Integrated Licensing Service and Investment Coordinating Board of Tangerang City.	Valid as long as the business activities continue
105.	Buaran Plaza	Processing Receipt No. 232778/II/2018 dated March 2, 2018, as stated on BKPM website	Indefinite
106.	Artha Gading	Processing Receipt No. 232777/II/2018 dated March 2, 2018, as stated on BKPM website	Indefinite
107.	Kota Wisata	TDUP No. 556/005.005/00067/BPT/2014, dated August 21, 2014, issued by the Head of Integrated Licensing Service Agency of Bogor Regency	Valid as long as the business activities continue
108.	Jember	Not available	Not available
109.	Cirende	TDUP No. 556/151-BP2T/2015, dated October 19, 2015, issued by the Integrated Licensing Service Agency of South Tangerang City.	Valid as long as the business activities continue and requires a re-registration every 2 years.
110.	Cimahi	TDUP No. 504.23/0010/3159/KPPT/2013, dated December 30, 2013, issued by the Integrated Licensing Service Agency of Cimahi City	December 30, 2018
111.	Bendungan Hilir	No. 236013/II/2018	Indefinite
112.	Kupang	TDUP No. 503.08/598/436.7.19/2017 dated November 15, 2017, issued by the Head of Tourism and Culture Agency.	Indefinite
113.	CBD Ciledug	TDUP No. 556.51.000082.07.2012, dated July 10, 2012, issued by the Head of Integrated Licensing Service and Investment Coordinating Board of Tangerang City.	Valid as long as the business activities continue
114.	Duta Mall Banjarmasin	Business Registration Certificate No. 503-321/IUPW-VIII/DPMP2TSP/2017, dated August 30, 2017, issued by the Head of One-Stop Integrated Licensing Service and Investment Coordinating Board.	September 2, 2018
115.	Ancol	Processing Receipt No. 232783/II/2018 dated March 2, 2018, as stated on BKPM website	Indefinite
116.	Matahari Mall	Processing Receipt No. 235681/II/2018 dated March 27, 2018, as stated on BKPM website	Indefinite
117.	Nagoya Hill	Tourism Permanent License No. 572/556/ITUP/RM.2/X/2012, dated October 16, 2012, issued by the Head of Tourism and Culture Agency of Batam City	Valid as long as the business activities continue
118.	Manado Town Square	TDUP No. 307/688/5/UJMM/0PMP2TSP/II/2018, dated February 5, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Manado City	February 5, 2019
119.	Karebosi Link	TDUP No. TDU.08/03/DISPAR/II/2018, dated January 16, 2018, issued by the Head of Tourism Agency of Makassar City	January 2019
120.	Emporium Pluit	Processing Receipt No. 232759/II/2018 dated March 1, 2018, as stated on BKPM website	Indefinite
121.	Serang	TDUP No. 556/01091/II-TDUP/DPMP2TSP/2017, dated February 23, 2017, issued by the Head of One-Stop Integrated Service Agency of Serang	February 23, 2022
122.	Bali Galeria Mall	TDUP No. 3155/BPPT/TDUP/VI/2016, dated June 6, 2016, issued by the Head of Integrated Licensing Service Agency of Badung Regency	June 6, 2021
123.	Botani Square	TDUP No. 556.76-TDUP/BPPTPM/IV/2014, dated April 16, 2014, issued by the Mayor of Bogor	Indefinite
124.	Ciwalk	License application receipt No. 70B1C9, dated February 2, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bandung City	May 15, 2017
125.	Pagar Alam Lampung	TDUP No. 556/053/30.15/III.16.11/II/2017, dated April 26, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bandar Lampung City	April 26, 2022
126.	Abepura	Restaurant Business License No. 503/418/BPPTSP/2015, dated December 29, 2015, issued by the Head of One-Stop Integrated Licensing Service Agency of Jayapura City	December 29, 2018
127.	Mall of Indonesia	Processing Receipt No. 236189/II/2018 dated April 2, 2018, as stated on BKPM website	Indefinite
128.	Pemuda	Processing Receipt No. 234169/II/2018 dated March 28, 2018, as stated on BKPM website	Indefinite
129.	Basko Grand Mall (Padang 2)	TDUP No. 0073/TDUP/BPMP2T/X/2014, dated October 30, 2014, issued by the Integrated Licensing Service and Investment Coordinating Board of Padang City.	Valid as long as the business activities continue
130.	Bukit Tinggi	TDUP No. 556.2/02/BP2TPM-BKT/2015, dated February 16, 2015, issued by the Head of Integrated Licensing Service and Investment Coordinating Board of Bukittinggi City	Indefinite
131.	Plaza Mulia	TDUP No. 100/039/JMM/100.26/2017, dated July 26, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency	July 26, 2022
132.	Pahlawan	TDUP No. 556.76/75-TDUP/BPPTPM/VI/2014, dated July 17, 2014, issued by the Mayor of Bogor	Indefinite
133.	Balikipapan SuperBlok	TDUP No. 0018/BPMP2T/TDUP/2016, dated June 1, 2016, issued by the Acting Head of Integrated Licensing Service and Investment Coordinating Board of Balikpapan City	June 31, 2019
134.	Tanjung Pinang	TDUP No. 503.20/285/5.10.04/2018, dated February 6, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Tanjungpinang City	Valid as long as the business activities continue
135.	Kediri Mall	Not available	Not available
136.	Petterani	TDUP No. TDU.11/03/DISPAR/II/2018, dated January 16, 2018, issued by the Head of Tourism Agency of Makassar City	January 2019
137.	Puncak Pafesta	TDUP No. 556/005.005/00022/BPMPSTP/2015, dated July 2, 2015, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency.	Valid as long as the business activities continue
138.	Matraman	Restaurant Business Registration Certificate No. 1571/14.15.0/31.75.00.000/-1.858.8/2016, dated January 15, 2016, by the One-Stop Integrated Service Agency of East Jakarta	January 15, 2017
139.	Depok Dua Tengah	TDUP No. 556/0194/TDUP/BPMP2T/XII/2016, dated December 30, 2016, issued by the Integrated Licensing Service and Investment Coordinating Board.	December 29, 2021
140.	Tasikmalaya	TDUP No. 556/04/3989-HER/BPMPPT/2016, dated June 24, 2016, issued by the Integrated Licensing Service and Investment Coordinating Board of Tasikmalaya	June 21, 2019
141.	Kaliurang	TDUP No. 503/007419.10.16/286.1/R/TDUP/2016, dated September 8, 2016, issued by the Integrated Licensing Service and Investment Coordinating Board of Sleman	Valid as long as the business activities continue and requires a re-registration every 3 years.
142.	Gandaria City Mall	TDUP No. 346/2013, dated June 28, 2013, issued by the Head of Tourism and Culture Agency of DKI Jakarta	Valid as long as the business activities continue and requires a re-registration every year.
143.	Sanur	Not available	Not available
144.	Sudirman	TDUP No. 0004/R.GK/2015, dated September 22, 2015, issued by the Head of Licensing Agency of Yogyakarta City	September 22, 2020
145.	SKA Pekanbaru	Tourism Business Registration Certificate No. 226/03.03/DPMP2TSP/XII/2017 dated December 20, 2017, issued by the Head of Tourism and Culture Agency of Pekanbaru City	Indefinite
146.	Citra Raya Cikupa	TDUP No. 556.1/147-BPMP2TSP/2016 dated July 20, 2016, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Regency of Tangerang	Valid for one year after approval
147.	Krakatau	TDUP No. 503/27/SK/TDUP.DURST/MT/2017, dated January 24, 2017, issued by the Acting Head of Tourism and Culture Agency of Medan City	2/18/2020
148.	Carrefour Lebak Bulus	Processing Receipt No. 232766/II/2018 dated March 5, 2018, as stated on BKPM website	Indefinite



No.	Outlet Name	Document	Term
149.	Gajah Mada Pontianak	TDUP No. 503/76/BP2T/IDUP-V/2016, dated May 20, 2016, issued by the Acting Head of Integrated Licensing Service Agency	5/18/2021
150.	Ciputra World Surabaya	TDUP No. 503.08/609/436.7.19/2017, dated November 15, 2017, issued by the Tourism and Culture Agency of Surabaya City	Indefinite
151.	Juanda	Processing Receipt No. 236022/II/1/2018 dated March 29, 2018, as stated on BKPM website	Indefinite
152.	Depok Town Centre	TDUP No. 556/0015/IDUP/BPMP2T/II/2015, dated February 10, 2015, issued by the Head of Integrated Licensing Service and Investment Coordinating Board of Depok City	February 9, 2020
153.	Garut	Tourism Business Registration Certificate No. 101335100234, dated November 7, 2011, issued by the Head of One-Stop Integrated Service Agency of Garut Regency	November 4, 2016
154.	Taman Ratu	Processing Receipt No. 235490/II/1/2018 dated March 26, 2018, as stated on BKPM website	Processing Receipt No. 235490/II/1/2018 dated March 26, 2018, as stated on BKPM website
155.	Harapan Indah	TDUP No. 556.11/113/HER/BPPT.3, dated August 9, 2016, issued by the Head of Integrated Service Agency of Bekasi City	August 4, 2017
156.	Solo Square	Food and Beverage Business Registration Certificate No. 556/0018/L-01/Rest/II/2015, dated January 31, 2015, issued by the Head of Integrated Licensing Service and Investment Coordinating Board of Surakarta City	Indefinite
157.	Sam Ratulangi	TDUP No. TDU.09/03/DISPARI/2018, dated January 16, 2018, issued by the Head of Tourism Agency of Makassar City	January 2019
158.	Riau Bandung	License application receipt No. 4E47B5, dated February 1, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bandung City	5/1/2017
159.	Alaudin Makassar	TDUP No. TDU.06/03/DISPARI/2018, dated January 16, 2018, issued by the Head of Tourism Agency of Makassar City	January 2019
160.	Cirebon Super Blok	Tourism Business License No. 556.1/KEP.010/BPMPTT/II/2017, dated April 12, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Cirebon City	April 12, 2018
161.	Palu	TDUP No. 52/25.2/BP2T/II/2012, dated April 17, 2012, issued by the Integrated Licensing Service Agency of Palu City	Indefinite
162.	Sipin Jambi	TDUP No. 556-10006-DPMPTSP-15.71.10.1004-2017, dated January 31, 2017, issued by the Acting Head of One-Stop Integrated Service and Investment Coordinating Agency of Jambi City	Valid as long as the business activities continue and requires a re-registration every year.
163.	Jatiwaringin	Restaurant Business Registration Certificate No. 1572/14.15/031.75.00.000/-1.858.8/2016, dated January 15, 2016, by the One-Stop Integrated Service Agency of East Jakarta	January 15, 2017
164.	Ciliwung Malang	TDUP No. 556.2/0003/35.73.407/2016, dated January 12, 2016, issued by the Head of Integrated Licensing Service Agency of Malang City	Valid as long as the business activities continue and requires a re-registration every 3 years (1/12/2019)
165.	Sunset Point Bali	TDUP No. 556.5/0011/Diparda, dated May 21, 2012, issued by the Head of Tourism and Culture Agency of Badung Regency	Valid as long as the business activities continue and requires a re-registration every 5 years (5/21/2017)
166.	Kota Kasablanka Mall	Processing Receipt No. 236475/II/1/2018 dated April 3, 2018, as stated on BKPM website	Indefinite
167.	Warung Jambu Tiga	TDUP No. 556.77/38-TDUP/BPPTPM/II/2012 dated August 6, 2012, issued by the Head of Integrated Licensing Service and Investment Coordinating Board	Indefinite
168.	Galot Subroto Pancoran	Processing Receipt No. 236035/II/1/2018 dated March 29, 2018, as stated on BKPM website	Indefinite
169.	Taman Mini Sentral	Processing Receipt No. 236169/II/1/2018 dated April 2, 2018, as stated on BKPM website	Indefinite
170.	Lippo Plaza Kendari	Bar and Restaurant Business License No. 55/IZN/XI/2016/12 dated November 25, 2016, issued by the Mayor of Kendari	Valid for 3 years
171.	Komsen Jatiasih Bekasi	TDUP application receipt, dated March 7, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bekasi City	Indefinite
172.	Diponegoro Bali	Restaurant Principal License No. 25/29/5600/DB/BPPTSP&PM/2013, dated December 11, 2013, issued by the Head of One-Stop Integrated Licensing Service Agency of Denpasar City	November 12, 2014
173.	Citra Enam	TDUP No. 1522/2013, dated December 17, 2014, issued by the Head of Tourism and Culture Agency of DKI Jakarta	Valid as long as the business activities continue and requires a re-registration every year.
174.	Makassar Townsquare	TDUP No. TDU.12/03/DISPARI/2018, dated January 16, 2018, issued by the Head of Tourism Agency of Makassar City	January 2019
175.	Graha Pena Surabaya	TDUP No. 503.08/602/436.7.19/2017 dated November 15, 2017, issued by the Head of Tourism and Culture Agency	Indefinite
176.	Summarecon Bekasi Mall	TDUP No. 556.11/122/HER/BPPT.3, dated September 3, 2015, issued by the Head of Integrated Licensing Service Agency of Bekasi City	June 23, 2016
177.	Asrama Haji Medan	Re-Registration No. 0183/0255/1.4/1404/08/2017, dated August 7, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Medan City	April 26, 2020
178.	Grand Wisata Bekasi	Re-registration of TDUP No. 556/081/Kep-DU/Disparbudpora/2016, dated March 30, 2016, issued by the Head of Youth and Sport Agency of Bekasi Regency	October 17, 2016
179.	Malang Soekarno Hatta	TDUP No. 556.2/0154/35.73.407/2016, dated August 18, 2016, issued by the Head of Integrated Licensing Service Agency of Malang City	Valid as long as the business activities continue and requires a re-registration every 3 years (8/18/2019)
180.	Center Point Medan	Not available	Not available
181.	Cibinong City Mall	TDUP No. 556/005.005/00024/BPT/2014, dated March 17, 2014, issued by the Head of Integrated Licensing Service Agency of Bogor Regency	Valid as long as the business activities continue
182.	Semarang Pandanaran	TDUP No. 535/55A/2016, dated November 1, 2016, issued by the Head of Tourism and Culture Agency of Semarang City	June 11, 2019
183.	Karawang Central Plaza	TDUP application receipt, dated March 5, 2018, issued by the One-Stop Integrated Service and Investment Coordinating Agency of Karawang Regency	Indefinite
184.	Gajah Mada Medan	TDUP Renewal Receipt No. 0133, the Head One-Stop Integrated Service and Investment Coordinating Agency of Medan City	Indefinite
185.	Suzuya Banda Aceh	TDUP No. 535/55A/2016, dated October 25, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Banda Aceh City	October 24, 2018
186.	Metropolitan City Panam	Tourism Business Registration Certificate No. 225/03.03/DPMTSP/XII/2017, dated December 20, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Pekanbaru City	Indefinite
187.	Kemanggisan	Re-Registration No. 2878/-1.858.22 of TDUP No. 4743/2013, dated September 30, 2014, issued by the Head of Tourism and Culture Agency of DKI Jakarta Province	August 28, 2015
188.	Bintaro Jaya Xchange	TDUP No. 556/197-BP2T/2016, dated September 19, 2016, issued by the Integrated Licensing Service Agency of South Tangerang City	Valid as long as the business activities continue and requires a re-registration every 2 years.
189.	Festival Citylink	License application receipt No. 0D28B6, dated February 2, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bandung City	Indefinite
190.	Palembang Icon Mall	TDUP No. 503/IDUP/613/DPMTSP-PPK/2017, dated November 21, 2017, issued by the Head of Integrated Licensing Service and Investment Coordinating Board of Palembang City	November 21, 2018
191.	Senapelan Pekanbaru	Tourism Business Registration Certificate No. 222/03.03/DPMTSP/XII/2017, dated December 20, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency	Indefinite
192.	Palembang Trade Center	TDUP No. 503/IDUP/614/DPMTSP-PPK/2017 dated November 24, 2017, issued by the Acting Head of One-Stop Integrated Service and Investment Coordinating Agency	November 24, 2018
193.	Jatinangor Town Square	TDUP No. 503.IDUP/SK.015-DPMTSP/2017 dated June 15, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Sumedang Regency	Valid as long as the business activities continue
194.	Citriland Semarang	TDUP No. 535/31A/2014, dated July 4, 2014, issued by the Tourism and Culture Agency of Semarang City	July 3, 2017
195.	Jimbaran Bali	TDUP No. 7414/BPPT/IDUP/XI/2014, dated November 5, 2014, issued by the Head of Integrated Licensing Service Agency of Badung Regency	May 11, 2019
196.	Majapahit Semarang	TDUP No. 535/38A/2014, dated September 2, 2014, issued by the Tourism and Culture Agency of Semarang City	September 1, 2017
197.	Antasari Lampung	TDUP No. 556/00033/30.13/II.16.11/II/2018, dated February 27, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bandar Lampung City	March 27, 2023
198.	Bintaro Veteran 2	TDUP No. 007/14.15/031.74.10/1.858.8/2016 dated June 27, 2016, received by the One-Stop Integrated Service Agency of Pesanggrahan District	June 29, 2018
199.	Cisalak Depok	TDUP No. 5560080/IDUP/BPMP2T/II/2014, dated July 24, 2014, issued by the Head of Integrated Licensing Service and Investment Coordinating Board of Depok City	July 23, 2019
200.	Diponegoro Salatiga	TDUP No. 503.7.3/05/206/2015, dated September 11, 2015, issued by the Head of Integrated Licensing Service and Investment Coordinating Board of Salatiga City	September 11, 2020
201.	Madiun	Not available	Not available



No.	Outlet Name	Document	Term
202.	Lokasari	Processing Receipt No. 232805/II/2018 dated March 5, 2018, as stated on BKPM website	Indefinite
203.	Alam Sutera	TDUP No. 556/221-BP2T/2016, dated November 3, 2016, issued by the Integrated Licensing Service Agency of South Tangerang City.	Valid as long as the business activities continue and requires a re-registration every 2 years.
204.	Sultan Agung Yogyakarta	TDUP No. 0015/RM.MG/201, dated June 18, 2015, issued by the Licensing Agency of Yogyakarta City	Valid as long as the business activities continue and requires a re-registration every 5 years (6/18/2020)
205.	S Parman Samarinda	TDUP No. 100/025/JMM/100.26/2017, dated June 12, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency and Eateries and Restaurant Business License	Valid as long as the business activities continue and requires a re-registration every 5 years.
206.	Mojopahit Mojokerto	Public Entertainment and Recreation Business License No. 503/1066/PA/417.411/VI/2015, dated June 22, 2015, issued by the Head of Integrated Licensing Service Agency of Mojokerto City	July 22, 2018
207.	S Parman Bengkulu	Not available	Not available
208.	Banjarbaru	Restaurant Business License No. 001/IURM/BPPT&PM/2015, dated May 26, 2015, issued by the Head of Head of Integrated Licensing Service and Investment Coordinating Agency	May 26, 2020
209.	Rijali Ambon	Not available	Not available
210.	Palangkaraya	TDUP No. 503.3/18/BPM-PTSP/II/2015, dated December 10, 2015, issued by the Head of One-Stop Integrated Service and Investment Coordinating Board.	December 1, 2018
211.	Mataram Sriwijaya	Restaurant Business License No. 556.5/0038/BPMPTSP/II/2016 dated March 17, 2016, issued by the Head of Integrated Licensing Service and Investment Coordinating Board of Mataram City.	March 17, 2019
212.	Metropolitan Mall Cileungsi	TDUP No. 556/005.005/00042/BPMPTSP/2016 dated August 1, 2016, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency	Valid as long as the business activities continue
213.	Big Mall Samarinda	TDUP No. 100/048/JMM/100.26/2017, dated August 23, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Samarinda City	August 23, 2022
214.	Antapani	License application receipt No. C701, dated February 2, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bandung City	Indefinite
215.	Sisingamangaraja Medan	TDUP No. 503/01/SK/TDUP.BR/RST/MK/2017, dated January 12, 2017, issued by the Tourism and Culture Agency of Medan City	December 12, 2020
216.	Paal 2 Manado	TDUP No. 307/687/4/UJMM/DPMPSTP/II/2018, dated February 5, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Manado City	Indefinite
217.	Kupang Lippo Plaza	TDUP No. Budpar.430/0961/MM/2016, dated November 1, 2016, issued by the Head of Tourism and Culture Agency of Kupang City	November 1, 2018
218.	Sudirman Pekanbaru	Tourism Business Registration Certificate No. 224/03.03/DPMPSTP/II/2017, dated December 20, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Pekanbaru City	Indefinite
219.	Supermall Pakuwon Indah	TDUP No. 503.08/607/436.7.19/2017 dated November 15, 2017, issued by the Head of Tourism and Culture Agency.	Indefinite
220.	Rita Mali Purwokerto	Restaurant Business License No. 503/URM-B/001/2017, dated March 8, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency.	Indefinite
221.	Kota Bintang	TDUP No. 556.11/110/DPMPSTP.PP/JU, dated May 30, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bekasi City	May 29, 2018
222.	Rancho T.B Simatupang	Restaurant Business Registration Certificate No. 3/14.15/31.74.09/-1.858.8/E/2017 dated August 28, 2017, issued by the One-Stop Integrated Service Agency of Jagakarsa	Indefinite
223.	Jogya City Mall	TDUP No. 503/006002.10.17/0114.0/R/2017 dated September 4, 2017	September 4, 2020
224.	Emerald Bintaro	TDUP No. 556/43-DPMPTSP/2017, dated September 6, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of South Tangerang City	Valid as long as the business activities continue and requires a re-registration every 2 years.
225.	Raden Intan Lampung	TDUP No. 556/095/30.1/III.16.11/X/2017, dated September 12, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Bandar Lampung City	Valid as long as the business activities continue and requires a re-registration every 5 years.
226.	Danau Sunter Utara	Processing Receipt No. 232753/II/2018 dated March 7, 2018, as stated on BKPM website	Indefinite
227.	Panjang Kebon Jeruk	Processing Receipt No. 232730/II/2018 dated March 1, 2018, as stated on BKPM website	Indefinite
228.	Paramount Serpong	Not available	Not available
229.	Jababeka Cikarang	Not available	Not available
230.	Hertasning Makassar	TDUP recommendation No. 556.1/07/III/Disparbud/2017 dated August 11 2017 issued by Tourism and Culture Agency of Gowa Regency	Indefinite
231.	MERR Surabaya	TDUP No. 503.08/717/436.7.19/2017 dated December 21, 2017, issued by the Head of Tourism and Culture Agency of Surabaya City	Indefinite
232.	Paskal HyperSquire Bandung	TDUP application receipt, dated March 1, 2018, issued by the One-Stop Integrated Service and Investment Coordinating Agency of Bandung City	Indefinite
233.	Cinere Raya Dua	TDUP No. 556/0001/2018/DPMPSTP/II/2018, dated January 3, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Depok City	January 2, 2023
234.	MT Haryono Balikpapan	TDUP No. 0316/DPMPST/2017, dated December 28, 2017, issued by the Head of Integrated Licensing Service and Investment Coordinating Board of Balikpapan City.	December 12, 2020
235.	Pondok Indah Mall 2	Processing Receipt No. 236044/II/2018 dated March 29, 2018, as stated on BKPM website	Indefinite
236.	Neo Soho	Processing Receipt No. 235875/II/2018 dated March 28, 2018, as stated on BKPM website	Indefinite

Up to the date of this prospectus, the Company is in the process to fulfill conditions required in order to get the required licenses that are still not available and/or have expired.

2. Halal Certificate

No.	Halal Certificate	Outlet
1	No. 00160005580799 dated February 1, 2017, issued by the Director of the Assessment Institute for Foods, Drugs and Cosmetics, the Indonesian Council of Ulama (Lembaga Pengkajian Pangan, Obat-Obatan dan Kosmetika, Majelis Ulama Indonesia, "LPPOM-MUI")	PHD: Kelapa Gading, Green Garden, Tebet Barat, Bintaro, Serpong, . Muara Karang, Pondok Indah, Kalimalang, Kemang Raya, Citra Garden, Cibubur, Mangga Besar, Harapan Indah, Sunter, Hasyim Ashari, Puri Beta Ciledug, Taman Duta Mas, Villa Galaxy, Karang Tengah Ciledug, Depok, Rawamangun, Cikini, Pasar Minggu, Taman Semanan Indah, Pamulang, Bulungan, Cipondoh, Thamrin Residence, Margonda Residence, Jatimakmur Residence, Pos Pengumben, Taman Sunter Indah, Alam Sutera, Padjajaran Bogor, Sholeh Iskandar Bogor, Pasar Baru, Antapani, Jemur Sari, Dago, Menganti Wiyung, Taman Rasuna Kuningan, Dharma Husada Surabaya, Fatmawati, Karawitan, Darmo Indah, Beringin, Kelapa Hibrida, Taman Kopo Indah, Buaran, Rungkut Yakaya, Setrasari Mall, Condet, Central Park, Metro Margahayu, Villa Mutiara Gading, Benhil, Caman Jatibening, Kedungdoro, Cijerah, Mekar Wangi, Taman Palem, Bintara, Taman Sari, Emerald Bintaro, Mustika Jaya, Kaliabang, Cipinang Jaya, Kuta Bumi, Ketintang, Kartini Gresik, Delta Sari Sidoarjo, Bugis Raya Priok, Ciputat, Gading Serpong, Jababeka Cikarang, Sawojajar Malang, Villa Bogor Indah, Kartini Bekasi, Cikaret Cibinong, Utan Kayu, Cimahi, Dinoyo Malang, Koja, Bandung Electronic Center, Dewi Sartika Cawang, Depok Nusantara, Electronic City SCBD, Serua Ciater Pamulang, Purwakarta, Akses UI, Sesetan Bali, Gajah Mada Semarang, Colombo Yogyakarta, Ngesrep Semarang, Godean Yogyakarta, Sultan Agung Semarang, Hayam Wuruk Bali, Gatsu Barat Bali, Ragunan, Kerobokan Bali, Joni Medan, Cibubur Lapangan Tembak, Dr Mansyur Medan, Bona Indah, S. Parman Medan, Tanjung Duren, Pengasinan Bekasi, Sidoarjo, Marelani, Krakatau, Cikarang, Poris, Pinang Ranti, G-Walk Citraland, Cikarang Barat, Setiaudhi Bandung, Hidayat Cilegon, Tiogosari Semarang, Mayor Syafei Serang, Keradenan Cibinong, Tropodo Sidoarjo, Tulungagung, Sultan Hasanudin Gowa, Imam Bonjol Pekalongan, Jalan Gudang Sukabumi, Soekarno Hatta Probolinggo, Unhas Perintis Makassar dan Cileungsi.
		PHR: Segitiga Senen, Tunjungan Plaza, Pasar Festival, Galaxy Mall, Sunter Mall, Pajajaran, Bumi Serpong Damai, Metropolitan Mall, Jemur Sari (2), Lippo Supermall, Mangga Dua Mall, Taman Anggrek Mall, Kopo, Dago, Puri Indah Mall, Darmo, Ciputra, Menara Cakrawala, Ratu Indah Makasar, Cibubur, Kemang, Java Supermall, Blok M Plaza, Bali Gatot Subroto, Malang Semeru, Daan Mogot, Buah Batu, Batam, Bena Kutai, Istana Plaza Bandung, Kartini, Centra Plaza Samarinda, Bintaro Plaza, Solo, Gunung Sahari, Kelapa Gading 3, Panakukang, Adam Malik, Pesona Kahyangan, Cempaka Putih, Padang, Bekasi Mega Mall, Slipi Plaza Jaya, Pondok Gede Plaza, Palembang, Buncit, Lippo Cikarang Mall, Manado Mega Mall, Delta Plaza, Sun Plaza, Pluit Village, Giant Ciledug, Malioboro Mall, Manyar Kertoarjo, Permata



No.	Halal Certificate	Outlet
		Hijau, Setia Budi Bandung, Centro Kuta, Thamrin Plaza, Jambi, Mulyosari, Banjarmasin, Bogor Indah Plaza, Plaza Semanggi, Megamall Batam Center, Cilegon Supermall, ITC Serpong, Pamulang, Karawang, Sidoarjo, Cibubur Junction, Cempaka Mas, Cijantung Mall, King's Plaza, Medan Fair, Mercure, Cilandak, Sukabumi, Ambarukmo Plaza, Tamini Square, Palembang Indah Mall, Tegal, Lapangan Ross Tebet, Setia Budi Semarang, Kalibata Plaza, Kuningan, Pasar Atom, Royal Plaza, Tol Cikampek KM 19, Pusat Grosir Cililitan, Banda Aceh, Setia Budi Medan, ITC Depok, Malang Town Square, Bandung Indah Plaza, Kemang Pratama, Pondok Kelapa, Gajah Mada Plaza, Summarecon Serpong, Duta Pertiwi Mall, Ayani Megamall, Margo City, Kiara Condong, Modernland, Buaran Plaza, Artha Gading, Kota Wisata, Jember, Cirende, Cimahi, Bendungan Hilir, Kupang, CBD Ciledug, Duta Mall Banjarmasin, Ancol, Matahari Mall, Nagoya Hill, Manado Town Square, Karebosi Link, Emporium Pluit, Serang, Bali Galeria Mall, Botani Square, Ciwalk, Pagar Alam Lampung, Abepura, Mall Of Indonesia, Pemuda, Basko Grand Mall (Padang 2), Bukit Tinggi, Plaza Mulia, Pahlawan, Balikpapan SuperBlok, Tanjung Pinang, Kediri Mall, Petterani, Puncak Pafesta, Matraman, Depok Dua Tengah, Tasikmalaya, Kaliurang, Gandaria City Mall, Sanur, Sudirman, SKA Pekanbaru, Citra Raya Cikupa, Krakatau, Carrefour Lebak Bulus, Gajah Mada Pontianak, Ciputra World Surabaya, Juanda, Depok Town Centre, Garut, Taman Ratu, Harapan Indah, Solo Square, Sam Ratulangi, Riau Bandung, Alaudin Makassar, Cirebon Super Blok, Palu, Sipin Jambi, Jatiwaringin, Ciliwung, Malang, Sunset Point Bali, Kota Kasablanka Mall, Warung Jambu Tiga, Gatot Subroto Pancoran, Taman Mini Sentral, Lippo Plaza Kendari, Komsen Jatiasih Bekasi, Diponegoro Bali, Citra Enam, Makassar Townsquare, Graha Pena Surabaya, Sumarecon Bekasi Mall, Asrama Haji Medan, Grand Wisata Bekasi, Malang Soekarno Hatta, Center Point Medan, Cibinong City Mall, Semarang Pandanaran, Karawang Central Plaza, Gajah Mada Medan, Suzuya Banda Aceh, Metropolitan City Panam, Kemanggis, Bintaro Jaya Xchange, Festival Citylink, Palembang Icon Mall, Senapelan Pekanbaru, Palembang Trade Center, Jatiningan Town Square, Citraland Semarang, Jimbaran Bali, Majapahit Semarang, Antasari Lampung, Bintaro Veteran 2, Cislak Depok, Diponegoro Salatiga, Madiun, Lokasari, Alam Sutera, Sultan Agung Yogyakarta, S Parman Samarinda, Mojopahit Mojokerto, S Parman Bengkulu, Banjarbaru, Rijali Ambon, Palangkaraya, Mataram Sriwijaya, Metropolitan Mall Cileungsi, Big Mall Samarinda, Antapani, Sisingamangaraja Medan, Paal 2 Manado, Kupang Lippo Plaza, Sudirman Pekanbaru, Supermall Pakuwon Indah, Rita Mall Purwokerto, Kota Bintang, Emerald Bintaro, Paramount Serpong, Jababeka Cikarang, Hertasning Makassar, MERR Surabaya, Paskal HyperSqure Bandung, Cinere Raya Dua dan MT Haryono Balikpapan.
		KPH: Pondok Indah Mall 2 and Neo Soho
2	No. 00160005580799 dated September 27, 2017, issued by the Director of the Assessment Institute for Foods, Drugs and Cosmetics, the Indonesian Council of Ulama (Lembaga Pengkajian Pangan, Obat-Obatan dan Kosmetika, Majelis Ulama Indonesia, "LPPOM-MUI")	PHD: Kemanggis Dua, Cempaka Putih Dua, Parung Bingung, Ujung Berung, Magelang, Gunung Bawakaraeng, Mulyosari Surabaya, Pengayoman Makassar, Kaliurang Yogyakarta, Citra Raya Cikupa, Kakatua Makassar, Kudus, Binjai, Sumedang, Ciomas Bogor, Mangun Jaya Tambun, Jembatan Lima Tambora, Kartini Depok Lama, Daya Perintis Makassar and Merpati Raya Ciputat.
		PHR: Ciputra Sraya Mall, Rancho T.B Simatupang and Jogya City Mall
3	No. 00160005580799 dated November 8, 2017, issued by the Director of the Assessment Institute for Foods, Drugs and Cosmetics, the Indonesian Council of Ulama (Lembaga Pengkajian Pangan, Obat-Obatan dan Kosmetika, Majelis Ulama Indonesia, "LPPOM-MUI")	PHD: Jatiwarna, Citra 6, Canadian Kota Wisata, Pandu Raya Bogor Baru, Cinunuk Bandung, Batu Bulan Bali and Gandul Cinere.
		PH: Raden Intan Lampung, Danau Sunter Utara and Panjang Kebon Jeruk

Up to the date of this Prospectus, the Company has not obtained the Halal Certificates for PHD outlets located at Pesanggrahan Dua, Pamularsih Semarang, Tuparev Cirebon, Sukun Malang, Jati Raya Banyumanik, and Galunggung Malang.

Up to the date of this prospectus, the Company is in the process to fulfill conditions required in order to get the required licenses that are still not available and/or have expired.

3. Environmental Licenses (Environmental Management Efforts and Environmental Monitoring Efforts or *Upaya Pengelolaan Lingkungan Hidup dan Upaya Pemantauan Lingkungan Hidup*, "UKL-UPL) or Letter of Commitment of Environmental Management and Monitoring (*Surat Pernyataan Kesanggupan Pengelolaan dan Pemantauan Lingkungan Hidup*, "SPPL")

PHD

No.	Outlet Name	Document	Term
1	PHD Kelapa Gading	Receipt of SPPL No. 23/K.1731.72.06/-1.774.152/2017, dated September 5, 2017, received by the One Stop Integrated Service Agency of Kelapa Gading District	Indefinite
2	PHD Green Garden	Receipt of SPPL No. 243/SPPL/31.73/-1.774.152/2016, dated April 25, 2016, received by the One Stop Integrated Service Agency of West Jakarta	Indefinite
3	PHD Tebet Barat	SPPL No. 1077/7.29.1/31.74/-1.774.152/2016, dated July 29, 2016, issued by the Head of Integrated Licensing Service Agency of South Jakarta Municipality	Indefinite
4	PHD Bintaro	Receipt of SPPL No. 660/1022-Pengkajian & Binhuq, dated June 16, 2014, received by the Environmental Management Agency of South Tangerang City	Indefinite
5	PHD Serpong	Receipt of SPPL No. 660/1021-Pengkajian & Binhuq, dated June 16, 2014, received by the Environmental Management Agency of South Tangerang City	Indefinite
6	PHD Muara Karang	Receipt of SPPL No. 36/K.1731.72.9/-1.774.15/2017 dated September 4, 2017, issued by the One-Stop Integrated Service Implementation Unit of Penjaringan District	Indefinite
7	PHD Pondok Indah	Receipt of SPPL No. 21/K.1731.74.05/-1.774.15/2018 dated February 7, 2018, issued by the Head of Implementation Unit of Kebayoran Lama District	Indefinite
8	PHD Kalimalang	SPPL No. 1636/-1.774.152, dated May 4, 2016, issued by the Head of One-Stop Integrated Service Agency of East Jakarta Municipality	Indefinite
9	PHD Kemang Raya	Not available	Not available
10	PHD Citra Garden	Not available	Not available
11	PHD Cibubur	SPPL Receipt dated March 5, 2018, issued by the Head of Environmental Agency of Depok City	Indefinite
12	PHD Mangga Besar	Receipt of SPPL No. 664/IX/2017/SPPL dated September 15, 2017, received by the One-Stop Integrated Service Agency Implementation Unit of Tamansari District, West Jakarta Municipality	Indefinite
13	PHD Harapan Indah	Receipt of SPPL No. 660.1/946/BPLH.AMDAL SPPL/2014 dated October 28, 2014, received by the Environmental Management Agency of Bekasi City, Environmental Impact Analysis Department	Indefinite
14	PHD Sunter	Receipt of SPPL No. 31/K.1731.72.02/-1.774.15/2017 dated September 8, 2017, received by the One-Stop Integrated Service Implementation Unit of Tanjung Priok District	Indefinite
15	PHD Hasyim Ashari	SPPL for Hasyim Ashari outlet dated September 19, 2011, acknowledged by the Head of Environmental Agency of Tangerang City	Indefinite
16	PHD Puri Beta Ciledug	SPPL dated September 19, 2011, acknowledged by the Head of Environmental Agency of Tangerang City	Indefinite
17	PHD Taman Duta Mas	Receipt of SPPL No. 241/SPPL/31.73/-1.774.152/2016, dated April 22, 2016, received by the One Stop Integrated Service Agency of West Jakarta	Indefinite
18	PHD Villa Galaxy	Not available	Not available
19	PHD Karang Tengah Ciledug	SPPL dated September 19, 2011, acknowledged by the Head of Environmental Agency of Tangerang City	Indefinite
20	PHD Depok	SPPL No. 660.1/05-Bid.Perencanaan dated January 6, 2015, acknowledged by the Head of Environmental Agency of Depok City	January 6, 2017
21	PHD Rawamangun	Receipt of SPPL No. 011/k.731.75.02/-1.774.15/2018 dated January 31, 2018, issued by the Head of One-Stop Integrated Service Implementation Unit of Pulogadung District	Indefinite



No.	Outlet Name	Document	Term
22	PHD Cikini	Receipt of SPPL No. 18/K.17/31.71.06/1.774.15/2018 dated February 21, 2018, issued by the Head of One-Stop Integrated Service Implementation Unit of Menteng District	Indefinite
23	PHD Pasar Minggu	Receipt of SPPL No. 1076/7.291/JI.74/1.774.152/2016 dated July 29, 2016, received by Cecep Saifudin and acknowledged by the Head One-Stop Integrated Service Agency South Jakarta Municipality	Indefinite
24	PHD Taman Semanan Indah	Not available	Not available
25	PHD Pamulang	Receipt of SPPL No. 660/1020-Pengkajian & BinhuK, dated June 16, 2014, received by the Regional Environmental Agency of South Tangerang City	Indefinite
26	PHD Bulungan	Receipt of SPPL No. 496/7.29.1/31.74/1.774.152/2015, dated March 13, 2015, received by the One-Stop Integrated Service Agency of South Jakarta	November 13, 2016
27	PHD Cipondoh	SPPL dated September 19, 2011, acknowledged by the Head of Environmental Agency of Tangerang City	Indefinite
28	PHD Thamrin Residence	Not available	Not available
29	PHD Margonda Residence	SPPL Approval No. 660.1/1145, dated November 24, 2014, received by the Environmental Management Agency of Depok City	Nov-16
30	PHD Jatimakmur Residence	Receipt of SPPL No. 660.1/947/BPLH.AMDAL.SPPL/x/2014, dated October 28, 2014, received by the Environmental Management Agency of Bekasi City, Environmental Impact Analysis Department	Indefinite
31	PHD Pos Pengumben	Receipt of SPPL No. 140/SPPL/31.73/-1.774.152/2016, dated 3/17/2016, received by the One Stop Integrated Service Agency of West Jakarta	Indefinite
32	PHD Taman Sunter Indah	Receipt of SPPL No. 30/k.17/31.72.02/-1.774.15/2017 dated September 8, 2017, received by the One-Stop Integrated Service of Tanjung Priok	Indefinite
33	PHD Alam Sutera	SPPL No. 660/1019-Pengkajian&BinhuK dated June 16, 2014, acknowledged by the Head of Environmental Agency of South Tangerang City	Indefinite
34	PHD Padjajaran Bogor	Not available	Not available
35	PHD Sholeh Iskandar Bogor	Not available	Not available
36	PHD Pasar Baru	Not available	Not available
37	PHD Antapani	SPPL Receipt dated March 12, 2018, issued by the Head of Environmental Agency of Bandung City	Indefinite
38	PHD Jemur Sari	UKL/UPL Approval/Recommendation No. 660.1/300/436.7.2/2012, dated March 1, 2012, issued by the Environmental Agency of Surabaya City	Indefinite
39	PHD Dago	Not available	Not available
40	PHD Menganti Wyung	UKL-UPL Recommendation No. 660/239/436.7.2/2012, dated February 22, 2012, issued by the Acting Head of Environmental Agency of Surabaya City	Indefinite
41	PHD Taman Rasuna Kuningan	Receipt of SPPL No. 500/7.29.1/31.74/1.774.152/2015, dated October 13, 2015, issued by the Head of Integrated Licensing Service Agency of South Jakarta Municipality	November 13, 2016
42	PHD Dharma Husada Surabaya	UKL-UPL Recommendation No. 660.1/263/436.7.2/2012, dated February 27, 2012, issued by the Acting Head of Environmental Agency of Surabaya City	Indefinite
43	PHD Fatmawati	Receipt of SPPL No. 497/7.291/31.74/1.774.152/2015 dated November 13, 2015, received by Cecep Saifudin and acknowledged by the Head One-Stop Integrated Service Agency South Jakarta Municipality	Indefinite
44	PHD Karawitan	SPPL Receipt dated March 12, 2018, issued by the Head of Environmental Agency of Bandung City	Indefinite
45	PHD Darmo Indah	UKL/UPL Approval/Recommendation No. 660/335/436.7.2/2012, dated March 1, 2012, issued by the Environmental Agency of Surabaya City	Indefinite
46	PHD Beringin	SPPL No. Reg: 144/SPPL/BPLH, dated July 5, 2012, received by the Head of Environmental Management Agency of Tangerang City	Indefinite
47	PHD Kelapa Hibrida	Receipt of SPPL No. 24.K.17/31.72.06/-1.774.15/2017 dated September 5, 2017, issued by the Head of One-Stop Integrated Service Implementation Unit of Kelapa Gading District	Indefinite
48	PHD Taman Kopo Indah	SPPL Application Receipt dated March 26, 2018, issued by the Head of Environmental Agency of Bandung City	Indefinite
49	PHD Buaran	Receipt of SPPL No. 2875/-1.774.152, dated June 22, 2017, received by the One Stop Integrated Service Agency of East Jakarta	Indefinite
50	PHD Rungkut Yakaya	UKL-UPL Recommendation No. 660.1/301/436.7.2/2012, dated May 12, 2012, issued by the Acting Head of Environmental Agency of Surabaya City	Indefinite
51	PHD Setrasari Mall	SPPL Receipt dated March 12, 2018, issued by the Head of Environmental Agency of Bandung City	Indefinite
52	PHD Condut	Receipt of SPPL No. 2483/-1.774.152, dated November 30, 2015, issued by the Head of One-Stop Integrated Service Agency of East Jakarta	Indefinite
53	PHD Central Park	Not available	Not available
54	PHD Metro Margahayu	SPPL Receipt dated March 12, 2018, issued by the Head of Environmental Agency of Bandung City	Indefinite
55	PHD Villa Mutiara Gading	Not available	Not available
56	PHD Benhil	Not available	Not available
57	PHD Caman Jatibening	SPPL No. 660.1/949/BPLH.AMDAL.SPPL/X/2014, dated October 28, 2014, received by the Environmental Management Agency of Bekasi City	Indefinite
58	PHD Kedungdoro	UKL/UPL Recommendation No. 660.1/1221/436.7.2/2013, dated December 18, 2013, issued by the Environmental Agency of Surabaya City	Indefinite
59	PHD Cijerah	SPPL Receipt dated March 12, 2018, issued by the Head of Environmental Agency of Bandung City	Indefinite
60	PHD Mekar Wangi	SPPL Receipt dated March 12, 2018, issued by the Head of Environmental Agency of Bandung City	Indefinite
61	PHD Taman Palembang	Not available	Not available
62	PHD Bintara	Receipt of SPPL No. 660.1/950/BPLH.AMDAL.SPPL/X/2014, dated October 28, 2014, issued by the Environmental Management Agency of Bekasi City	Indefinite
63	PHD Taman Sari	Receipt of SPPL No. 642/1.29.1/31.74/1.774.152/2016 dated May 10, 2016, received by Cecep Saifudin and acknowledged by the Head One-Stop Integrated Service Agency South Jakarta	Indefinite
64	PHD Emerald Bintaro	SPPL Approval No. 660/328-Pengkajian & BinhuK, dated February 27, 2013, issued by the Environmental Agency of South Tangerang City	Indefinite
65	PHD Mustika Jaya	Receipt of SPPL No. 660.1/944/BPLH.AMDAL.SPPL/X/2014, dated October 28, 2014, issued by the Environmental Management Agency of Bekasi City	Indefinite
66	PHD Kaliabang	Receipt of SPPL No. 660.1/948/BPLH.AMDAL.SPPL/XI/2014, dated October 28, 2014, issued by the Environmental Management Agency of Bekasi City	Indefinite
67	PHD Cipinang Jaya	Not available	Not available
68	PHD Kuta Bumi	Not available	Not available
69	PHD Ketintang	UKL-UPL Recommendation No. 660.1/1136/436.7.2/2013, dated September 29, 2013, issued by the Head of Environmental Agency of Surabaya City	Indefinite
70	PHD Kartini Gresik	Receipt of SPPL No. 660/54/SPPL/437.75/2013, dated June 5, 2013, issued by the Head of Environmental Agency of Gresik Regency	Indefinite
71	PHD Delta Sari Sidoarjo	SPPL Approval No. 374/SPPL/X/2013 dated October 31, 2013, issued by the Head of Environmental Agency of Sidoarjo Regency Government	Indefinite
72	PHD Bugis Raya Priok	Not available	Not available
73	PHD Ciputat	Receipt of SPPL No. 660/1009 - Pengkajian & BinhuK dated June 16, 2014, by the Head of Environmental Law Development and Review Department	Indefinite
74	PHD Gading Serpong	Not available	Not available
75	PHD Jababeka Cikarang	Not available	Not available
76	PHD Sawojajar Malang	Not available	Not available
77	PHD Villa Bogor Indah	SPPL No. 660.1/1097 - DL, dated October 27, 2014, issued by the Head of Environmental Management Agency of Bogor City	Indefinite
78	PHD Kartini Bekasi	Receipt of SPPL No. 660.1/983/BPLH.AMDAL.SPPL/XI/2014 dated November 3, 2014, by the Environmental Management Agency of Bekasi City	Indefinite
79	PHD Cikaret Cibinong	SPPL Approval No. 660.1/3415/DAM-BLH dated December 19, 2014, issued by the Head of Environmental Agency of Bogor Regency	Indefinite
80	PHD Utan Kayu	Receipt of SPPL No. 2482/-1.773.152, dated November 30, 2015, issued by the Head of One-Stop Integrated Service Agency of East Jakarta Municipality	Indefinite
81	PHD Cimahi	UKL-UPL Recommendation No. 660/028/DU/AMDAL dated August 10, 2015, issued by the Head of Environmental Agency of Cimahi City	Indefinite
82	PHD Dinoyo Malang	Receipt of SPPL No. 535/107/SPPL/35.73.406/2015 dated June 25, 2015, received by the Environmental Agency of Malang City	Indefinite
83	PHD Koja	Receipt of SPPL No. 6/K.17/31.72.03/-1.774.15/2017 dated August 31, 2017, issued by the Head of One-Stop Integrated Service Implementation Unit of Koja District	Indefinite
84	PHD Bandung Electronic Center	Not available	Not available
85	PHD Jatiwarna	Not available	Not available
86	PHD Dewi Sartika Cawang	Receipt of SPPL No. 2070/-1.774.152, dated May 5, 2017, issued by the Head of One-Stop Integrated Service Agency of East Jakarta Municipality	Indefinite
87	PHD Depok Nusantera	SPPL Approval No. 660.1/10-Bid. Perencanaan dated January 7, 2016, issued by the Head of Environmental Agency of Depok City	January 7, 2018
88	PHD Electronic City SCBD	Receipt of SPPL dated March 30, 2016, issued by the Section Head of One-Stop Integrated Service Agency Implementation Unit of Kebayoran Baru District	March 30, 2017



No.	Outlet Name	Document	Term
89	PHD Serua Ciater Pamulang	Receipt of SPPL No. 660/165-III-Pengkajian & Binhuq, dated February 1, 2016, issued by the Head of Regional Environmental Agency of South Tangerang City.	Indefinite
90	PHD Purwakarta	Receipt of SPPL No. 481.05/497/PDL-BLH/2016, dated May 30, 2016, issued by the Head of Environmental Agency of Purwakarta Regency	Indefinite
91	PHD Akses UI	SPPL Approval No. 660.1/377 - Bid. Perencanaan dated April 21, 2016, issued by the Head of Environmental Agency of Depok City	April 21, 2018
92	PHD Sesean Bali	SPPL No. 660.1/424/BLH dated March 1, 2016, issued by the Head of Environmental Agency of Denpasar City	Indefinite
93	PHD Gajah Mada Semarang	SPPL Approval No. 660.1/BI/SPPL/44/2016, dated February 11, 2016, issued by the Head of Environmental Agency of Semarang City	Indefinite
94	PHD Colombo Yogyakarta	SPPL Approval No. 660.3/382/143/2016, dated March 14, 2016, issued by the Head of Environmental Agency	Until the closing of business and/or business activities, or in the event of any changes in location, design, process, raw materials and/or auxiliaries
95	PHD Ngesrep Semarang	SPPL Approval dated April 2016, issued by the Head of Environmental Agency of Semarang City	Until the closing of business and/or business activities, or in the event of any changes in location and/or design
96	PHD Godean Yogyakarta	Receipt of SPPL No. 26/VI/SPPL/2016 dated June 1, 2016, issued by the Head of Environmental Agency of Yogyakarta City Government	Until the closing of business and/or business activities, or in the event of any changes in location and/or design
97	PHD Sultan Agung Semarang	SPPL Approval No. 660.1/BI/SPPL/97/2016, dated May 10, 2016, issued by the Head of Environmental Agency of Semarang City	Until the closing of business and/or business activities, or in the event of any changes in location and/or design
98	PHD Hayam Wuruk Bali	SPPL Receipt dated May 19, 2016, received by the Environmental Agency of Denpasar City	Indefinite
99	PHD Gatsu Barat Bali	SPPL Receipt dated June 2, 2016, received by the Environmental Agency of Denpasar City	Indefinite
100	PHD Ragunan	Receipt of SPPL No. 049/K.17/31.74.04/-1.774.15/2018 dated February 15, 2018, issued by the Head of One-Stop Integrated Service Implementation Unit of Pasar Minggu District	Indefinite
101	PHD Kerobokan Bali	UKL-UPL Recommendation No. 660.41/325/LHK, dated November 8, 2017, issued by the Head of Sanitation and Environmental Agency of Bandung Regency	Indefinite
102	PHD Joni Medan	Not available	Not available
103	PHD Cibubur Lapangan Tembak	SPPL No. 2658/-1.774.15, dated June 8, 2017, issued by the Head of One-Stop Integrated Service Agency Implementation Unit of East Jakarta Municipality	Indefinite
104	PHD Dr Mansyur Medan	Not available	Not available
105	PHD Bona Indah	Receipt of SPPL No. 27/k.17/31.74.06/-1.774.15/2018 dated February 6, 2018, issued by the Investment Coordination and One-Stop Integrated Service Agency of DKI Jakarta	Indefinite
106	PHD S. Parman Medan	Not available	Not available
107	PHD Tanjung Duren	Not available	Not available
108	PHD Pengasinan Bekasi	Not available	Not available
109	PHD Sidoarjo	SPPL Approval No. 340/SPPL/XI/2016 dated November 28, 2016, issued by the Environmental Agency of Sidoarjo Regency	Indefinite
110	PHD Marelan	Not available	Not available
111	PHD Krakatau	Not available	Not available
112	PHD Cikarang	Not available	Not available
113	PHD Poris	Receipt of SPPL No. 660/628-BPMPTSP/XII/2016, dated December 30, 2016, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Tangerang City	Indefinite
114	PHD Pinang Ranti	Receipt of SPPL No. 14/K/17/31.75.08/-1.774.15/2018, dated March 12, 2018, issued by the Head of One-Stop Integrated Service Agency Implementation Unit of Makassar District, South Jakarta Municipality	Indefinite
115	PHD Kemanggis Dua	Receipt of SPPL Application dated February 28, 2018, issued by the One-Stop Integrated Service Agency of Kebon Jeruk District	Indefinite
116	PHD Cempaka Putih Dua	Receipt of SPPL Application dated February 28, 2018, issued by the One-Stop Integrated Service Agency of Cempaka Putih District	Indefinite
117	PHD Parung Bingung	SPPL Approval No. 660.1/93-BID Tata Kelola, dated February 22, 2017, issued by the Head of Sanitation and Environmental Agency of Depok City	February 22, 2019
118	PHD Ujung Berung	SPPL Recommendation No. 4173-DLHK, dated October 27, 2017, issued by the Head of Sanitation and Environmental Agency of Bandung City	Indefinite
119	PHD Magelang	Receipt of SPPL No. 600/90/V/SPPL/2017 dated May 3, 2017, issued by the Environmental Agency of Magelang City	Until the closing of business and/or business activities, or in the event of any changes in location, design, process, raw materials and/or auxiliaries
120	PHD G-Walk Citraland	Environmental License No. 660.1/707/Kep/436.7.12/2017 dated August 4, 2017, issued by the Head of Environmental Agency of Surabaya City	As long as the business and/or activities continue, provided that there are no changes to such business and/or activities
121	PHD Gunung Bawakaraeng	SPPL Registration No. 162, dated May 2, 2017, issued by the Head of Environmental Management and Protection Compliance and Administration Department	Indefinite
122	PHD Mulyosari Surabaya	Environmental License No. 660.1/675/Kep/436.7.12/2017 dated July 27, 2017, issued by the Head of Environmental Agency of Surabaya City and UKL-UPL Recommendation No. 660.1/907/436.7.12/2017 dated July 27, 2017	As long as the business and/or activities continue, provided that there are no changes to such business and/or activities
123	PHD Pengayoman Makassar	SPPL Registration No. 181, dated May 16, 2017, issued by the Head of Environmental Management and Protection Compliance and Administration Department	Indefinite
124	PHD Kaliurang Yogyakarta	SPPL No. 550.3/499/20.1, dated May 30, 2017, issued by the Head of Environmental Agency of Sleman Regency	Indefinite
125	PHD Citra Raya Cikupa	Receipt of SPPL No. 660/235-DHLK dated May 29, 2017.	Indefinite
126	PHD Kakatua Makassar	SPPL Registration No. 190, dated May 24, 2017, approved by the Head of Environmental Management and Protection Compliance and Administration Department	Indefinite
127	PHD Kudus	Not available	Not available
128	PHD Binjai	Not available	Not available
129	PHD Cikarang Barat	Not available	Not available
130	PHD Sumedang	SPPL No. 600.1/689/VI/SPPL/DLHK/2017, dated June 2, 2017, issued by the Head of Environmental and Forestry Agency of Sumedang Regency	Until the closing of business and/or business activities, or in the event of any changes in location, design, process, raw materials and/or auxiliaries
131	PHD Ciomas Bogor	SPPL Approval No. 660.1/534/TL-DLH dated November 30, 2017	Valid as long as the business activities continue
132	PHD Mangun Jaya Tambun	Not available	Not available
133	PHD Jembatan Lima Tambora	Not available	Not available
134	PHD Kartini Depok Lama	SPPL Approval No. 6601.1/770-BID. TLK, dated September 12, 2017, issued by the Head of Sanitation and Environmental Agency of Depok City	Indefinite



No.	Outlet Name	Document	Term
135	PHD Daya Perintis Makassar	SPPL Registration No. 307, issued by the Head of Environmental Management and Protection Compliance and Administration Department	Indefinite
136	PHD Merpati Raya Ciputat	Receipt of SPPL No. 660/13318/III-Tata Lingkungan dated August 7, 2017, by the Environmental Agency of South Tangerang City Government	Indefinite
137	PHD Citra 6	Not available	Not available
138	PHD Canadian Kota Wisata	Receipt of SPPL No. 660.1/533/TL-DLH dated November 30, 2017, by the Environmental Agency of Bogor Regency Government	Indefinite
139	PHD Pandu Raya Bogor Baru	SPPL No. 660.1/1567-PDL dated September 29, 2017, issued by the Head of Environmental Agency of Bogor City	Indefinite
140	PHD Cinunuk Bandung	Receipt of SPPL No. 667/479-SPPL/DLH dated November 22, 2017, issued by the Head of Environmental Agency of Bandung Regency	Indefinite
141	PHD Batu Bulan Bali	Not available	Not available
142	PHD Setiabudi Bandung	SPPL Recommendation No. 660/4312-DLHK, dated November 8, 2017, issued by the Head of Sanitation and Environmental Agency of Bandung City	Indefinite
143	PHD Gandul Cinere	SPPL Approval No. 660.1/944-BID.TLK dated October 31, 2017.	October 31, 2019
144	PHD Tirtayasa Cilegon	Not available	Not available
145	PHD Tlogosari Semarang	SPPL No. 658.31/335/DPM-PTSP/PXI/2017, dated November 17, 2017, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Semarang City.	Indefinite
146	PHD Mayor Syafei Serang	Not available	Not available
147	PHD Keradenan Cibinong	SPPL Approval No. 660.1/553/TL-DLH dated December 19, 2017, issued by the Head of Environmental Agency of Bogor	Indefinite
148	PHD Tropodo Sidoarjo	Receipt of SPPL No. 184/SPPL/XI/2017 dated November 20, 2017, issued by the Sanitation and Environmental Agency of Sidoarjo Regency	Indefinite
149	PHD Tulungagung	Not available	Not available
150	PHD Sultan Hasanudin Gowa	Not available	Not available
151	PHD Imam Bonjol Pekalongan	Receipt of SPPL dated October 11, 2017, by the Acting Head of Environmental Agency of Pekalongan City	Indefinite
152	PHD Jalan Gudang Sukabumi	Receipt of SPPL No. 660.1/63/SPPL/BID1-DLH/2017 dated November 6, 2017, issued by the Head of Environmental Agency Capacity Improvement and Environmental Management Department of Sukabumi City	Until the closing of business and/or business activities, or in the event of any changes in location, design, process, raw materials and/or auxiliaries
153	PHD Soekarno Hatta Probolinggo	SPPL Approval No. 660/2585/425.116/2017 dated November 13, 2017, issued by the Head of Environmental Agency of Probolinggo City	Until the closing of business and/or business activities, or in the event of any changes in location, design, process, raw materials and/or auxiliaries
154	PHD Unhas Perintis Makassar	Receipt of SPPL No. 557 dated December 4, 2017, received by the Environmental Agency of Makassar City	Indefinite
155	PHD Cileungsi	SPPL Approval No. 660.1/555/TL-DLH dated December 18, 2017, issued by the Head of Environmental Agency of Bogor Regency	Indefinite
156	PHD Pesanggrahan Dua	SPPL Approval No. 07/k.17/31.73.08/1.774.15/2018 dated January 17, 2018, issued by the Investment Coordination and One-Stop Integrated Service Agency of DKI Jakarta	Indefinite
157	PHD Pamularsih Semarang	SPPL Approval No. 68.31/DPM-PTSP/P/1/2018 dated January 25, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Semarang City	Indefinite
158	PHD Tuparev Cirebon	Not available	Not available
159	PHD Sukun Malang	Not available	Not available
160	PHD Jati Raya Banyuwani	SPPL Approval No. 658.31/44/DPM-PTSP/P/1/2018 dated January 25, 2018, issued by the Head of One-Stop Integrated Service and Investment Coordinating Agency of Semarang City	Indefinite
161	PHD Galunggung Malang	SPPL Audit dated January 31, 2018, by the Head of Environmental Management Department, Environmental Agency of Malang City	Indefinite

Up to the date of this prospectus, the Company is in the process to fulfill conditions required in order to get the required licenses that are still not available and/or have expired.

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No.	Outlet Name	Document	Term
1.	Segitiga Senen	Not available	Not available
2.	Tunjungan Plaza	Not available	Not available
3.	Pasar Festival	Receipt of SPPL No. 644/7.29.1/31.74/1.774.152/2016, dated May 18, 2016, issued by the Head of One-Stop Integrated Service Agency of South Jakarta Municipality	Indefinite
4.	Galaxy Mall	Not available	Not available
5.	Sunter Mall	Not available	Not available
6.	Pajajaran	Not available	Not available
7.	Bumi Serpong Damai	Receipt of SPPL No. 660/1185-Pengkajian & Binhuk, dated July 15, 2014, issued by the Head of Regional Environmental Agency of South Tangerang City.	Indefinite
8.	Metropolitan Mall	Not available	Not available
9.	Jemur Sari (2)	UKL-UPL Recommendation No. 660.1/90/436.7.2/2013 dated February 11, 2013, issued by the Head of Environmental Agency of Surabaya City	Indefinite
10.	Lippo Supermall	Environmental Feasibility Approval No. 660/03-BP2T/2012, dated July 20, 2012, issued by the Regent of Tangerang	Indefinite
11.	Mangga Dua Mall	Not available	Not available
12.	Taman Anggrek Mall	Not available	Not available
13.	Kopo	UKL-UPL Application Receipt dated March 26, 2018, issued by the Head of Environmental Agency of Bandung Regency	Indefinite
14.	Dago	SPPL Receipt dated March 12, 2018, issued by the Head of Environmental Agency of Bandung City	Indefinite
15.	Puri Indah Mall	Not available	Not available
16.	Darmo	Receipt of UKL-UPL Documents No. SKRK: 644/6406/436.7.5/2017, issued by the Head of Environmental Agency of Surabaya City	Indefinite
17.	Ciputra	Not available	Not available
18.	Menara Cakrawala	Not available	Not available
19.	Ratu Indah Makasar	Not available	Not available
20.	Cibubur	SPPL Receipt dated March 5, 2018, issued by the Head of Environmental Agency of Depok City	Indefinite
21.	Kemang	*) Based on the Company's confirmation, the zoning of the area is not designated for commercial spaces, therefore, the license cannot be processed	Not available
22.	Java Supermall	Not available	Not available
23.	Blok M Plaza	Not available	Not available
24.	Bali Gatot Subroto	UKL/UPL Recommendation No. 660.1/19115/BLH dated August 5, 2014, issued by the Head of Environmental Agency of Denpasar Regency	Indefinite
25.	Malang, Semeru	UKL/UPL Recommendation No. 660/1816/35.73.123/2008, dated September 17, 2008, issued by the Malang City Government	Indefinite
26.	Daan Mogot	UKL-UPL Recommendation No. 660/142-Konservasi, dated January 12, 2012, issued by the Environmental Development Planning Agency of Tangerang City	Indefinite
27.	Buah Batu	SPPL No. 660/437-BPLH, dated March 27, 2015, issued by the Head of Environmental Management Agency of Bandung City	Indefinite
28.	Batam	Receipt of SPPL No. 277/Bapedal/SPPL/XII/2012 dated December 3, 2012, received by the Environmental Impact Management Agency of Batam City	Indefinite
29.	Bena Kutai	UKL-UPL Recommendation No. 660/120/BLH/UKL-UPL/IV/2011, dated May 4, 2011, issued by the Head of Environmental Agency of Balikpapan City	Indefinite
30.	Istana Plaza Bandung	Not available	Not available



No.	Outlet Name	Document	Term
31.	Kartini	Environmental Management Document Recommendation No. 660/579/KUH dated October 3, 2011, issued by the Head of Environmental Agency of Cirebon City	Indefinite
32.	Centra Plaza Samarinda	Not available	Not available
33.	Bintaro Plaza	Not available	Not available
34.	Solo	Not available	Not available
35.	Gunung Sahari	Not available	Not available
36.	Kelapa Gading 3	Not available	Not available
37.	Panakukang	Not available	Not available
38.	Adam Malik	Not available	Not available
39.	Pesona Kahyangan	SPPL Receipt dated March 5, 2018, issued by the Head of Environmental Agency of Depok City	Indefinite
40.	Cempaka Putih District	Not available	Not available
41.	Padang	UKL-UPL Approval No. 660/0552/Pedal-BPDL/XI-2009, December 2009, issued by the Head of Regional Environmental Impact Management Agency of Padang City	Indefinite
42.	Bekasi Mega Mall	Not available	Not available
43.	Slipi Plaza Jaya	Not available	Not available
44.	Pondok Gede Plaza	Receipt of SPPL No. 660.1/III/BPLH.AMDAL.SPPL/11/2015, dated February 3, 2015, received by the Environmental Management Agency of Bekasi City	Indefinite
45.	Palembang	UKL-UPL Recommendation No. 045/008/APDL-BLH/2013, dated May 23, 2013, issued by the Head of Environmental Agency of Banjarbaru City	Indefinite
46.	Buncit	Receipt of SPPL No. 01/PTSP Kec. Pancoran/II/2017, dated January 17, 2017, received by the One-Stop Integrated Service Agency of Pancoran District	Indefinite
47.	Lippo Cikarang Mall	Not available	Not available
48.	Manado Mega Mall	SPPL No. 124/4321/71/SPPL/BP2T/IIU/2015 year 2015, issued by the Head of Integrated Licensing Service Agency of Manado City	Indefinite
49.	Delta Plaza	Not available	Not available
50.	Sun Plaza	Not available	Not available
51.	Pluit Village	Not available	Not available
52.	Giant Ciledug	SPPL dated September 19, 2011, acknowledged by the Head of Environmental Agency of Tangerang City	Indefinite
53.	Malioboro Mall	Not available	Not available
54.	Manyar Kertoarjo	Not available	Not available
55.	Permata Hijau	Not available	Not available
56.	Setiabudi Bandung	SPPL No. 660/438-BPLH dated March 27, 2015, issued by the Head of Environmental Management Agency of Bandung City	Indefinite
57.	Centro Kuta	Not available	Not available
58.	Thamrin Plaza	Not available	Not available
59.	Jambi	Not available	Not available
60.	Mulyosari	UKL-UPL Recommendation No. 660/77/436.6.3/2008 dated February 26, 2008, issued by the Head of Environmental Management Agency of Surabaya City	Indefinite
61.	Banjarmasin	Environmental Management Document Recommendation No. 660.1/107-SK/BLH/2015, dated April 6, 2015, issued by the Head of Environmental Agency of Banjarmasin City	Indefinite
62.	Bogor Indah Plaza	Not available	Not available
63.	Plaza Semanggi	Not available	Not available
64.	Megamall Batam Center	Receipt of SPPL No. 477/Bapedal/SPPL/XII/2013 dated December 24, 2013, received by the Environmental Impact Management Agency of Batam City	Indefinite
65.	Cilegon Supermall	Receipt of SPPL No. 566-17/ALH-SPPL dated March 25, 2015, received by the Head of Environmental Management and Monitoring Analysis Department and Head of Environmental Analysis Sub-Department of the Environmental Agency of Cilegon City	Indefinite
66.	ITC Serpong	Not available	Not available
67.	Pamulang	Receipt of SPPL No. 660/448-Pengkajian & BinhuK, dated February 6, 2015, received by the Environmental Management Agency of South Tangerang City	Indefinite
68.	Ciputra Sraya Mall	Not available	Not available
69.	Karawang	Not available	Not available
70.	Sidoarjo	Not available	Not available
71.	Cibubur Junction	Not available	Not available
72.	Cempaka Mas	Not available	Not available
73.	Cijantung Mall	Receipt of SPPL No. 1635/-1.774.152, dated May 4, 2016, received by the One Stop Integrated Service Agency of East Jakarta	Indefinite
74.	King's Plaza	Not available	Not available
75.	Medan Fair	Not available	Not available
76.	Mercure	Not available	Not available
77.	Cilandak	Not available	Not available
78.	Sukabumi	Receipt of UKL-UPL Documents No. 30/TKL/KLH/2016, dated June 23, 2016, issued by the Head of Environmental Agency of Sukabumi City	Indefinite
79.	Ambarukmo Plaza	Not available	Not available
80.	Tamini Square	Receipt of SPPL No. 1634/-1.774.152, dated May 4, 2016, received by the Head of One Stop Integrated Service Agency of East Jakarta	Indefinite
81.	Palembang Indah Mall	Not available	Not available
82.	Tegal	Not available	Not available
83.	Lapangan Ross Tebet	Not available	Not available
84.	Setiabudi Semarang	SPPL Receipt dated October 25, 2017, issued by the Head of Environmental Agency of Semarang City	Indefinite
85.	Kalibata Plaza	Receipt of SPPL No. 643/7.29.131.74/1.1774.152/2016 dated May 18, 2016	Indefinite
86.	Kuningan	Not available	Not available
87.	Pasar Atom	Not available	Not available
88.	Royal Plaza	Not available	Not available
89.	Tol Cikampek KM 19	Not available	Not available
90.	Pusat Grosir Cililitan	Receipt of SPPL No. 1757/-1.774.152, dated May 13, 2016, received by the One Stop Integrated Service Agency of East Jakarta	Indefinite
91.	Banda Aceh	Not available	Not available
92.	Setiabudi Medan	Not available	Not available
93.	ITC Depok	Not available	Not available
94.	Malang Town Square	Not available	Not available
95.	Bandung Indah Plaza	Not available	Not available
96.	Kemang Pratama	Receipt of SPPL No. 660.1/340/BPLH.AMDAL.SPPL/III/2015, dated March 24, 2015, received by the Environmental Management Agency of Bekasi City	Indefinite
97.	Pondok Kelapa	Receipt of SPPL No. 2293/-1.774.152, dated June 15, 2016, received by the One Stop Integrated Service Agency of East Jakarta	Indefinite
98.	Gajah Mada Plaza	Not available	Not available
99.	Summarecon Serpong	Not available	Not available
100.	Duta Pertiwi Mall	Not available	Not available
101.	Ayani Megamall	Not available	Not available
102.	Margo City	Not available	Not available
103.	Kiara Condong	Not available	Not available
104.	Modernland	UKL-UPL Recommendation No. 660/146-Konservasi, dated January 19, 2012, issued by the Head of Environmental Management Agency of Tangerang City	Indefinite
105.	Buaran Plaza	Receipt of SPPL No. 2292/-1.774.152, dated June 15, 2016, received by the One Stop Integrated Service Agency of East Jakarta	Indefinite
106.	Artha Gading	Not available	Not available
107.	Kota Wisata	UKL-UPL Recommendation No. 660.1/1876/DAM-BLH dated July 7, 2014, issued by the Head of Environmental Agency of Bogor Regency	Indefinite
108.	Jember	Environmental Management Document Approval No. 660.1/48/512/2016, dated January 20, 2016, issued by the Head of Environmental Agency of Jember Regency	Indefinite



No.	Outlet Name	Document	Term
109.	Cirendeu	Receipt of SPPL No. 800/1185-Pengkajian&BinhuK, dated July 15, 2014, issued by the Head of Regional Environmental Agency of South Tangerang City.	Indefinite
110.	Cimahi	UKL-UPL Approval No. 660.1/2235/DLH/X/2008 dated October 31, 2008, issued by the Head of Environmental Agency of Cimahi City	Indefinite
111.	Bendungan Hilir	Not available *) Based on the Company's confirmation, the zoning of the area is not designated for commercial spaces, therefore, the license cannot be processed	Not available
112.	Kupang	UKL-UPL Approval/Recommendation dated August 22, 2011, issued by the Head of Environmental Management Agency of Surabaya City	Indefinite
113.	CBD Ciledug	SPPL dated September 19, 2011, acknowledged by the Head of Environmental Agency of Tangerang City	Until the closing of business and/or business activities, or in the event of any changes in location, design and process
114.	Duta Mall Banjarmasin	Not available	Not available
115.	Ancol	Not available	Not available
116.	Matahari Mall	Not available	Not available
117.	Nagoya Hill	Receipt of SPPL No. 476/Bapedal/SPPL/XII/2013 dated December 24, 2013, received by the Environmental Impact Management Agency of Batam City	Until the closing of business
118.	Manado Town Square	UKL-UPL Recommendation No. 211/BLH/REKOM/XII/2009 issued by the Head of Environmental Agency of Manado City	Indefinite
119.	Karebosi Link	Not available	Not available
120.	Emporium Pluit	Not available	Not available
121.	Serang	Not available	Not available
122.	Bali Galeria Mall	UKL-UPL Recommendation No. 660.41/036/LH dated January 28, 2016, issued by the Head of Environmental Agency of Badung Regency and Environmental License No. 660.4/044/ILH/2016, dated January 28, 2016, issued by the Head of Environmental Agency of Badung Regency	Indefinite
123.	Botani Square	Not available	Not available
124.	Ciwalk	Not available	Not available
125.	Pagar Alam Lampung	UKL/UPL Recommendation No. 660/137/24/2009, dated March 18, 2009, issued by the Head of Environmental Control and Management Agency of Bandar Lampung City	Indefinite
126.	Abepura	Not available	Not available
127.	Mall of Indonesia	Not available	Not available
128.	Pemuda	Not available	Not available
129.	Basko Grand Mall (Padang 2)	Not available	Not available
130.	Bukit Tinggi	UKL-UPL Approval No. 660/484/KLH/XII/2009, dated December 7, 2009, issued by the Mayor of Bukittinggi	Valid for as long as the Company carries out all the requirements stipulated in the UKL/UPL documents
131.	Plaza Mulia	Not available	Not available
132.	Pahlawan	UKL-UPL Approval No. 660.1/505-KLH dated October 2, 2009, issued by the Head of Environmental Agency of Bogor City Government	Indefinite
133.	Balickpapan SuperBlok	Not available	Not available
134.	Tanjung Pinang	UKL/UPL Recommendation No. 271/PPH-130/BLH dated December 5, 2009, issued by the Head of Environmental Agency of Tanjungpinang City	Indefinite
135.	Kediri Mall	Not available	Not available
136.	Petterani	Not available	Not available
137.	Puncak Pafesta	Environmental Management Document Recommendation No. 660.1/1,329/DAM-BLH dated May 4, 2015, issued by the Head of Environmental Agency of Bogor Regency	Indefinite
138.	Matraman	Receipt of SPPL No. 2874/-1.774.152, dated June 22, 2017, received by the One Stop Integrated Service Agency of East Jakarta	Indefinite
139.	Depok Dua Tengah	SPPL Receipt dated March 5, 2018, issued by the Head of Environmental Agency of Depok City	Indefinite
140.	Tasikmalaya	Not available	Not available
141.	Kaliurang	(i) UKL-UPL Approval No. 660.2/039/2010 dated October 6, 2010, issued by the Head of Environmental Agency of Sleman Regency; (ii) UKL-UPL Recommendation No. 660/486, dated October 6, 2010, issued by the Head of Environmental Agency of Sleman Regency	Indefinite
142.	Gandaria City Mall	Receipt of SPPL No. 622/7.29.1/31.74/1.774.152/2016 dated May 16, 2016, issued by the Head of One-Stop Integrated Service Implementation Unit of South Jakarta	Indefinite
143.	Sanur	1 st Semester UKL-UPL Receipt No. Agenda 109, dated July 26, 2017, received by the Head of Sanitation and Environmental Agency of Denpasar City	Indefinite
144.	Sudirman	UKL-UPL Recommendation No. 660/659 dated June 22, 2010, issued by the Head of Environmental Agency of Yogyakarta City	Indefinite
145.	SKA Pekanbaru	Environmental License of Head of Environmental Agency No. Kpts. 800/BLH/XI/2013/41.a, dated November 14, 2013, issued by the Acting Head of Environmental Agency of Pekanbaru City	Valid until the expiry of business license and/or business activities
146.	Citra Raya Cikupa	Not available	Not available
147.	Krakatau	Not available	Not available
148.	Carrefour Lebak Bulus	Not available	Not available
149.	Gajah Mada Pontianak	Environmental Feasibility Recommendation No. 660.1/122/BLH-PPH/2011, dated May 3, 2011, issued by the Head of Environmental Agency of Pontianak City	As long as the Company carries out the environmental management and monitoring as stipulated in the UKL-UPL documents
150.	Ciputra World Surabaya	Not available	Not available
151.	Juanda	Not available	Not available
152.	Depok Town Centre	Not available	Not available
153.	Garut	Not available	Not available
154.	Taman Ratu	Not available	Not available
155.	Harapan Indah	Receipt of SPPL No. 660.1/2016/BPLH.AMDAL/SPPL/XII/2014 dated December 12, 2014, received by the Environmental Management Agency of Bekasi City	Indefinite
156.	Solo Square	Not available	Not available
157.	Sam Ratulangi	SPPL Approval No. 660.2/390/BLHD/V/2012, dated May 30, 2012, issued by the Regional Environmental Agency of Makassar City	Indefinite
158.	Riau Bandung	SPPL Approval No. 660/439-BPLH dated March 27, 2015, issued by the Head of Environmental Management and Monitoring Agency of Bandung City	Indefinite
159.	Alaudin Makassar	SPPL Approval No. 660.2/391/BLHD/V/2012, dated May 30, 2012, issued by the Regional Environmental Agency of Makassar City	Indefinite
160.	Cirebon Super Blok	Not available	Not available
161.	Palu	UKL-UPL Document Recommendation No. 660/0633/BLH, dated September 19, 2012, issued by the Environmental Agency of Palu City	Indefinite
162.	Sipin Jambi	UKL-UPL Document Recommendation No. 660/72/BLH/2013, dated December 3, 2013, issued by the Head of Environmental Agency of Jambi City	Indefinite
163.	Jatiwaringin	Receipt of SPPL No. 2317/-1.774.152, dated May 18, 2017, received by the One Stop Integrated Service Agency of East Jakarta	Indefinite
164.	Ciliwung Malang	Not available	Not available
165.	Sunset Point Bali	UKL/UPL Recommendation No. 660.1/748/LH dated October 20, 2011, issued by the Head of Environmental Agency of Badung Regency	Indefinite
166.	Kota Kasablanka Mall	Receipt of SPPL No. 645/7.29.1/31.74/1.774.152/2016 dated May 18, 2016	Indefinite
167.	Warung Jambu Tiga	UKL-UPL Recommendation No. 660.1/144-DL dated February 21, 2012, issued by the Head of Environmental Management Agency of Bogor City	Indefinite
168.	Gatot Subroto Pancoran	UKL-UPL No. 486/UKL-UPL/-1.774.151 dated July 24, 2012, issued by the Head of Environmental Agency of South Jakarta City	Indefinite
169.	Taman Mini Sentral	Not available	Not available
170.	Lippo Plaza Kendari	Not available	Not available
171.	Komsen Jatiasih Bekasi	(j) Receipt of SPPL No. 660.1/2015/BPLH.AMDAL-SPPL/XII/2014 dated December 12, 2014, received by the Environmental	Indefinite, however, subject to



No.	Outlet Name	Document	Term
		Management Agency of Bekasi City; (ii) UKL-UPL Recommendation No. 660.1/1777 BPLH.AMDAL/XI/2012, dated November 30, 2012, issued by the Head of Environmental Management Agency of Bekasi City	mandatory reporting of environmental monitoring efforts to the Environmental Management Agency of Bekasi City every 6 months.
172.	Diponegoro Bali	UKL-UPL Recommendation No. 660.1/2392/BLH dated December 29, 2010, issued by the Head of Environmental Agency of Denpasar City	Indefinite
173.	Citra Enam	Not available	Not available
174.	Makassar Townsquare	Not available	Not available
175.	Graha Pena Surabaya	Not available	Not available
176.	Summarecon Bekasi Mall	Not available	Not available
177.	Asrama Haji Medan	Not available	Not available
178.	Grand Wisata Bekasi	Not available	Not available
179.	Malang Soekarno Hatta	UKL-UPL Recommendation No. 660/87/35.73.406/2013, dated June 20, 2013, issued by the Head of Environmental Agency of Malang City	Indefinite
180.	Center Point Medan	Not available	Not available
181.	Cibinong City Mall	Environmental Feasibility Recommendation No. 644.2/217/Kpts-DAM/BLH/2013, dated May 24, 2013, issued by the Head of Environmental Agency of Bogor Regency	Indefinite
182.	Semarang Pandanaran	(i) UKL-UPL Recommendation No. 660.1/801/B.II/VI/2013, dated July 18, 2013, issued by the Head of Environmental Agency of Semarang City; (ii) Environmental License No. 660.1/814/B-II/VI/2013, dated July 22, 2013, issued by the Head of Environmental Agency of Semarang City	Indefinite
183.	Karawang Central Plaza	Not available	Not available
184.	Gajah Mada Medan	Not available	Not available
185.	Suzuya Banda Aceh	Not available	Not available
186.	Metropolitan City Panam	Not available	Not available
187.	Kemanggis	Not available	Not available
188.	Bintaro Jaya Xchange	Not available	Not available
189.	Festival Citylink	Not available	Not available
190.	Palembang Icon Mall	SPPL No. 660/SPPL/0511/BPM-PTSP/2016, dated April 20, 2016, issued by the Acting Head of One-Stop Integrated Service and Investment Coordinating Agency of Palembang City	Valid from the issuance until the expiry of business license and/or business activities, or in the event of any changes in location, design, process, raw materials and/or auxiliaries
191.	Senapelan Pekanbaru	Environmental License No. Kpts. 800/BLH/XI/2013/41, dated November 14, 2013, issued by the Head of Environmental Agency of Pekanbaru City	Valid until the expiry of business license and/or business activities
192.	Palembang Trade Center	SPPL No. 660/SPPL/0697/BPM-PTSP/2016, dated May 25, 2016, issued by the Acting Head of One-Stop Integrated Service and Investment Coordinating Agency of Palembang City	Valid from the issuance until the expiry of business license and/or business activities, or in the event of any changes in location, design, process, raw materials and/or auxiliaries
193.	Jatinangor Town Square	Not available	Not available
194.	Citriland Semarang	Not available	Not available
195.	Jimbaran Bali	UKL-UPL Recommendation No. 660.1/821/LH dated October 11, 2013, issued by the Head of Environmental Agency of Badung Regency and Environmental License No. 660.1.3/416/LH/2014, dated May 26, 2014, issued by the Head of Environmental Agency of Badung Regency	Indefinite
196.	Majapahit Semarang	(i) UKL-UPL No. 660.1/824/B.II/VI/2014, dated June 27, 2014, issued by the Head of Environmental Agency of Semarang City; (ii) Environmental License No. 660.1/825/B-II/VI/2014 dated June 27, 2014	Indefinite
197.	Antasari Lampung	UKL-UPL Approval No. 660.1/602/III.20/2014, dated May 26, 2014, issued by the Head of Environmental Control and Management Agency of Bandar Lampung City	Indefinite
198.	Bintaro Veteran 2	Receipt of SPPL No. 886/7.291.1/31.74/1.774.152/2016 dated June 24, 2016, received by the One-Stop Integrated Service Agency of South Jakarta	Indefinite
199.	Cisalak Depok	SPPL Receipt dated March 5, 2018, issued by the Head of Environmental Agency of Depok City	Indefinite
200.	Diponegoro Salatiga	SPPL dated October 21, 2014, acknowledged by the Head of Environmental Agency	Indefinite
201.	Madiun	Not available	Not available
202.	Lokasari	Not available	Not available
203.	Alam Sutera	Receipt of SPPL No. 660-1659-Pengkajian&BinhuK, dated October 6, 2014, issued by the Head of Regional Environmental Agency of South Tangerang City	Indefinite
204.	Sultan Agung Yogyakarta	(i) UKL-UPL Recommendation No. 660/132/, dated October 23, 2014; (ii) Environmental License No. 188/1322/X/KEP/2014 dated October 23, 2014	Indefinite
205.	S Parman Samarinda	UKL-UPL Recommendation No. 503/573/BLH-IV/KS/VI/2013, dated June 3, 2014, issued by the Head of Environmental Agency of Samarinda City and Environmental License No. 503/573/BLH-IV/KS/VI/2013, dated June 3, 2014, issued by the Mayor of Samarinda	Valid until the expiry of business license
206.	Mojopahit Mojokerto	UKL-UPL Recommendation No. 660/274/417.408/2015, dated May 13, 2015, issued by the Head of Environmental Agency of Mojokerto City Government	Indefinite
207.	S Parman Bengkulu	Receipt of SPPL dated June 9, 2015	Indefinite
208.	Banjarbaru	UKL-UPL Recommendation No. 660/008/APDL-BLH/2015, dated March 19, 2015, issued by the Head of Environmental Agency of Banjarbaru City	Indefinite
209.	Rijali Ambon	UKL-UPL Recommendation No. 660.1/1/UKL-UPL TAHUN 2015, dated January 9, 2015, issued by the Head of Environmental Agency of Ambon City and Environmental License No. 6-Tahun 2015, dated January 9, 2015, issued by the Mayor of Ambon	Expires upon expiry of the business license
210.	Palangkaraya	UKL-UPL Recommendation No. 1150/DLHK/Bid.III/VI/2015, dated September 22, 2015, issued by the Head of Environmental and Forestry Agency of Palangkaraya City and Environmental License No. 1151/DLHK/Bid.III/IX/2015, dated September 22, 2015, issued by the Head of Environmental and Forestry Agency of Palangkaraya City	Indefinite
211.	Mataram Sriwijaya	UKL-UPL Recommendation No. 503/118/R/BLH/IX/2015, dated September 21, 2015, issued by the Head of Environmental Agency of Mataram City	Indefinite
212.	Metropolitan Mall Cileungsi	Not available	Not available
213.	Big Mall Samarinda	Not available	Not available
214.	Antapani	SPPL No. 660/1876-BPLH dated July 28, 2016, issued by the Head of Environmental Management Agency of Bandung City	Indefinite
215.	Sisingamangaraja Medan	Not available	Not available
216.	Paal 2 Manado	(i) Environmental License No. 205/3236/8/ILING/BP2T/IV/2016 dated April 12, 2016, received by the Integrated Licensing Service Agency of Manado City; (ii) UKL-UPL Recommendation No. 123/2591/5/UPL-UKL/BP2T/III/2016, dated March 29, 2016, issued by the Integrated Licensing Service Agency of Manado City	(i) The Environmental License is valid for 5 years and/or in conjunction with the expiry of Business License/Activities (ii) Indefinite
217.	Kupang Lippo Plaza	Not available	Not available
218.	Sudirman Pekanbaru	Not available	Not available
219.	Supermall Pakuwon Indah	Not available	Not available
220.	Rita Mall Purwokerto	Not available	Not available
221.	Kota Bintang	SPPL No. 660.1/247/Dinas LH. Taling, dated May 31, 2017, issued by the Environmental Agency of Bekasi City	Indefinite
222.	Rancho T.B Simatupang	Receipt of SPPL No. 5/7.29/31.74/1.774.15/2017 dated January 4, 2017, received by the Head of One-Stop Integrated Service Agency of South Jakarta Municipality	Indefinite
223.	Jogya City Mall	Not available	Not available
224.	Emerald Bintaro	SPPL Approval No. 660/328 - Pengkajian & Binjuk, dated February 27, 2013, issued by the Head of Regional Environmental Agency of South Tangerang City	Indefinite



No.	Outlet Name	Document	Term
225.	Raden Intan Lampung	(i) Decree of Environmental License of Bandar Lampung Mayor No. 477/III.10/HK/2017, dated July 24, 2017, issued by Bandar Lampung Mayor; (ii) UPL Approval dated July 24, 2017, approved and ratified by the Head of Environmental Agency of Bandar Lampung City	(i) Valid until the expiry of business license and/or business activities
226.	Danau Sunter Utara	Receipt of SPPL No. 31/K.17/31.72.02/-1.774.15/2017 dated September 8, 2017, received by the One-Stop Integrated Service of Tanjung Priok District	Indefinite
227.	Panjang Kebon Jeruk	SPPL No. 267/SPPL/31.73/-1.774.152/2017, dated May 26, 2017, issued by the Head of One-Stop Integrated Service Implementation Unit of West Jakarta	Indefinite
228.	Paramount Serpong	Not available	Not available
229.	Jababeka Cikarang	Not available	Not available
230.	Hertasning Makassar	Not available	Not available
231.	MERR Surabaya	Environmental License No. 660.1/822/Kep/436.7.12/2017 dated August 4, 2017, issued by the Head of Environmental Agency of Surabaya City	As long as the business continues, provided that there are no changes
232.	Paskal HyperSquire Bandung	Not available	Not available
233.	Cinere Raya Dua	SPPL Approval No. 660.1/056-Bid. TLK, dated November 30, 2017, issued by the Head of Sanitation and Environmental Agency of Depok City	Valid for 2 years since the issuance of SPPL
234.	MT Haryono Balikpapan	UKL-UPL Recommendation No. 660/150/DLH/UKL-UPL/2017 dated July 28, 2017, issued by the Head of Environmental Agency of Balikpapan City	Indefinite
235.	Pondok Indah Mall 2	Receipt of SPPL No. 398/7.29.1/31.74/1.774.152/2016 dated April 7, 2016, received by the One-Stop Integrated Service Agency of South Jakarta	Indefinite
236.	Neo Soho	Not available	Not available

Up to the date of this prospectus, the Company is in the process to fulfill conditions required in order to get the required licenses that are still not available and/or have expired.

1.4. Material Agreements with Affiliated Parties and Third Parties

The following describes the transactions with affiliated parties that are valid as of the issuance of this Prospectus:

Agreements with Affiliated Parties

1. PT Sriboga Marugame Indonesia

Management Service Agreement between the Company and PT Sriboga Marugame Indonesia dated April 1, 2017.

The Parties:

- The Company; and
- PT Sriboga Marugame Indonesia ("SMI").

The Company and SMI shall be jointly referred to as the "Parties" and separately as the "Party."

SMI is affiliated with the Company as a result of mutual majority shareholder.

Scope of Agreement:

The Company shall provide professional consultancy services, including, among others, consultancy related to development of new outlets, administrative financial and information technology aspects, quality assurance for standard operating procedures, maintenance of machineries and recruitment of human resources ("**Services**") for the period specified herein. The Company acknowledges that the Company is not an exclusive service provider of SMI.

Term of Agreement:

For a period of 1 (one) year, commencing from April 1, 2018 until March 31, 2019

Termination:

If one of the Parties breaches or defaults on its obligations pursuant to the agreement and continues to be in default, or fails to remedy such breach, such default could be remedied within a period of 14 (fourteen) business days subsequent to the receipt of written notification. The other Party shall have the right, but not the obligation to, which shall include the available rights or remedies:

- terminate the agreement, with or without claiming damages, if such breach constitutes a material breach; or
- obtain a ruling over the defaulting Party with or without claiming damages.

If a Party performing the activities is insolvent, or in the process of, or has effected a dissolution, or is under judicial management, or if any of the Parties undertake an assignment for the benefit of creditors, or fails to enforce or to take the necessary action to waive any ruling on such Party within a period of seven (7) business days after such ruling is notified, the other Party may terminate the agreement with a written notice.

Governing Law:

The law, including the common law, generally applies to the parties.



Settlement of Dispute:

District Court of South Jakarta

Fee paid :

SMI will pay SMK the amount of Rp24,000,000 for each outlet per month plus value-added tax, for services rendered by the Company. The expenses that will be reimbursed are limited to expenses for business travels, accommodation and consumption for partners that work for SMI.

In accordance with the Company's Financial Statement, the Company received fees for services provided to Sriboga Marugame Indonesia in the total amount of Rp16,037,398,552 in 2017.

2. PT Sriboga Flour Mill

Purchase Agreement No. 0082-I-2018/SMK/PURC-SRFLM between the Company and PT Sriboga Flour Mill dated March 1, 2018.

The Parties:

- a. The Company; and
- b. PT Sriboga Flour Mill ("**SFM**").

The Company and SFM shall be jointly referred to as the "**Parties**" and separately as the "**Party**."

SFM is affiliated with the Company as a result of mutual majority shareholder.

Scope of Agreement:

The Company agrees to purchase products from SFM which in turn agrees to provide the products ordered by the Company in accordance with the purchase order.

Object of Agreement

The Objects of Agreement agreed by the Parties are, among others, as follows:

No	Product	Packing/Ball
1	Pizza Hut Flour/Sriboga Flour	1 x 25 kg
2	Blue Bear Flour	1 x 25 kg
3	SMK Flour 1 kg	20 x 1 kg

Term of Agreement:

The term of Agreement shall be from January 1, 2018 until June 30, 2018.

Rights and Obligations of the Parties:

Company Rights and Obligations:

The Company's rights and obligations are, among others:

- a. The Company shall have the right to reject or return products if SFM delivers products that do not meet the agreed specifications; and
- b. The Company shall be obligated to pay SFM in accordance with the terms stipulated in the agreement.

SFM Rights and Obligations:

SFM's rights and obligations are, among others:

- a. SFM shall comply with the regulations stipulated by the Company, such as the prohibition for giving or offering monies, commissions, merchandises, loans or gifts unofficially or other benefits to the Company's employees without the acknowledgment of their superiors, management, whether intentionally or unintentionally, sending defective or non-standard products that may pose harm to the Company and other parties; and
- b. SFM shall not conduct any violation of the law and criminal acts such as theft, tax evasion or provide the Company's confidential information to other parties without the Company's consent.

Termination

The agreement shall terminate:

- a. Upon termination date set forth in the agreement, except upon the occurrence of an event of default; and
- b. If the Company unilaterally terminates the agreement in the event that SFM fails to perform its obligations in accordance with the terms specified in the agreement.



Governing Law:

The Law of the Republic of Indonesia

Settlement of Dispute

District Court of Jakarta.

3. Lease Agreement between the Company and Alwin Arifin dated April 5, 2018

The Parties:

- a. The Company; and
- b. Alwin Arifin ("**Lessor**").

The Company and the Lessor shall be jointly referred to as the "**Parties**" and separately as the "**Party**."

The Lessor is affiliated with the Company because of his capacity as indirect Company shareholder.

Scope of Agreement:

The Company agree to lease from the Lessor a plot of land located in Jalan Cinere Raya RT 005/RW 002, Cinere Village, Cinere Sub-district, Depok City covering an area of $\pm 1.498 \text{ m}^2$ with terms and conditions stipulated in the agreement

Term of the Agreement:

The lease period consists of four (4) periods wherein each period lasts for 5 (five) years and, in effect, commences upon the end of construction period with details as follows:

First Period	: December 27, 2017 –December 26, 2022
Second Period	: December 27, 2022 – December 26, 2027
Third Period	: December 27, 2027 – December 26, 2032
Fourth Period	: December 27, 2032 – December 26, 2037

The Company, on its own free will and with six (6) months prior written notice, has the right to extend the lease term after the 20th year with terms and conditions agreed upon in the future.

Rights and Obligations of Parties:

Company rights and obligations

Rights and obligations of the Company are as follows:

- a. operate legally and sell all kinds of food, beverages and other items that can be traded, including related services in any form;
- b. install billboards, promotions and other things related to the identity of the restaurant in the building, and within the vicinity of the land without any additional cost;
- c. secure relevant licenses needed from the authorities to operate the restaurant; and
- d. pay every expense for the usage of water, electricity and telephone including all penalties caused by late payment during the agreement period.

Lessor rights and obligations

Rights and obligations of the Lessor are as follows:

- a. provide invoice and receipts to the Company for every payment made
- b. guarantee that the lease object is in compliance with applicable regional laws and regulations;
- c. pay all applicable taxes as a result of the ownership of the leased object;
- d. guarantee that, at the time of the signing of the agreement, the building is free of lease, guarantee, pledge or other collaterals to other parties.



Termination

The Parties agree that the agreement will terminate upon the occurrence of the following events:

- a. expiration of the leasing period without any extension as stipulated in the agreement;
- b. written approval between the parties to terminate the agreement;
- c. after delivery of a written notice from the non-defaulting party regarding occurrence of an event of default by the defaulting party, who has omitted to perform or to take necessary mitigation steps.

The Company reserves the right to terminate the agreement at any time by providing prior written notice of 6 months to the Lessor with any reason including if the Company considers that the restaurant operational activity would not achieve the commercial expectation, not successful or profitable. With condition that all the lease that have been paid to the Lessor shall still being kept by the Lessor.

Assignment:

The Company has the right to assign its lease right or give its lease right on the leased object whether partially or in its entirety to a third party until the end of the lease period, with prior consent from the Lessor.

Prevailing Laws:

The Law of the Republic of Indonesia

Settlement of Disputes:

Indonesian National Board of Arbitration

Material Agreements with Third Parties

1. Pizza Hut Restaurants Asia Pte Ltd

International Franchise Agreement between the Company and Pizza Hut Restaurants Asia Pte. Ltd

With respect to the Company's business activities as a franchisee, the Company entered into cooperation and signed an International Franchise Agreement ("IFA") with Pizza Hut Restaurants Asia Pte. Ltd. as the franchisor. The agreement stipulates the following general terms and conditions:

The Parties:

- a. The Company; and
- b. Pizza Hut Restaurants Asia Pte. Ltd. ("**YUM! Pizza Hut Asia**").

The Company and YUM! Pizza Hut Asia shall be jointly referred to as the "**Parties**" and separately as the "**Party**."

Scope of Agreement:

The Parties agree that YUM! Pizza Hut Asia grants the Company the right to use:

- a. Systems for the preparation, marketing and sales of food products used in carrying out the franchise concept ("**System**");
- b. Content of guidelines and all knowledge, information, specifications, systems and data used by YUM! Pizza Hut Asia in connection with the System, including, without limitation to, trade secrets, copyrights, design, patent and other intellectual property rights ("**System Ownership**"); and
- c. Trademarks, service mark, trade name and other similar rights owned by YUM! Pizza Hut Asia or its affiliated companies for the purpose of its utilization in the business activities from time to time ("**Brand**") for the Period in which each of the relevant IFA to the operation of the Company's Business Operation.

For the period of each IFA with respect to the implementation of the business activity, preparations, marketing and the sale of products approved by YUM! Pizza Hut Asia from time to time (Approved Products) under the Brand in outlets as mentioned in each IFA ("**Business Activity**") in each outlet and subject to provision the agreement. In addition, over the period of time of each IFA, the Company shall give its best effort to develop business activities and profit.

Initial Fee and Continuing fee:

- a. Prior and on the date of the granting of the franchise, the Company must pay initial fee to YUM! Pizza Hut Asia,
- b. Prior and on the date of expiration of the IFA, the Company must pay Continuing Fee to YUM! Pizza Hut Asia in the amount to be specified in each of the IFA. Each payment of the Continuing Fee will be accompanied with statement of revenue of corresponding accounting period in the form that will be specified by YUM! Pizza Hut Asia from time to time; and



- c. Payments made by the Company based on the agreement are solely for the granting of rights in the agreement and not for the execution of any obligation or service provided by YUM! Pizza Hut Asia.

Advertising contribution

The Company will pay expenses in ways that in accordance with written directions from YUM! Pizza Hut Asia from time to time, amounting to no less than the Advertising Contribution specified in each of the IFA for the purposes of advertising, promotion, marketing, product research, business operation service and system

Rights and Obligations of each Parties:

- a. Anytime during the Period of the agreement, the Company will give its best effort to develop its business and to improve its revenue;
- b. The Company will not, without prior written consent from YUM! Pizza Hut Asia:
 - (i) Conduct all or part of its business other than in the outlets; or
 - (ii) Sub-license to other parties to use or to allow or to justify other parties to use the System, Ownership of the System or the Brand or any part of it.
- c. On or prior to the date in which the Franchise is granted, the Company must pay the Initial Fee to YUM! Pizza Hut Asia;
- d. The Company will not prepare market or sell product or service other than the product or service approved or conduct business other than the business in the outlets without prior written approval from YUM! Pizza Hut Asia, and YUM! Pizza Hut Asia will give notice to the Company from time to time in relation to the approved product and will specify which approved product to sell as permanent menu and when to sell it;
- e. The Company will participate in national and regional advertising or promotional, research and testing activities required by YUM! Pizza Hut Asia from time to time, and the Company will not claim or initiate any legal action against YUM! Pizza Hut Asia in relation to the success rate of the advertising or promotional, research and testing activities;
- f. The Company will use the Brand only in form and ways that was specifically approved by YUM! Pizza Hut Asia and the Company will follow the instructions from YUM! Pizza Hut Asia in relation to the proper use of the Brand in every aspects, YUM! Pizza Hut Asia could, with prior notice to the Company, change or retract the Brand, or appoint new Brand and the Company will implement such changes, retraction and addition in the period specified in the notification;
- g. The company will pay the amount required to YUM! Pizza Hut Asia based on the agreement:
 - (i) in the currency specified in the agreement and other currency as informed by YUM! Pizza Hut Asia to the Company from time to time, the prevailing exchange rate is the exchange rate that was announced by Banks designated by YUM! Pizza Hut Asia from time to time prior to the relevant payment due date.
 - (ii) to the bank account specified in the agreement or other ways as would be informed by YUM! Pizza Hut Asia to the Company from time to time;
 - (iii) without any discount or compensation and free from any taxes accrued, other than tax required by the Law.
- h. The Company represents that the Company and its affiliates will not directly or indirectly be involved in or conduct any services to any business activities relating to preparation, marketing or selling of any food products in large or small amounts without prior written approval from YUM! Pizza Hut Asia from time to time, however, provided, YUM! Pizza Hut Asia will not unreasonably withhold its approval unless one of the following products exceed 20% of the product sold in the Company's business activities
 - (i) Pizza products;
 - (ii) Pizza and Pasta products (collectively); or
 - (iii) Chicken-based fast food products; or
 - (iv) Mexican food products;
 - (v) Beef Burger products

YUM! Pizza Hut Asia Rights and Obligations:

- a. entitled to the rights to change manuals and standards or introduce new standards with prior notice to the Company;
- b. entitled to the rights with prior notice to the Company to change or withdraw each approved products or adding new approved products from time to time;
- c. obligated to provide or authorize the Company to provide, the Company as main operator, and all of the Company's employee must undergo initial and continuing training deemed proper by YUM! Pizza Hut Asia; and
- d. without limiting the right of YUM! Pizza Hut Asia to terminate the Agreement due to condition that the Company fails to fulfil its obligation to pay any outstanding amount to YUM! Pizza Hut Asia when due.
 - (i) the outstanding amount will be subject to default interest that will be calculated on daily basis since the relevant due date at interest rate specified in the IFA, and this interest will continue to be effective after any valuation; and
 - (ii) without limiting the aforementioned terms, YUM! Pizza Hut Asia can impose any amount or credit owed to YUM! Pizza Hut Asia by the Company in relation to the fulfilment of outstanding amount payable by the Company.



Termination

YUM! Pizza Hut Asia may terminate the agreement with a notice to the Company, which shall be effective upon receipt of such notice by the Company and/or exercise the remedies stipulated in the agreement, in the event that the following occurs:

- a. The Company fails to pay its debts upon maturity or if the Company is declared to be insolvent;
- b. The Company or the Guarantor breaches the term of the agreement;
- c. The Company and the Guarantor conduct a criminal act, violation or action, which, in YUM! Pizza Hut Asia's opinion may affect business activities;
- d. The Company intentionally falsifies records regarding business activities or submits falsified records to YUM! Pizza Hut Asia;
- e. The Company neglects or stops its business activities for more than 3 days without prior written consent from YUM! Pizza Hut Asia;
- f. The Company takes any action to injure, harm or contest the validity of the Brand and System Ownership;
- g. termination of other agreement between the Company and YUM! Pizza Hut Asia; or
- h. YUM! Pizza Hut Asia delivers a notice to the Company notifying that the Company or the Guarantor has breached the terms and conditions of the agreement or other agreement between YUM! Pizza Hut Asia and the Company and/or Guarantor related to the business activities, and the Company or the Guarantor fails to remedy such breach within the remedy period.

If any event relating to the termination of agreement referred to above occurs, YUM! Pizza Hut Asia may:

- a. with proper notice to the Company, terminate the Company's right to renew the franchise;
- b. terminate any development right or option right with respect to the system or concept granted to the Company pursuant to other agreements between the Company and YUM! Pizza Hut Asia;
- c. take any action necessary to remedy such default, at the Company's cost;
- d. to limit or withhold the supply of products, ingredients, equipment or food supplied to the Company by YUM! Pizza Hut Asia or its affiliated companies; and
- e. YUM! Pizza Hut Asia may take over the business activities for a period deemed appropriate by YUM! Pizza Hut Asia for the purpose of remedying the default of agreement, at the Company's cost. During such period, the Company and its employees shall continue to perform their responsibilities to the business activities at the outlets and comply with the directions provided by YUM! Pizza Hut Asia.

Termination Consequences:

After termination of the agreement, the Company is obligated to:

- a. Pay all outstanding amount to YUM! Pizza Hut Asia;
- b. Stop all usage of Brand and System Ownership and in addition stop any affiliation or association with YUM! Pizza Hut Asia or the System unless allowed based on a written agreement with YUM! Pizza Hut Asia.
- c. Relinquish all material that contains the Brand and all inventory supplies with instructions from YUM! Pizza Hut Asia; and
- d. If YUM! Pizza Hut Asia requires so, to de-identify all outlets based on instructions from YUM! Pizza Hut Asia

Extensions:

If the following conditions are fulfilled when the period of the agreement ends, the Company will have the right to extend the agreement once, subject to same contract terms implemented in the agreement:

- a. The Company proposes a written request for extension not later than 18 months and not less than 12 months before the end of the agreement period
- b. The Company fulfils all operational and other criteria from YUM! Pizza Hut Asia among others:
 - (i) YUM! Pizza Hut Asia training program must be implemented in all outlets;
 - (ii) All outlet managers and area managers and the main operators must be trained and certified by YUM! Pizza Hut Asia management training program;
 - (iii) The Company must use field management structure approved by YUM! Pizza Hut Asia;
 - (iv) There were no incidents that occurred within the last 24 months in which the Company was given notification that the Company had violated operational standards set in the standards and manuals but failed to fully mitigate such violation on a timely manner;



- (v) During the term of the Agreement, the Company must participate directly or indirectly in YUM! Pizza Hut Asia's program from time to time, including (but not limited to) brand tracking research, CHAMPS checking, and/or other supervision of customer's experience.
- c. The Company's right to extend the franchise is not cancelled by the condition of termination in accordance with each of the IFA;
- d. The Company is not in violation of any terms and conditions in the agreement or other agreement between YUM! Pizza Hut Asia and the Company (or each of its affiliates) at the expiration period of the agreement;
- e. The Company, in a timely manner, pays all outstanding amount to YUM! Pizza Hut Asia in relation to the agreement 12 months prior to the end the agreement period;
- f. There is no guarantor or any of the Company's affiliated companies that violates the terms and conditions in the agreement.
- g. The Company improves its outlets' quality in accordance with YUM! Pizza Hut Asia standards for new outlets before the end of the agreement period.
- h. The Company pays extension fee to YUM! Pizza Hut Asia not later than 90 days before the end of the agreement period
- i. The Company secures lease extension for its outlets if possible for the period of the extension; and
- j. The Company is in compliance and secure in all mandatory government approval, and documentations for the extension.

Governing Law:

The Law of the Republic of Indonesia

Settlement of Dispute:

Singapore International Arbitration Centre (SIAC)

Based on letter dated April 10, 2018, The Company has secured approval from YUM! Pizza Hut Asia in relation to the Company plan for Initial Public Offering.

In carrying out its business activities, the Company has signed several IFAs for each of its outlets, as described below:

As of the issuance of this Prospectus, the IFAs signed by the Company for each outlet remain valid, with various expiry dates up to 2028.

PHD

No.	Outlet Name	Date of Agreement	Term
1	PHD Kelapa Gading Boulevard	October 19, 2017	October 22, 2017 up to October 21, 2027
2	PHD Green Garden	October 31, 2017	November 26, 2017 up to November 25, 2027
3	PHD Tebet Barat	January 22, 2018	December 5, 2017 up to December 4, 2027
4	PHD Bintaro	March 8, 2018	January 3, 2018 up to January 2, 2028
5	PHD Serpong	October 1, 2010	April 17, 2009 up to April 16, 2019
6	PHD Muara Karang	October 1, 2010	July 1, 2009 up to June 30, 2019
7	PHD Pondok Indah	October 1, 2010	October 1, 2010 up to October 1, 2020
8	PHD Kalimalang	October 1, 2010	October 1, 2010 up to October 1, 2020
9	PHD Kemang Raya	May 4, 2017	May 4, 2017 up to May 3, 2027
10	PHD Citra Garden	October 1, 2010	October 1, 2010 up to October 1, 2020
11	PHD Cibubur	October 1, 2010	October 1, 2010 up to October 1, 2020
12	PHD Mangga Besar	October 1, 2010	October 1, 2010 up to October 1, 2020
13	PHD Harapan Indah	April 12, 2011	August 19, 2010 up to August 18, 2020
14	PHD Sunter	April 12, 2011	August 19, 2010 up to August 18, 2020
15	PHD Hasyim Ashari	April 12, 2011	October 8, 2010 up to October 7, 2020
16	PHD Puri Beta Ciledug	April 12, 2011	October 15, 2010 up to October 14, 2020
17	PHD Taman Duta Mas	April 12, 2011	November 19, 2010 up to November 18, 2020
18	PHD Villa Galaxy	March 8, 2018	January 25, 2018 up to January 24, 2028
19	PHD Karang Tengah Cileduk	August 29, 2011	August 29, 2011 up to August 28, 2021
20	PHD Depok	August 29, 2011	April 8, 2011 up to April 7, 2021
21	PHD Rawamangun	August 29, 2011	April 17, 2011 up to April 16, 2021
22	PHD Cikini	January 31, 2012	May 6, 2011 up to May 5, 2021
23	PHD Pasar Minggu	January 31, 2012	May 2, 2011 up to May 1, 2021
24	PHD Taman Semanan Indah	January 31, 2012	May 12, 2011 up to May 11, 2021
25	PHD Pamulang	January 31, 2012	May 14, 2011 up to May 13, 2021
26	PHD Bulungan	January 31, 2012	May 21, 2011 up to May 20, 2021
27	PHD Cipondoh	January 31, 2012	June 3, 2011 up to June 2, 2021
28	PHD Thamrin Residence	January 31, 2012	June 13, 2011 up to June 12, 2021
29	PHD Margonda Residence	January 31, 2012	June 19, 2011 up to June 18, 2021
30	PHD Jatimakmur Residence	January 31, 2012	June 23, 2011 up to June 22, 2021
31	PHD Pos Pengumben	January 31, 2012	July 12, 2011 up to July 11, 2021
32	PHD Taman Sunter Indah	January 31, 2012	August 19, 2011 up to August 18, 2021
33	PHD Alam Sutera	January 31, 2012	August 23, 2011 up to August 22, 2021
34	PHD Padjajaran Bogor	January 31, 2012	August 24, 2011 up to August 23, 2021
35	PHD Sholeh Iskandar Bogor	January 31, 2012	October 7, 2011 up to October 6, 2021
36	PHD Pasar Baru	May 3, 2012	November 21, 2011 up to November 20, 2021
37	PHD Antapani	May 3, 2012	January 16, 2012 up to January 15, 2022
38	PHD Jemur Sari	May 25, 2012	February 17, 2012 up to February 16, 2022
39	PHD Dago	May 25, 2012	February 27, 2012 up to February 26, 2022
40	PHD Meganti Wiyung	July 17, 2012	March 15, 2012 up to March 14, 2022
41	PHD Taman Rasuna Kuningan	July 17, 2012	March 30, 2012 up to March 29, 2022
42	PHD Dharma Husada Surabaya	July 17, 2012	March 22, 2012 up to March 21, 2022
43	PHD Fatmawati	January 27, 2012	July 20, 2011 up to July 19, 2021
44	PHD Karawitan	August 16, 2012	May 26, 2012 up to May 25, 2022
45	PHD Darmo Indah	August 16, 2012	May 29, 2012 up to May 28, 2022



No.	Outlet Name	Date of Agreement	Term
46	PHD Beringin	August 16, 2012	June 18, 2012 up to June 17, 2022
47	PHD Kelapa Hibrida	August 16, 2012	June 25, 2012 up to June 24, 2022
48	PHD Taman Kopo Indah	August 16, 2012	July 5, 2012 up to July 4, 2022
49	PHD Buaran	August 16, 2012	July 12, 2012 up to July 11, 2022
50	PHD Rungkut Yakaya	August 16, 2012	July 29, 2012 up to July 28, 2022
51	PHD Setrasari Mall	August 16, 2012	July 30, 2012 up to July 29, 2022
52	PHD Condet	October 15, 2012	August 16, 2012 up to August 15, 2022
53	PHD Central Park	October 15, 2012	August 17, 2012 up to August 16, 2022
54	PHD Metro Margahayu	October 15, 2012	August 17, 2012 up to August 16, 2022
55	PHD Villa Mutiara Gading	November 7, 2012	October 8, 2012 up to October 7, 2022
56	PHD Benhil	January 31, 2013	October 12, 2012 up to October 11, 2022
57	PHD Caman Jatibening	November 7, 2012	October 18, 2012 up to October 17, 2022
58	PHD Kedungdoro	January 31, 2013	November 1, 2012, up to October 31, 2022
59	PHD Cijerah	November 7, 2012	November 3, 2011 up to November 2, 2022
60	PHD Mekar Wangi	February 13, 2013	November 9, 2012 up to November 8, 2022
61	PHD Taman Palem	October 15, 2012	November 27, 2012 up to November 26, 2022
62	PHD Bintara	January 31, 2013	November 29, 2012 up to November 28, 2022
63	PHD Taman Sari	January 31, 2013	November 30, 2012 up to November 29, 2022
64	PHD Emerald Bintaro	January 31, 2013	November 30, 2012 up to November 29, 2022
65	PHD Mustika Jaya	January 31, 2013	November 30, 2012 up to November 29, 2022
66	PHD Kaliabang	February 13, 2013	January 29, 2013 up to January 28, 2023
67	PHD Cipinang Jaya	June 24, 2013	April 7, 2013 up to April 6, 2023
68	PHD Kuta Bumi	June 24, 2013	April 8, 2013 up to April 7, 2023
69	PHD Ketintang	June 24, 2013	April 28, 2013 up to April 27, 2023
70	PHD Kartini Gresik	August 22, 2013	June 9, 2013 up to June 8, 2023
71	PHD Delta Sari Sidoarjo	August 22, 2013	July 21, 2013 up to July 20, 2023
72	PHD Bugis Raya Priok	August 22, 2013	July 26, 2013 up to July 25, 2023
73	PHD Ciputat	October 10, 2014	July 6, 2014 up to July 5, 2024
74	PHD Gading Serpong	April 12, 2011	September 9, 2010 up to September 8, 2020
75	PHD Jababeka Cikarang	October 10, 2014	October 11, 2014 up to October 10, 2024
76	PHD Sawojajar Malang	October 10, 2014	November 13, 2014 up to November 14, 2024
77	PHD Villa Bogor Indah	October 27, 2014	November 7, 2014 up to November 6, 2024
78	PHD Kartini Bekasi	December 1, 2014	November 11, 2014 up to November 10, 2024
79	PHD Cikaret Cibinong	December 1, 2014	November 25, 2014 up to November 24, 2024
80	PHD Utan Kayu	December 1, 2014	November 26, 2014 up to November 25, 2024
81	PHD Cimahi	May 6, 2015	April 18, 2015 up to April 17, 2025
82	PHD Dinoyo Malang	May 18, 2015	July 11, 2015 up to July 10, 2025
83	PHD Koja	August 17, 2015	July 15, 2015 up to July 14, 2025
84	PHD Bandung Electronic Center	July 17, 2012	April 20, 2012 up to April 19, 2022
85	PHD Kranggan Bekasi	May 25, 2015	September 23, 2015 up to September 22, 2025
86	PHD Dewi Sartika Cawang	December 3, 2015	November 23, 2015 up to November 22, 2025
87	PHD Depok Nusantara	February 18, 2016	January 28, 2016 up to January 27, 2026
88	PHD Electronic City SCBD	January 31, 2013	November 26, 2012 up to November 25, 2022
89	PHD Serua Ciater Pamulang	March 18, 2016	March 25, 2016 up to March 24, 2026
90	PHD Purwakarta	March 28, 2016	May 29, 2016 up to May 28, 2026
91	PHD Akses UI	May 16, 2016	May 30, 2016 up to May 29, 2026
92	PHD Sesetan Bali	March 18, 2016	June 4, 2016 up to June 3, 2026
93	PHD Gajah Mada Semarang	March 28, 2016	June 17, 2016 up to June 16, 2026
94	PHD Colombo Yogyakarta	April 25, 2016	June 18, 2016 up to June 17, 2026
95	PHD Ngesrep Semarang	March 28, 2016	June 24, 2016 up to June 23, 2026
96	PHD Godean Yogyakarta	March 18, 2016	June 25, 2016 up to June 24, 2026
97	PHD Sultan Agung Semarang	April 25, 2016	July 1, 2016 up to June 30, 2026
98	PHD Hayam Wuruk Bali	March 28, 2016	August 9, 2016 up to August 8, 2026
99	PHD Gatsu Barat Bali	March 18, 2016	September 1, 2016 up to August 31, 2026
100	PHD Ragunan	August 18, 2016	September 22, 2016 up to September 21, 2026
101	PHD Kerobokan Bali	August 18, 2016	September 25, 2016 up to September 24, 2026
102	PHD Joni Medan	August 18, 2016	October 5, 2016 up to October 4, 2026
103	PHD Cibubur Lapangan Tembak	January 31, 2012	July 22, 2011 up to July 21, 2021
104	PHD Dr Mansyur Medan	August 18, 2016	October 23, 2016 up to October 22, 2026
105	PHD Bona Indah	October 1, 2010	September 1, 2009 up to August 31, 2019
106	PHD S. Parman Medan	September 30, 2016	November 7, 2016 up to November 6, 2026
107	PHD Tanjung Duren	December 5, 2016	November 7, 2016 up to November 6, 2026
108	PHD Pengasinan Bekasi	December 13, 2016	November 8, 2016 up to November 7, 2026
109	PHD Sidoarjo	August 18, 2016	November 27, 2016 up to November 26, 2026
110	PHD Marelan	September 30, 2016	November 28, 2016 up to November 27, 2026
111	PHD Krakatau	December 13, 2016	November 30, 2016 up to November 29, 2026
112	PHD Cikarang	March 18, 2016	January 2, 2017 up to January 1, 2027
113	PHD Poris	May 4, 2017	January 3, 2017 up to January 2, 2027
114	PHD Pinang Ranti	April 5, 2017	January 22, 2017 up to January 21, 2027
115	PHD Kemanggisan Dua	October 1, 2010	March 8, 2010 up to March 7, 2020
116	PHD Cempaka Putih Dua	January 31, 2012	June 17, 2011 up to June 16, 2021
117	PHD Parung Bingung	May 4, 2017	February 27, 2017 up to February 26, 2027
118	PHD Ujung Berung	May 4, 2017	March 2, 2017 up to March 1, 2027
119	PHD Magelang	May 4, 2017	April 20, 2017 up to April 19, 2027
120	PHD Ciputra Surabaya	May 18, 2017	May 2, 2017 up to May 1, 2027
121	PHD Gunung Bawakaraeng	June 13, 2017	May 8, 2017 up to May 7, 2027
122	PHD Mulyosari Surabaya	June 13, 2017	May 21, 2017 up to May 20, 2027
123	PHD Pengayoman Makassar	June 13, 2017	June 3, 2017 up to June 2, 2027
124	PHD Kaliurang Yogyakarta	February 10, 2017	June 4, 2017 up to June 3, 2027
125	PHD Citra Raya Cikupa	February 10, 2017	June 23, 2017 up to June 22, 2027
126	PHD Kakatua Makassar	June 13, 2017	June 18, 2017 up to June 17, 2027
127	PHD Kudus	June 13, 2017	June 26, 2017 up to June 25, 2027
128	PHD Binjai	February 10, 2017	June 23, 2017 up to June 22, 2027
129	PHD Cibitung Cikarang	February 10, 2017	June 26, 2017 up to June 25, 2027
130	PHD Sumedang	July 19, 2017	August 16, 2017 up to August 15, 2027
131	PHD Ciomas Bogor	October 31, 2017	August 22, 2017 up to August 21, 2027
132	PHD Mangun Jaya Tambun	October 31, 2017	September 3, 2017 up to September 2, 2027
133	PHD Jembatan Lima Tambora	October 31, 2017	September 7, 2017 up to September 6, 2018
134	PHD Kartini Depok Lama	October 31, 2017	September 8, 2017 up to September 7, 2027
135	PHD Daya Perintis Makassar	October 19, 2017	October 2, 2017 up to October 1, 2027
136	PHD Merpati Raya Ciputat	October 31, 2017	September 16, 2017 up to September 15, 2027
137	PHD Citra 6	October 31, 2017	October 9, 2017 up to October 8, 2027
138	PHD Canadian Kota Wisata	October 31, 2017	October 6, 2017 up to October 5, 2027



No.	Outlet Name	Date of Agreement	Term
139	PHD Pandu Raya Bogor Baru	October 19, 2017	October 6, 2017 up to October 5, 2027
140	PHD Cinunuk Bandung	October 31, 2017	October 20, 2017 up to October 19, 2027
141	PHD Batu Bulan Bali	October 19, 2017	November 7, 2017 up to November 6, 2027
142	PHD Setiabudi Bandung	October 19, 2017	November 23, 2017 up to November 22, 2027
143	PHD Gandul Cinere	October 31, 2017	October 30, 2017 up to October 29, 2027
144	PHD Tirtayasa Cilegon	October 19, 2017	November 5, 2017 up to November 4, 2027
145	PHD Tiogosari Semarang	October 19, 2017	November 9, 2017 up to November 8, 2027
146	PHD Mayor Syafei Serang	Not available	Not available
147	PHD Keradenan Cibinong	October 31, 2017	November 12, 2017 up to November 11, 2027
148	PHD Tropodo Sidoarjo	Not available	Not available
149	PHD Tulungagung	October 19, 2017	November 19, 2017 up to November 18, 2027
150	PHD Sultan Hasanudin Gowa	October 31, 2017	November 26, 2017 up to November 25, 2027
151	PHD Imam Bonjol Pekalongan	January 22, 2018	December 4, 2017 up to December 3, 2027
152	PHD Jalan Gudang Sukabumi	January 22, 2018	December 3, 2017 up to December 2, 2027
153	PHD Soekarno Hatta Probolinggo	January 22, 2018	December 2, 2017 up to December 1, 2027
154	PHD Unhas Perintis Makassar	January 22, 2018	December 19, 2017 up to December 18, 2027
155	PHD Cileungsi	January 22, 2018	December 17, 2017 up to December 16, 2027
156	PHD Pesanggrahan Dua	October 1, 2010	September 18, 2009 up to September 17, 2019
157	PHD Pamularsih Semarang	March 8, 2018	January 27, 2018 up to January 26, 2028
158	PHD Tuparev Cirebon	March 14, 2018	February 15, 2018 up to February 14, 2019
159	PHD Sukun Malang	March 8, 2018	February 2, 2018 up to February 1, 2028
160	PHD Jati Raya Banyumanik	March 8, 2018	February 22, 2018 up to February 21, 2028
161	PHD Galunggung Malang	March 8, 2018	February 26, 2018 up to February 25, 2028

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No.	Outlet Name	Date of Agreement	Term
1.	Segitiga Senen	May 16, 2017	January 26, 2017 up to January 25, 2018
2.	Tunjungan Plaza	April 25, 2016	January 26, 2016 up to January 25, 2026
3.	Pasar Festival	April 25, 2016	January 26, 2016 up to January 25, 2026
4.	Galaxy Mall	May 16, 2017	January 26, 2017 up to January 25, 2018
5.	Sunter Mall	May 16, 2017	January 26, 2017 up to January 25, 2018
6.	Pajajaran	May 18, 2016	June 10, 2016 up to June 9, 2026
7.	Bumi Serpong Damai	December 5, 2016	December 20, 2016 up to December 19, 2026
8.	Metropolitan Mall	December 13, 2016	February 5, 2017 up to February 4, 2027
9.	Jemur Sari (2)	May 4, 2017	May 19, 2017 up to May 18, 2027
10.	Lippo Supermall	May 4, 2017	May 23, 2017 up to May 22, 2027
11.	Mangga Dua Mall	May 18, 2017	June 21, 2017 up to June 20, 2027
12.	Taman Angrek Mall	October 19, 2017	September 24, 2017 up to September 23, 2027
13.	Kopo	March 8, 2018	December 29, 2017 up to December 28, 2027
14.	Dago	January 27, 2012	December 31, 2009 up to December 30, 2019
15.	Puri Indah Mall	January 27, 2012	December 31, 2009 up to December 30, 2019
16.	Darmo	January 27, 2012	April 20, 2010 up to April 19, 2020
17.	Ciputra	January 27, 2012	June 5, 2010 up to June 4, 2020
18.	Menara Cakrawala	March 14, 2016	January 26, 2016 up to January 25, 2026
19.	Ratu Indah Makasar	January 27, 2012	July 20, 2010 up to July 19, 2020
20.	Cibubur	January 27, 2012	September 13, 2010 up to September 12, 2020
21.	Kemang	May 4, 2017	January 26, 2016 up to January 25, 2026
22.	Java Supermall	January 27, 2012	November 7, 2010 up to November 6, 2020
23.	Blok M Plaza	January 27, 2012	December 9, 2010 up to December 8, 2020
24.	Bali Gatot Subroto	January 27, 2012	April 27, 2011 up to April 26, 2021
25.	Malang	January 27, 2012	June 3, 2011 up to June 2, 2021
26.	Daan Mogot	January 27, 2012	June 27, 2011 up to June 26, 2021
27.	Buah Batu	January 27, 2012	July 29, 2011 up to July 28, 2021
28.	Batam	January 27, 2012	September 20, 2011 up to September 19, 2021
29.	Bena Kutai	January 27, 2012	October 4, 2011 up to October 3, 2021
30.	Istana Plaza Bandung	May 25, 2012	February 10, 2012 up to February 9, 2022
31.	Kartini	May 25, 2012	March 1, 2012 up to February 28, 2022
32.	Centra Plaza Samarinda	May 25, 2012	March 5, 2012 up to March 4, 2022
33.	Bintaro Plaza	July 17, 2012	May 24, 2012 up to May 23, 2022
34.	Solo	July 17, 2012	June 20, 2012 up to June 19, 2022
35.	Gunung Sahari	July 17, 2012	June 22, 2012 up to June 21, 2022
36.	Kelapa Gading 3	October 15, 2012	December 2, 2012 up to December 1, 2022
37.	Panakukang	June 24, 2013	March 30, 2013 up to March 29, 2023
38.	Adam Malik	June 24, 2013	April 6, 2013 up to April 5, 2023
39.	Pesona Kahyangan	June 24, 2013	April 25, 2013 up to April 24, 2023
40.	Cempaka Putih District	August 22, 2013	August 4, 2013 up to August 3, 2023
41.	Padang	August 22, 2013	August 13, 2013 up to August 12, 2023
42.	Bekasi Mega Mall	September 12, 2013	September 11, 2013 up to September 10, 2023
43.	Silipi Jaya	September 12, 2013	October 7, 2013 up to October 6, 2023
44.	Pondok Gede Plaza	September 12, 2013	October 14, 2013 up to October 13, 2023
45.	Palembang	October 23, 2013	November 20, 2013 up to November 19, 2023
46.	Buncit	October 23, 2013	November 27, 2013 up to November 26, 2023
47.	Lippo Cikarang Mall	July 29, 2014	March 21, 2014 up to March 20, 2024
48.	Manado Mega Mall	April 17, 2014	April 12, 2014 up to April 11, 2024
49.	Delta Plaza	April 17, 2014	April 16, 2014 up to April 15, 2024
50.	Sun Plaza	April 17, 2014	April 27, 2014 up to April 26, 2024
51.	Pluit Village	August 7, 2014	July 1, 2014 up to June 30, 2024
52.	Giant Cileduk	July 29, 2014	July 21, 2014 up to July 20, 2024
53.	Malioboro Mall	December 1, 2014	September 1, 2014 up to August 30, 2024
54.	Manyar Kertoarjo	August 27, 2014	October 5, 2014 up to October 4, 2024
55.	Permata Hijau	October 27, 2014	November 16, 2014 up to November 15, 2024
56.	Setiabudi Bandung	March 14, 2016	January 26, 2016 up to January 25, 2026
57.	Centro Kuta	February 9, 2015	February 2, 2015 up to February 1, 2025
58.	Thamrin Plaza	February 9, 2015	March 5, 2015 up to March 4, 2025
59.	Jambi	March 16, 2015	April 2, 2015 up to April 1, 2025
60.	Mulyosari	March 16, 2015	April 13, 2015 up to April 12, 2025
61.	Banjarmasin	May 11, 2015	May 5, 2015 up to May 4, 2025
62.	Bogor Indah Plaza	May 11, 2015	May 29, 2015 up to May 28, 2025
63.	Semanggi Plaza	May 16, 2017	January 26, 2017 up to January 25, 2018
64.	Megamall Batam Center	May 11, 2015	June 25, 2015 up to June 24, 2025



No.	Outlet Name	Date of Agreement	Term
65.	Cilegon Supermall	September 30, 2016	October 28, 2016 up to October 27, 2026
66.	ITC Serpong	May 11, 2015	June 26, 2015 up to June 25, 2025
67.	Pamulang	May 11, 2015	June 27, 2015 up to June 26, 2025
68.	Ciputra Sraya Mall	May 29, 2015	July 3, 2015 up to July 2, 2025
69.	Karawang	May 29, 2015	July 19, 2015 up to July 18, 2025
70.	Sidoarjo	June 29, 2015	August 5, 2015 up to August 4, 2025
71.	Cibubur Junction	June 29, 2015	August 9, 2015 up to August 8, 2025
72.	Cempaka Mas	June 29, 2015	August 20, 2015 up to August 19, 2025
73.	Cijantung Mall	August 17, 2015	September 26, 2015 up to September 25, 2025
74.	King Plaza	August 17, 2015	October 14, 2015 up to October 13, 2025
75.	Medan Fair	December 3, 2005	December 1, 2015 up to November 30, 2025
76.	Mercure	March 14, 2016	January 26, 2016 up to January 25, 2026
77.	Cilandak	December 3, 2005	December 23, 2015 up to December 22, 2025
78.	Sukabumi	February 18, 2016	April 30, 2016 up to April 29, 2026
79.	Ambarukmo Plaza	March 18, 2016	May 21, 2016 up to May 20, 2026
80.	Tamini Square	May 16, 2016	June 24, 2016 up to June 23, 2026
81.	Palembang Indah Mall	March 10, 2014	April 8, 2014 up to April 7, 2024
82.	Tegal	May 16, 2016	June 28, 2016 up to June 27, 2026
83.	Lapangan Ross Tebet	December 5, 2016	July 19, 2016 up to July 18, 2026
84.	Setiabudi Semarang	May 16, 2016	August 12, 2016 up to August 11, 2026
85.	Kalibata Plaza	July 22, 2016	September 1, 2016 up to August 31, 2026
86.	Kuningan	September 30, 2016	October 4, 2016 up to October 3, 2026
87.	Pasar Atom	December 5, 2016	December 11, 2016 up to December 10, 2026
88.	Royal Plaza	December 5, 2016	December 24, 2016 up to December 23, 2026
89.	Tol Cikampek	December 5, 2016	December 30, 2016 up to December 29, 2026
90.	Pusat Grosir Cililitan	June 13, 2017	March 2, 2017 up to March 1, 2027
91.	Banda Aceh	May 4, 2017	May 4, 2017 up to May 3, 2027
92.	Setiabudi	May 4, 2017	May 19, 2017 up to May 18, 2027
93.	Depok ITC	January 27, 2012	November 15, 2014 up to November 14, 2017
94.	Malang Town Square	March 30, 2017	June 1, 2017 up to May 31, 2027
95.	Bandung Indah Plaza	May 18, 2017	June 29, 2017 up to June 28, 2027
96.	Kemang Pratama	August 2, 2017	August 1, 2017 up to July 31, 2027
97.	Pondok Kelapa	October 19, 2017	September 5, 2017 up to September 4, 2027
98.	Gajah Mada Plaza	October 19, 2017	September 22, 2017 up to September 21, 2027
99.	Summarecon Serpong	October 19, 2017	September 20, 2017 up to September 19, 2027
100.	Duta Pertiwi Mall	November 28, 2017	September 24, 2017 up to September 23, 2018
101.	Ayani Megamall	January 31, 2013	February 6, 2013 up to February 5, 2023
102.	Margo City	October 31, 2017	November 9, 2017 up to November 8, 2027
103.	Kiara Condong	July 23, 2004	November 29, 2007 up to November 28, 2017
104.	Modernland	March 8, 2018	January 18, 2018 up to January 17, 2028
105.	Buaran Plaza	October 13, 2017	February 8, 2018 up to February 7, 2028
106.	Artha Gading	March 8, 2018	March 13, 2018 up to March 12, 2028
107.	Kota Wisata	December 11, 2017	April 22, 2018 up to April 21, 2028
108.	Jember	July 23, 2004	May 13, 2008 up to May 12, 2018
109.	Cirendeuy	July 23, 2004	May 19, 2008 up to May 18, 2018
110.	Cimahi	July 23, 2004	June 21, 2008 up to June 20, 2018
111.	Bendungan Hilir	July 23, 2004	July 7, 2008 up to July 6, 2018
112.	Kupang	January 27, 2012	November 17, 2011 up to November 16, 2021
113.	CBD Cileduk	July 23, 2004	August 26, 2008 up to August 25, 2018
114.	Duta Mall Banjarmasin	July 23, 2004	September 7, 2008 up to September 6, 2018
115.	Ancol	July 23, 2004	October 2, 2008 up to October 1, 2018
116.	Matahari Mall	August 17, 2015	October 28, 2015 up to October 27, 2025
117.	Nagoya Hill	July 23, 2004	November 30, 2008 up to November 29, 2018
118.	Manado Town Square	July 23, 2004	November 30, 2008 up to November 29, 2018
119.	Karebosi Link	July 23, 2004	November 29, 2008 up to November 28, 2018
120.	Emporium Pluit	July 23, 2004	January 10, 2009 up to January 9, 2019
121.	Serang	November 22, 2009	February 6, 2009 up to February 5, 2019
122.	Bali Galeria Mall	November 22, 2009	March 15, 2009 up to March 14, 2019
123.	Botani Square	November 22, 2009	April 1, 2009 up to March 31, 2019
124.	Ciwalk	October 23, 2013	November 4, 2013 up to November 3, 2023
125.	Pagar Alam Lampung	November 22, 2009	May 5, 2009 up to May 4, 2019
126.	Abepura	November 22, 2009	June 17, 2009 up to June 16, 2019
127.	Mall of Indonesia	February 9, 2015	December 30, 2014 up to December 29, 2024
128.	Pemuda	June 29, 2015	August 16, 2015 up to August 15, 2025
129.	Basko Grand Mall	November 22, 2009	August 22, 2009 up to August 21, 2019
130.	Bukit Tinggi	November 22, 2009	September 14, 2009 up to September 13, 2019
131.	Plaza Mulia	November 22, 2009	October 17, 2009 up to October 16, 2019
132.	Pahlawan	November 22, 2009	November 15, 2009 up to November 14, 2019
133.	Balickpapan SuperBlok	November 22, 2009	November 22, 2009 up to November 21, 2019
134.	Tanjung Pinang	July 27, 2010	March 23, 2010 up to March 22, 2020
135.	Kediri Mall	July 27, 2010	March 19, 2010 up to March 18, 2020
136.	Petterani	July 27, 2010	April 9, 2010 up to April 8, 2020
137.	Puncak Pafesta	July 27, 2010	April 14, 2010 up to April 13, 2020
138.	Matraman	March 8, 2018	December 16, 2017 up to December 15, 2027
139.	Depok Dua Tengah	July 27, 2010	May 18, 2010 up to May 17, 2020
140.	Tasikmalaya	July 27, 2010	July 23, 2010 up to July 22, 2020
141.	Kaliurang	July 27, 2010	July 27, 2010 up to July 26, 2020
142.	Gandaria City Mall	July 22, 2016	September 30, 2016 up to September 29, 2026
143.	Sanur	April 12, 2011	September 9, 2010 up to September 8, 2020
144.	Sudirman	March 14, 2016	January 26, 2016 up to January 25, 2026
145.	SKA Pekanbaru	August 18, 2011	January 10, 2011 up to January 9, 2021
146.	Citra Raya Cikupa	August 18, 2011	January 7, 2011 up to January 6, 2021
147.	Krakatau	August 18, 2011	February 27, 2011 up to February 26, 2021
148.	Carrefour Lebak Bulus	January 27, 2012	May 1, 2010 up to April 30, 2020
149.	Gajah Mada Pontianak	January 27, 2012	June 4, 2011 up to June 3, 2021
150.	Ciputra World Surabaya	May 3, 2012	August 12, 2011 up to August 11, 2021
151.	Juanda	May 18, 2016	July 22, 2016 up to July 21, 2026
152.	Depok Town Centre	May 3, 2012	August 26, 2011 up to August 25, 2021
153.	Garut	May 3, 2012	November 17, 2011 up to November 10, 2021
154.	Taman Ratu	May 16, 2017	January 26, 2017 up to January 25, 2018
155.	Harapan Indah	May 3, 2012	December 24, 2011 up to December 23, 2021
156.	Solo Square	May 3, 2012	December 25, 2011 up to December 24, 2021
157.	Sam Ratulangi	May 3, 2012	January 28, 2012 up to January 27, 2022



No.	Outlet Name	Date of Agreement	Term
158.	Riau Bandung	March 14, 2016	January 26, 2016 up to January 25, 2026
159.	Alaudin Makassar	July 17, 2012	April 4, 2012 up to April 3, 2022
160.	Cirebon Super Blok	July 17, 2012	April 13, 2012 up to April 12, 2022
161.	Palu	August 16, 2012	May 14, 2012 up to May 13, 2022
162.	Sipin Jambi	August 16, 2012	May 20, 2012 up to May 19, 2022
163.	Jatwaringin	January 27, 2012	December 14, 2008 up to December 13, 2018
164.	Ciliwung Malang	August 16, 2012	June 1, 2012 up to May 31, 2022
165.	Sunset Point Bali	August 16, 2012	June 2, 2012 up to June 1, 2022
166.	Kota Kasablanka Mall	October 15, 2012	August 3, 2012 up to August 2, 2022
167.	Warung Jambu Tiga	January 27, 2012	July 18, 2011 up to July 17, 2021
168.	Gatot Subroto Pancoran	June 24, 2013	May 29, 2013 up to May 28, 2023
169.	Taman Mini Sentral	January 31, 2013	November 30, 2012 up to November 29, 2022
170.	Lippo Plaza Kendari	February 13, 2013	January 2, 2013 up to January 1, 2023
171.	Komsen Jatiasih Bekasi	February 13, 2013	March 30, 2013 up to March 29, 2023
172.	Diponegoro Bali	July 14, 2017	November 17, 2017 up to November 16, 2027
173.	Citra Enam	January 27, 2012	August 31, 2010 up to August 30, 2020
174.	Makassar Townsquare	June 24, 2013	April 23, 2013 up to April 22, 2023
175.	Graha Pena Surabaya	June 24, 2013	May 30, 2013 up to May 29, 2023
176.	Sumarecon Bekasi Mall	June 24, 2013	April 23, 2013 up to April 22, 2023
177.	Asrama Haji Medan	August 22, 2013	June 29, 2013 up to June 28, 2023
178.	Grand Wisata Bekasi	August 22, 2013	August 2, 2013 up to August 1, 2023
179.	Malang Soekarno Hatta	August 22, 2013	August 7, 2013 up to August 6, 2023
180.	Center Point Medan	January 27, 2012	November 19, 2009 up to November 18, 2019
181.	Cibinong City Mall	October 23, 2013	November 22, 2013 up to November 21, 2023
182.	Semarang Pandanaran	March 14, 2016	January 26, 2016 up to January 25, 2026
183.	Karawang Central Plaza	October 23, 2013	November 29, 2013 up to November 28, 2023
184.	Gajah Mada Medan	October 23, 2013	November 29, 2013 up to November 28, 2023
185.	Suzuya Banda Aceh	October 23, 2013	November 30, 2013 up to November 29, 2023
186.	Metropolitan City Panam	October 23, 2013	November 30, 2013 up to November 29, 2023
187.	Kemanggis	January 27, 2012	March 21, 2011 up to March 20, 2021
188.	Bintaro Jaya Xchange	October 23, 2013	February 24, 2014 up to February 23, 2024
189.	Festival Citylink	March 10, 2014	February 28, 2014 up to February 27, 2024
190.	Palembang Icon Mall	March 10, 2014	April 8, 2014 up to April 7, 2024
191.	Senapelan Pekanbaru	October 10, 2014	November 26, 2014 up to November 25, 2024
192.	Palembang Trade Center	August 27, 2014	June 10, 2014 up to June 9, 2024
193.	Jatinangor Town Square	July 29, 2014	July 4, 2014 up to July 3, 2024
194.	Citriland Semarang	July 29, 2014	July 8, 2014 up to July 7, 2024
195.	Jimbaran Bali	July 29, 2014	July 25, 2014 up to July 24, 2024
196.	Majapahit Semarang	August 7, 2014	October 10, 2014 up to October 9, 2024
197.	Antasari Lampung	August 7, 2014	July 17, 2014 up to July 16, 2024
198.	Bintaro Veteran 2	March 14, 2016	January 26, 2016 up to January 25, 2026
199.	Cisalak Depok	October 10, 2014	November 5, 2014 up to November 4, 2024
200.	Diponegoro Salatiga	October 10, 2014	November 15, 2014 up to November 14, 2024
201.	Madiun	October 27, 2014	November 21, 2014 up to November 20, 2024
202.	Lokasari	February 9, 2015	December 23, 2014 up to December 22, 2024
203.	Alam Sutera	July 27, 2010	December 22, 2009 up to December 21, 2019
204.	Sultan Agung Yogyakarta	May 11, 2015	May 27, 2015 up to May 26, 2025
205.	S Parman Samarinda	August 7, 2014	June 25, 2015 up to June 24, 2025
206.	Mojopahit Mojokerto	May 11, 2015	July 12, 2015 up to July 11, 2025
207.	S Parman Bengkulu	May 29, 2015	July 13, 2015 up to July 12, 2025
208.	Banjarbaru	May 18, 2015	July 16, 2015 up to July 15, 2025
209.	Rijali Ambon	September 14, 2015	October 25, 2015 up to October 24, 2025
210.	Palangkaraya	September 14, 2015	December 26, 2015 up to December 25, 2025
211.	Mataram Sriwijaya	August 17, 2015	September 7, 2015 up to September 6, 2025
212.	Metropolitan Mall Cileungsi	September 12, 2013	October 3, 2013 up to October 2, 2023
213.	Big Mall Samarinda	April 25, 2016	October 2, 2016 up to October 1, 2026
214.	Antapani	January 27, 2012	October 6, 2011 up to October 5, 2021
215.	Sisingamangaraja Medan	March 14, 2016	January 26, 2016 up to January 25, 2026
216.	Paal 2 Manado	November 7, 2016	November 24, 2016 up to November 23, 2026
217.	Kupang Lippo Plaza	December 11, 2017	April 12, 2018 up to April 11, 2028
218.	Sudirman Pekanbaru	October 23, 2013	November 27, 2013 up to November 26, 2023
219.	Supermall Pakuwon Indah	April 17, 2014	April 27, 2014 up to April 26, 2024
220.	Rita Mall Purwokerto	April 5, 2017	February 26, 2017 up to February 25, 2027
221.	Kota Bintang	February 10, 2017	May 23, 2017 up to May 22, 2027
222.	Rancho T.B Simatupang	January 27, 2012	July 6, 2011 up to July 5, 2021
223.	Jogya City Mall	February 10, 2017	June 26, 2017 up to June 25, 2027
224.	Emerald Bintaro	July 19, 2017	September 16, 2017 up to September 15, 2027
225.	Raden Intan Lampung	October 19, 2017	September 25, 2017 up to September 24, 2027
226.	Danau Sunter Utara	October 19, 2017	October 14, 2017 up to October 13, 2027
227.	Panjang Kebon Jeruk	October 19, 2017	October 25, 2017 up to October 24, 2027
228.	Paramount Serpong	October 19, 2017	November 12, 2017 up to November 11, 2027
229.	Jababeka Cikarang	January 22, 2018	December 12, 2017 up to December 11, 2027
230.	Hertasning Makassar	October 19, 2017	December 15, 2017 up to December 14, 2027
231.	MERR Surabaya	January 22, 2018	December 18, 2017 up to December 17, 2027
232.	Paskal HyperSquare Bandung	January 22, 2018	December 25, 2017 up to December 24, 2027
233.	Cinere Raya Dua	January 22, 2018	December 27, 2017 up to December 26, 2027
234.	MT Haryono Balikpapan	October 19, 2017	December 28, 2017 up to December 27, 2027
235.	Pondok Indah Mall 2	March 13, 2017	January 26, 2016 up to January 25, 2026
236.	Neo Soho	March 13, 2017	September 8, 2016 up to September 7, 2026

As of the date of this Prospectus, expired IFA's for PHR Galaxi Mall and PHR Sunter Mall is still under negotiation process for extension. IFA for PHR Sunter Mall will be used for opening new outlet in other location.

Lease Agreements

PT Mustika Ratu Centre

Lease Agreement No. 380/LA/MRC/05 between the Company and PT Mustika Ratu Centre dated March 14, 2005, as last amended by the Addendum to Lease Agreement No. 418/Add/MRC/IV/2017 dated April 1, 2017.



The Parties:

- a. The Company; and
- b. PT Mustika Ratu Centre ("MRC").

The Company and MRC shall be jointly referred to as the "**Parties**" and separately as the "**Party**."

Scope of Agreement:

MRC, as the legitimate owner of an office building known as Graha Mustika Ratu, having its address at Jl. Gatot Subroto Kavling 74 – 75, South Jakarta ("**Building**"), agrees to lease an office space with a total area of 948.33 m² located on the 8th floor of the Building ("**Leased Space**") to the Company.

Term of Agreement:

The term is from April 1, 2017 to March 31, 2022 (5 years) and is extendable by submitting a notice no later than 90 days prior to the expiration date of the agreement.

Termination:

MRC shall have the right to terminate the Agreement by giving a 14-day prior notice to the Company if any of the following events occurs:

- a. The Company, for any reason whatsoever, is in default of its payment obligations pursuant to the agreement, including the obligation to pay the Rental Fee, Service Charge, interest or penalty and other costs payable to MRC pursuant to the agreement;
- b. The Company is in default of its obligations pursuant to the agreement, and is unable to remedy such default within a period of 14 days after receiving a written notice from MRC; and
- c. The Company is in bankruptcy, dissolved or liquidated, whether voluntarily or involuntarily, merged, consolidated, or placed under management and as a result, lost its status as a company.

For termination resulting from any of the aforementioned events, MRC shall not be liable to (i) refund any unused Rental Fee and Service Charge paid to MRC during the relevant lease period, and the security deposit paid by the Company, and (ii) pay a compensation for the loss, expenses or expenditures incurred by the Company.

The Company shall have the right to terminate the Agreement if any of the following events occurs:

- a. MRC is in default of its obligations pursuant to the agreement and is unable to remedy such default within a period of 14 days after receiving a written notice from the Company; and
- b. MRC is in bankruptcy, dissolved or liquidated, whether voluntarily or involuntarily, merged, consolidated, or placed under management and as a result, lost its status as a company.

If any of the above events occurs, the Company may terminate the agreement prior to the expiry of the Lease Term by giving a 30-day prior written notice to MRC. MRC shall be liable to refund the unused Rental Fee and Service Charge paid to MRC during the relevant period, however, MRC shall not be liable to pay a compensation for the loss, expenses or expenditures incurred by the Company.

If the agreement expires or is terminated earlier by the Company without any acceptable reason as defined in the agreement, the Company shall be liable to pay the Rental Fee, Service Charge, and other outstanding payables to MRC for the entire period of the Lease Term, and MRC shall not be liable to refund the unused Rental Fee, Service Charge and other payments paid to MRC during the relevant period.

If the Agreement is terminated due to the expiry of the Lease Term, or as a result of an early termination, the Company shall be liable to return to MRC, the Leased Space in good condition and free of the Company's properties, by no later than 2 weeks subsequent to the expiry date or termination date of the Agreement, without any obligation of the MRC to provide alternative accommodations or pay any compensation in any form to the Company.

Assignment:

The Company may not assign, sub-let, or share the ownership of the Leased Space or any part of the Leased Space without prior consent from MRC. Such consent shall not release the Company from its obligations to MRC as stipulated in the agreement.

Governing Law:

The Law of the Republic of Indonesia

Settlement of Dispute:

District Court of Central Jakarta.



Lease Agreement No. 383/LA/MRC/05 between the Company and PT Mustika Ratu Centre dated March 14, 2005, as last amended by the Addendum to Lease Agreement No. 419/Add/MRC/IV/2017 dated April 1, 2017,

The Parties:

The Company; and
PT Mustika Ratu Centre ("MRC").

The Company and MRC shall jointly be referred to as the "**Parties**" and individually as the "**Party**."

Scope of Agreement:

MRC, as the legitimate owner of an office building known as Graha Mustika Ratu, having its address at Jl. Gatot Subroto Kavling 74 – 75, South Jakarta ("**Building**"), agrees to lease an office space with a total area of 305.17 m² located on the 9th floor of the Building ("**Leased Space**") to the Company.

Term of Agreement:

The term is from April 1, 2017 to March 31, 2022 (5 years) and is extendable by submitting a notice by no later than 90 days prior to the expiration date of the agreement.

Termination:

MRC shall have the right to terminate the Agreement by giving a 14-day prior notice to the Company if any of the following events occurs:

- a. The Company, for any reason whatsoever, is in default of its payment obligations pursuant to the agreement, including the obligation to pay the Rental Fee, Service Charge, interest or penalty and other costs payable to MRC pursuant to the agreement;
- b. The Company is in default of its obligations pursuant to the agreement, and is unable to remedy such default within a period of 14 days after receiving a written notice from MRC; and
- c. The Company is in bankruptcy, dissolved or liquidated, whether voluntarily or involuntarily, merged, consolidated, or placed under management and as a result, lost its status as a company.

For termination resulting from any of the aforementioned events, MRC shall not be liable to (i) refund any unused Rental Fee and Service Charge paid to MRC during the relevant lease period, and the security deposit paid by the Company, and (ii) pay a compensation for the loss, expenses or expenditures incurred by the Company.

The Company shall have the right to terminate the Agreement if any of the following events occurs:

- a. MRC is in default of its obligations pursuant to the agreement, and is unable to remedy such default within a period of 14 days after receiving a written notice from the Company; and
- b. MRC is in bankruptcy, dissolved or liquidated, whether voluntarily or involuntarily, merged, consolidated, or placed under management and as a result lost, its status as a company.

If any of the above events occurs, the Company may terminate the agreement prior to the expiry of the Lease Term by giving a 30-day prior written notice to MRC. MRC shall be liable to refund the unused Rental Fee and Service Charge paid to MRC during the relevant period, however, MRC shall not be liable to pay a compensation for the loss, expenses or expenditures incurred by the Company.

If the agreement expires or is terminated earlier by the Company without any acceptable reason as defined in the agreement, the Company shall be liable to pay the Rental Fee, Service Charge and other outstanding payables to MRC for the entire period of the Lease Term, and MRC shall not be liable to refund the unused Rental Fee, Service Charge and other payments paid to MRC during the relevant period.

If the Agreement is terminated due to the expiry of the Lease Term or as a result of an early termination, the Company shall be liable to return to MRC, the Leased Space in good condition and free of the Company's properties, by no later than 2 weeks subsequent to the expiry date or termination date of the Agreement, without any obligation of the MRC to provide alternative accommodations or pay any compensation in any form to the Company.

Assignment:

The Company may not assign, sub-lease or share the ownership of the Leased Space or any part of the Leased Space without prior consent from MRC. Such consent shall not release the Company from its obligations to MRC as stipulated in the agreement.

Governing Law:

The Law of the Republic of Indonesia



Settlement of Dispute:

District Court of Central Jakarta.

Outlet Lease Agreements

In carrying out its business activities, the Company has signed several lease agreements for each of its outlets, as described below: As of the issuance of this Prospectus, the lease agreements signed by the Company for each outlet remain valid, with various expiry dates up to 2042.

PHD

No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
1	PHD Kelapa Gading Boulevard	Deed of Lease Agreement No 24 dated August 24, 2007, drawn up before Herlina Rahmi, S.H., Acting Notary of Eliza Asmawel, S.H., a Notary in Jakarta, as last amended by the Deed of Amendment dated July 17, 2017.	Agustono Gandasaputra	Location: Jalan Boulevard Raya Blok FW 1 No. 14, Kelapa Gading, North Jakarta Total area: 72 m2	October 22, 2017 up to October 21, 2019
2	PHD Green Garden	Deed of Lease Agreement No 10 dated September 21, 2007, drawn up before Eliza Asmawel, S.H., a Notary in Jakarta, as last amended by the Amendment Agreement dated August 31, 2016.	Pedy Suryadi	Location: Ruko Green Garden Block I 9 No. 6 West Jakarta Total area: Land: 164m2 Building: 240m2	November 9, 2016 up to November 8, 2021
3	PHD Tebet Barat	Deed of Lease Agreement No 6 dated November 12, 2007, drawn up before Eliza Asmawel, S.H., a Notary in Jakarta, as last amended by the Deed of Amendment dated September 10, 2015.	Achmad Jazuli Noor	Location: Jl. Tebet Barat Dalam Raya No. 94 E, South Jakarta Total area: ± 200 m2	January 2, 2016 up to January 1, 2021
4	PHD Bintaro	Deed of Lease Agreement No 3 dated November 6, 2008, drawn up before Eliza Asmawel, S.H., a Notary in Jakarta, as last amended by the Deed of Amendment dated August 5, 2016.	Abdul Haris	Location: Ruko Victoria Block A No. 7 Bintaro Total area: 209.25 m2	November 12, 2016 up to November 11, 2026
5	PHD Serpong	Deed of Lease Agreement No 12 dated March 18, 2009, drawn up before Eliza Asmawel, S.H., a Notary in Jakarta, as last amended by the Deed of Amendment dated March 24, 2017.	Koswanto	Location: Melati Mas Shophouse No. 32, Jalan Raya Serpong, BSD-Tangerang Total area: 68 m2	April 21, 2017 up to April 20, 2020
6	PHD Muara Karang	Deed of Lease Agreement No 20 dated May 29, 2009, drawn up before Eliza Asmawel, S.H., a Notary in South Jakarta.	France Perdana	Location: Shophouse at Jl. Pluit Karang Blok A7 Utara No. 159 Kav. 21, North Jakarta Total area: 150 m2	August 1, 2017 up to July 31, 2020
7	PHD Pondok Indah	Deed of Lease Agreement No 5 dated March 5, 2010, drawn up before Eliza Asmawel, S.H., a Notary in Jakarta, as last amended by the Deed of Amendment dated November 26, 2012.	Imam Nindito Budi Santoso	Location: Shophouse at Jl. Arteri Kebayoran Lama RT 009/009, South Jakarta Total area: ± 4 x 17 m2	April 8, 2010 up to April 7, 2020
8	PHD Kalimalang	Deed of Lease Agreement No 16 dated January 18, 2010, drawn up before Eliza Asmawel, S.H., a Notary in Jakarta, as last amended by the Letter of Extension of Lease Agreement dated August 26, 2014.	Sri Mardini	Location: Shophouse at Jl. Raya Kalimalang Blok F/18 E, Jakarta Total area: 193 m2	January 25, 2015 up to January 24, 2020
9	PHD Kemang Raya	Deed of Lease Agreement No 18 dated February 12, 2010, drawn up before Eliza Asmawel, S.H., a Notary in South Jakarta.	Fatimah, Amarullah Hamim, Amir Marzuki Hamim, Abdul Syukur, Masripah Hamim, Munawaroh Hamim, Marwati Hamim, Rosita Hamim	Location: Shophouse at Jl. Kemang Raya No. 49 C, South Jakarta Total area: 50 m2	10 years from the commencement date of the lease
10	PHD Citra Garden	Deed of Lease Agreement No 9 dated January 12, 2010, drawn up before Eliza Asmawel, S.H., a Notary in South Jakarta, as amended by the Deed of Amendment dated March 20, 2015.	Rusdy Alianto	Location: Shophouse at Citra Niaga Blok A home office Complex No. 51, Jl. Utan Jati, West Jakarta Total area: 68 m2	March 22, 2015 up to March 21, 2020
11	PHD Cibubur	Deed of Lease Agreement No 13 dated March 29, 2010, drawn up before Eliza Asmawel, S.H., a Notary in South Jakarta.	Suharto	Location: Shophouse at Jl. Trans Yogie, Cibubur Total area: ± 75 m2	April 14, 2010 up to April 13, 2020
12	PHD Mangga Besar	Deed of Lease Agreement No 20 dated May 12, 2010, drawn up before Eliza Asmawel, S.H., a Notary in South Jakarta, as last amended by the Letter of Extension of Lease Agreement dated December 12, 2014.	Ong Ingdrawati	Location: Jl. Mangga Besar Raya No. 63, Jakarta Total area: 240 m2	June 13, 2015 up to June 12, 2020
13	PHD Harapan Indah	Deed of Lease Agreement No 4 dated June 9, 2010, drawn up before Eliza Asmawel, S.H., a Notary in South Jakarta.	Indra Solikhin	Location: Sentra Niaga Blok SN-1 No. 7 Boulevard Hijau, Kota Harapan Indah, Bekasi Total area: Building: ± 180 m2 Land: ± 76.5 m2	10 years from the commencement date of the lease
14	PHD Sunter	Deed of Lease Agreement No 8 dated May 3, 2010, drawn up before Eliza Asmawel, S.H., a Notary in Jakarta, as last amended by the Deed of Amendment dated May 18, 2015.	Sidik Pingky Simon	Location: Jl. Danau Sunter Utara Blok E-1B, North Jakarta Total area: 169 m2	August 14, 2015 up to August 13, 2020



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
15	PHD Hasyim Ashari	Lease Agreement No. 7 dated August 30, 2010, drawn up before Elliza Asmawel, S.H., a Notary in Jakarta.	Setiati Wihartati	Location: Jl. KH. Hasyim Ashari No. 27, Central Jakarta Total area: 12.5 x 10 m ²	October 11, 2015 up to October 10, 2020
16	PHD Puri Beta Ciledug	Deed of Lease Agreement No 10 dated July 20, 2010, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Toni Musian	Location: Shophouse at HOS Cokroaminoto Petos Junction 8 Unit 3, Ciledug Total area: ± 162 m ²	October 18, 2015 up to October 17, 2020
17	PHD Taman Duta Mas	Deed of Lease Agreement No 8 dated October 25, 2010, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Imelda Eva Maria	Location: Duta Mas Complex Blok A3 No. 25, West Jakarta Total area: 4.5 x 25 m ²	October 22, 2010 up to October 21, 2020
18	PHD Villa Galaxy	Deed of Lease Agreement No 20 dated November 30, 2010, drawn up before Elliza Asmawel, S.H., a Notary in Jakarta.	Khetty Ariaty, Musnetty Karta Soebrata, Khemal Dicky Mustafa	Location: Taman Galaxy I/Villa Galaxy Blok AR-1 No. 25, Bekasi Total area: 5 x 18 m ²	10 years from the commencement date of the lease
19	PHD Karang Tengah Ciledug	Deed of Lease Agreement No 16 dated February 21, 2011, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Hermawati Martina	Location: Building at Jl. Raden Saleh No. 9, Karang Tengah, Tangerang Total area: ± 80 m ²	March 9, 2011 up to March 8, 2021
20	PHD Depok	Deed of Lease Agreement No 8 dated March 4, 2011, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Nursiah, Tuti Asnawiyah, Muhammad Nur, Nuryasin, Novita	Location: Building at Jl. Tole Iskandar No.48, Depok Total area: ± 4 x 14 m ²	10 years from the commencement date of the lease
21	PHD Rawamangun	Deed of Lease Agreement No 19 dated March 11, 2011, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Paulus Ady Sulaksana	Location: Shophouse at Jl. Paus Raya No. 92 B, East Jakarta Total area: ± 4 x 15 m ²	10 years from the commencement date of the lease
22	PHD Cikini	Deed of Lease Agreement No 20 dated March 11, 2011, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Meila Dharmayanti	Location: Jl. Cikini Raya No. 81A, Central Jakarta Total area: ± 109 m ²	10 years from the commencement date of the lease
23	PHD Pasar Minggu	Deed of Lease Agreement No 24 dated March 29, 2011, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Melianti	Location: Shophouse at Jl. Pasar Minggu KM 18 No. 8-B, South Jakarta Total area: ± 62 m ²	May 1, 2011 up to May 2, 2021
24	PHD Taman Semanan Indah	Deed of Lease Agreement No 8 dated April 19, 2011, drawn up before Elliza Asmawel, S.H., a Notary in Jakarta, as last amended by the Deed of Amendment dated May 30, 2016.	Mawarwati Anwar	Location: Taman Semanan Indah Shophouse Blok No. 9, West Jakarta Total area: ± 132 m ²	May 12, 2016 up to May 11, 2021
25	PHD Pamulang	Deed of Lease Agreement No 5 dated April 18, 2011, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta, as amended by the Deed of Lease Agreement No. 30 dated January 11, 2016, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Martin Gozali	Location: Shophouse at Jl. Pamulang Permai Blok SH 21/13, Tangerang Total area: ± 5 x 13 m ²	June 18, 2016 up to June 17, 2021
26	PHD Bulungan	Deed of Lease Agreement No 4 dated April 15, 2011, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Paulus Darmoko	Location: Jl. Bulungan No. 64, South Jakarta Total area: ± 100 m ²	10 years from the commencement date of the lease
27	PHD Cipondoh	Deed of Lease Agreement No 32 dated May 5, 2011, drawn up before Tan Susi, S.H., a Notary in Jakarta, as lastly amended by the Deed of Lease Agreement No. 3274/2016 dated April 11, 2016.	Anwar Wijaya	Location: Jl. Kyai Hasyim Ashari RT 003 RW 01, Tangerang Total area: Land: ± 112 m ² Building: ± 70 m ²	May 21, 2016 up to May 20, 2021
28	PHD Thamrin Residence	Deed of Lease Agreement No 16 dated April 28, 2011, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta, as amended by the Deed of Amendment dated March 21, 2016.	Benny Hidayat	Location: Shophouse at Jl. Thamrin Boulevard RTD-16, Jakarta Total area: ± 5 x 15.5 m ²	June 13, 2016 up to June 12, 2021
29	PHD Margonda Residence	Deed of Lease Agreement No 9 dated May 11, 2011, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Akmaludin	Location: Margonda Residence Shophouse No. MR-7, Jl. Margonda Raya Kav. 462-465, Depok Total area: 57 m ²	10 years from the commencement date of the lease
30	PHD Jatimakmur Residence	Deed of Lease Agreement No 17 dated May 25, 2011, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Sri Budi Santoso	Location: Jl. Jatimakmur Residence Blok A No. 5, Bekasi Total area: 75 m ²	10 years from the commencement date of the lease
31	PHD Pos Pengumben	Deed of Lease Agreement No 16 dated June 27, 2011, drawn up before Nallysa Wardhani, S.H., an acting Notary of Elliza Asmawel, S.H., a Notary in South Jakarta.	Wibowo Dartanto	Location: Shophouse at Jl. Pos Pengumben No. 188-A, Jakarta Total area: 86.25 m ²	10 years from the commencement date of the lease
32	PHD Taman Sunter Indah	Deed of Lease Agreement No 16 dated July 19, 2011, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta, as last amended by the Deed of Amendment dated June 25, 2016.	Widianingsih	Location: Taman Sunter Indah Shophouse Complex Blok KI-1 No. 12, North Jakarta	August 19, 2016 up to August 18, 2021



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
				Total area: Building: 132 m2 Land: 71 m2	
33	PHD Alam Sutera	Deed of Lease Agreement No 15 dated July 19, 2011, drawn up before Elliza Asmawel, S.H., a Notary in Jakarta, as last amended by the Deed of Amendment dated June 27, 2016.	Wisse Koes Endang	Location: Jl. Jalur Sutera RJS 29-A No. 39, Serpong Total area: 434 m2	September 25, 2016 up to September 24, 2021
34	PHD Padjajaran Bogor	Deed of Lease Agreement No 4 dated August 1, 2011, drawn up before Natalia Lini Handayani, S.H., a Notary in Bogor.	Veronita Purnamasari Rusli	Location: Shophouse at Jl. Raya Padjajaran Ruko 20 Q Bogor Total area: 196 m2	10 years from the commencement date of the lease
35	PHD Sholeh Iskandar Bogor	Deed of Lease Agreement No 6 dated August 1, 2011, drawn up before Natalia Lini Handayani, S.H., a Notary in Bogor.	Tjoe Meuw Sen	Location: Jl. Kyai Haji Sholeh Iskandar KM 6, Bogor Total area: 111 m2	October 7, 2011 up to October 6, 2021
36	PHD Pasar Baru	Lease agreement dated November 30, 2011	PT Pancapermata Istana Pasar Baru	Location: Lantai 1 Unit 02 A, Jalan Pintu Air Raya No. 58-64, Jakarta Total area: ± 100 m2	10 years from the commencement date of the lease
37	PHD Antapani	Deed of Lease Agreement No 1 dated November 01, 2011, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Wienardy Surya Wijaya	Location: Jl. Purwakarta No. 68 Antapani, Bandung Total area: 96 m2	10 years from the commencement date of the lease
38	PHD Jemur Sari	Deed of Lease Agreement No 6 dated December 14, 2011, drawn up before Sri Erliana Tjahjoharto, S.H., a Notary in Surabaya.	Indriaty Dewi	Location: Jl. Raya Prapen No. 252-254 Kav. B, Surabaya Total area: ± 4.5 x 15 m2	10 years from the commencement date of the lease
39	PHD Dago	Deed of Lease Agreement No 3 dated January 5, 2011, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Budi Susanto	Location: Shophouse at Jl. Insinyur Haji Juanda 342C, Dago, Bandung Total area: 152 m2	10 years from the commencement date of the lease
40	PHD Meganti Wiyung	Deed of Lease Agreement No 7 dated December 14, 2011, drawn up before Sri Erliana Tjahjoharto, S.H., a Notary in Surabaya.	Tjiang Ronald Chandrakusuma	Location: Jl. Raya Meganti A-30, Surabaya Total area: 5 x 22 m2	10 years from the commencement date of the lease
41	PHD Taman Rasuna Kuningan	Deed of Lease Agreement Ex Popolulu Menara 14 – 17 Place No. 18 dated February 21, 2012, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Setiawan Kanani, Sri Wagiaty	Location: Menara 14 – 17 Apartemen Taman Rasuna Total area: 100 m2	10 years from the commencement date of the lease
42	PHD Darma Husada Surabaya	Deed of Lease Agreement No 16 dated December 27, 2011, drawn up before Sri Erliana Tjahjoharto, S.H., a Notary in Surabaya.	Tio Kiam Lin	Location: Jl. Dharmahusada No. 115 Blok E, Surabaya Total area: Land: 90 m2 Building: 3 x 4.5 x 15 m2	10 years from the commencement date of the lease
43	PHD Fatmawati	Deed of Lease Agreement No 2 dated July 5, 2011, drawn up before Nallysa Wardhani, S.H., Acting Notary of Eliza Asmawel, S.H., a Notary in South Jakarta, as last amended by the Deed of Amendment dated July 18, 2011.	Rudy Harsono Tjandra	Location: Jl. Rumah Sakit Fatmawati No. 37 J, South Jakarta Total area: Land: ± 134 m2 Building: ± 17.5 x 4.5 m2	September 11, 2011 up to September 10, 2018
44	PHD Karawitan	Deed of Lease Agreement No 4 dated April 12, 2012, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Jacky Rezano Masui	Location: Jl. Karawitan No. 59 A-B, Bandung Total area: ± 211 m2	10 years from the commencement date of the lease
45	PHD Darmo Indah	Deed of Lease Agreement No 35 dated August 31, 2012, drawn up before Sri Erliana Tjahjoharto, S.H., a Notary in Surabaya.	Deby Sutanto	Location: Shophouse at Jl. Raya Darmo Indah Timur Blok G No. 61 B, Surabaya Total area: 4.5 x 18 m2	June 14, 2012 up to June 13, 2022
46	PHD Beringin	Deed of Lease Agreement No 5 dated May 4, 2012, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Ng Siaw Hun/Yuni	Location: Jl. Beringin No. 10, Tangerang Regency To: 54 m2	10 years from the commencement date of the lease
47	PHD Kelapa Hibrida	Deed of Lease Agreement No 04 dated May 4, 2012, drawn up before Elliza Asmawel, S.H., a Notary in Jakarta, as last amended by the Deed of Amendment dated June 30, 2017.	Daniel Liauw	Location: Jl. Kelapa Hibrida RB II/10, Kelapa Gading, North Jakarta Total area: ± 135 m2	July 1, 2017 up to June 30, 2022



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
48	PHD Buaran	Deed of Lease Agreement No 9 dated May 9, 2012, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Arie Soetjipto	Location: Jl. Buaran Raya no. 9A, East Jakarta Total area: ±8 x 17 m2	10 years from the commencement date of the lease
49	PHD Rungkut Yakaya	Deed of Lease Agreement No 30 dated May 31, 2012, drawn up before Sri Erliana Tjahjoharto, S.H., a Notary in Surabaya.	PT Pasaraya Karsajaya	Location: Ground level Yakaya Shopping Center Jl. Rungkut Mapan Utara No. 84 Blok FA-1 & FA-2, Surabaya Total area: ± 90 m2	10 years from the commencement date of the lease
50	PHD Setrasari Mall	Deed of Lease Agreement No 4 dated June 8, 2012, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Oey Han Bing	Location: Setrasari Shophouse Mall A7, Bandung Total area: ± 60 m2	10 years from the commencement date of the lease
51	PHD Central Park	Deed of Lease Agreement No 1 dated May 2, 2012, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Waty Tjakra Associates	Location: Ground level Clermont No. 9-AP Block Podomoro City, Jl. S. Parman Kav. 28, West Jakarta Total area: ± 62 m2	10 years from the commencement date of the lease
52	PHD Metro Margahayu	Deed of Lease Agreement No 5 dated June 8, 2012, drawn up before Nallysa Wardhani, S.H., an acting Notary of Elliza Asmawel, S.H., a Notary in South Jakarta.	Komala Dewi	Location: Shophouse at Jl. Venus Raya No. 24, Bandung Total area: ± 425 m2	10 years from the commencement date of the lease
53	PHD Villa Mutiara Gading	Deed of Lease Agreement No 1 dated September 5, 2012, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Antoni Tarigan	Location: Villa Mutiara Gading 2, Bekasi Total area: ± 75 m2	10 years from the commencement date of the lease
54	PHD Benhil	Deed of Lease Agreement No 2 dated July 10, 2012, drawn up before Nallysa Wardhani, S.H., an acting Notary of Elliza Asmawel, S.H., a Notary in South Jakarta.	Sudaryanto	Location: Alfamidi Jl. Benhil Raya, Jakarta Total area: ± 90.6 m2	10 years from the commencement date of the lease
55	PHD Caman Jatibening	Deed of Lease Agreement No 2 dated September 5, 2012, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Satya Kumalasari	Location: Jl. Raya Caman Ruko East Point No. 12, Bekasi Total area: 4 x 15 m2	10 years from the commencement date of the lease
56	PHD Kedungdoro	Deed of Lease Agreement No 5 dated September 7, 2012, drawn up before Sri Erliana Tjahjoharto, S.H., a Notary in Surabaya.	Wati Kresnaningsih	Location: Shophouse at Jl. Raya Kedungdoro 201 A, Surabaya Total area: 6 x 20 m2	10 years from the commencement date of the lease
57	PHD Cijerah	Deed of Lease Agreement No 14 dated September 26, 2012, drawn up before Elliza Asmawel, S.H., a Notary in Jakarta.	Ramli Budiman	Location: Shophouse Melong Nirwana Unit B, Jl. Melong Asih 66, Bandung Total area: ± 140 m2	10 years from the commencement date of the lease
58	PHD Mekar Wangi	Deed of Lease Agreement No 13 dated September 26, 2012, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Minggriani Lauw	Location: Shophouse at Jl. Ruko Mekar Pesona 132, Jl. Indrayasa 132, Mekarwangi, Bandung Total area: ± 75 m2	10 years from the commencement date of the lease
59	PHD Taman Palem	Deed of Lease Agreement No 4 dated July 12, 2012, drawn up before Nallysa Wardhani, S.H., an acting Notary of Elliza Asmawel, S.H., a Notary in South Jakarta.	Leo Fernandez	Location: City Resort Residences Blok D/6 A (Miami Home office), Jakarta Total area: ± 202 m2	10 years from the commencement date of the lease
60	PHD Bintara	Deed of Lease Agreement No 15 dated October 19, 2012, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Keberlian Hutagaol	Location: Jl. Bintara Raya No. 27, West Bekasi Total area: ± 159 m2	10 years from the commencement date of the lease
61	PHD Emerald Bintaro	Deed of Agreement No. 25 dated October 30, 2012, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Ezifrianos	Location: Emerald Boulevard, bintaro Total area: 5.4 x 15 m2	10 years from the commencement date of the lease
62	PHD Mustika Jaya	Deed of Lease Agreement No 3 dated November 2, 2011, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Faisal Pulungan	Location: Shophouse Villa Asri Blok A No. 21, Jalan Mustika Jaya, Bekasi Total area: ± 90 m2	10 years from the commencement date of the lease
63	PHD Kaliabang	Deed of Lease Agreement No 1 dated January 4, 2013, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Tay Suryadi	Location: Shophouse at Kaliabang Artha Loka Shophouse Complex Jl. Kaliabang Tengah No. 77-H, Bekasi Total area: ± 91.2 m2	10 years from the commencement date of the lease



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
64	PHD Cipinang Jaya	Deed of Lease Agreement No 9 dated February 13, 2013, drawn up before Eliza Asmawel, S.H., a Notary in South Jakarta.	Lim Kin Lan	Location: Building at Jl. Cipinang Jaya No. 51, East Jakarta Total area: ± 120 m2	April 17, 2013 up to April 16, 2023
65	PHD Kuta Bumi	Deed of Lease Agreement No 5 dated March 7, 2013, drawn up before Eliza Asmawel, S.H., a Notary in South Jakarta.	PT Rifi Alamanda	Location: Shophouse at Jl. Villa Tomang Baru Blok RH 19, Kutabumi, Tangerang Total area: 108 m2	10 years from the commencement date of the lease
66	PHD Ketintang	Deed of Lease Agreement No 32 dated March 25, 2013, drawn up before Sri Erlana Tjahjoharto, S.H., a Notary in Surabaya.	Siti Rachmawati	Location: Shophouse at Sakura Regency Blok o/5 Ketintang Baru Selatan, Surabaya Total area: 88 m2	10 years from the commencement date of the lease
67	PHD Kartini Gresik	Deed of Lease Agreement No 75 dated May 21, 2013, drawn up before Dyah Pantes Sugianti, S.H., Acting Notary of Inas Abdullah Thalib, S.H., a Notary in Gresik, as last amended by the Deed of Amendment dated September 25, 2013.	Lukman Hadi	Location: Jl. Kartini No. 286, Gresik Total area: ± 116 m2	July 2, 2013 up to July 1, 2023
68	PHD Delta Sari Sidoarjo	Deed of Lease Agreement No 9 dated December 12, 2013, drawn up before Sri Erlana Tjahjoharto, S.H., a Notary in Surabaya.	Berkah Rahayu Danuwijaya	Location: Shophouse Deltasari Blok AN No. 9, Sidoarjo Total area: ± 5 x 15 m2	10 years from the commencement date of the lease
69	PHD Bugis Raya Priok	Deed of Lease Agreement No 16 dated June 19, 2013, drawn up before Eliza Asmawel, S.H., a Notary in South Jakarta.	Niny Lim	Location: Jl. Bugis No. 71 A, Tanjung Priuk Total area: ± 150 m2	10 years from the commencement date of the lease
70	PHD Ciputat	Deed of Lease Agreement No 9 dated May 20, 2014, drawn up before Nallysa Wardhani, S.H., acting Notary of Eliza Asmawel, S.H., a Notary in South Jakarta.	Hiam Sak Sumardi	Location: Shophouse at Jl. Insinyur Haji Juanda No. 27, Ciputat Total area: 150 m2	10 years from the commencement date of the lease
71	PHD Gading Serpong	Deed of Lease Agreement No 10 dated June 13, 2014, drawn up before Eliza Asmawel, S.H., a Notary in South Jakarta.	Antonius	Location: Gading Serpong Boulevard Blok-AA 04/34, Tangerang Total area: ± 5 x 20 m2	August 13, 2014 up to August 12, 2024
72	PHD Jababeka Cikarang	Deed of Lease Agreement No 5 dated October 28, 2014, drawn up before Eliza Asmawel, S.H., a Notary in South Jakarta.	Zein Setiawan	Location: Jl. Puspa Raya No. 23, Cikarang Baru Total area ± 100 m2	10 years from the commencement date of the lease
73	PHD Sawojajar Malang	Deed of Lease Agreement No 3 dated September 8, 2014, drawn up before Eliza Asmawel, S.H., a Notary in South Jakarta.	Herry Wiyono	Location: Jl. Danau Toba No. 1, Malang Total area: ± 100 m2	10 years from the commencement date of the lease
74	PHD Villa Bogor Indah	Deed of Lease Agreement No 5 dated September 10, 2014, drawn up before Eliza Asmawel, S.H., a Notary in South Jakarta.	Margareth Theresa Widjaja	Location: Jl. Raya Bogor RT 01 RW 09, Bogor Luas: ± 375 m2	10 years from the commencement date of the lease
75	PHD Kartini Bekasi	Deed of Lease Agreement No 3 dated October 2, 2014, drawn up before Eliza Asmawel, S.H., a Notary in South Jakarta.	Ervina	Location: Shophouse at Jl. Raden Ajeng Kartini Kavling No. 1, Bekasi Total area: ± 500 m2	December 3, 2014 up to December 2, 2020
76	PHD Cikaret Cibinong	Deed of Lease Agreement No 10 dated October 15, 2014, drawn up before Eliza Asmawel, S.H., a Notary in South Jakarta.	Herni Riaatmadja	Location: Shophouse Nirwana Estate Jalan Cikaret, Cibinong To: ± 240 m2	10 years from the commencement date of the lease
77	PHD Utan Kayu	Lease Agreement No. 11 dated October 15, 2014, drawn up before Eliza Asmawel, S.H., a Notary in South Jakarta.	Olly Gothon Tirtamaja, and the heirs of H. Halim S. Tirtamadja	Location: Jl. Utan Kayu No. 93, East Jakarta Total area: ± 280 m2	10 years from the commencement date of the lease
78	PHD Cimahi	Deed of Lease Agreement No 126 dated February 28, 2015, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Nurhayati, Atin Yuniarti, Ane Maryanti	Location: 2 Shophouse Building at Jl. Raya Barat 623, Cimahi Total area: 108 m2	10 years from the commencement date of the lease
79	PHD Dinoyo Malang	Deed of Lease Agreement No 48 dated May 18, 2015, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Addy Ghozaly	Location: Shophouse at Jl. MT Haryono 8/33, Dinoyo, Malang Total area: 375 m2	10 years from the commencement date of the lease
80	PHD Kojas	Deed of Lease Agreement No 113 dated June 22, 2015, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Hanny Santoso	Location: Jl. Kramat Raya No. 8D, North Jakarta	5 years, extendable for the next 5 years in accordance with the terms specified in the agreement



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
				Total area: 90 m2	
81	PHD Bandung Electronic Center	Lease Agreement No. 028/LU S-01,02/020/LOO/BBP/IV/16 as last amended by Addendum II No. 020/LOO/BBP/IV/16	PT Binabintang Priangan	Location: LU S-01,02, Istana Bandung Electronic Center, Jl. Purnawarman No. 5, 7, 9, 11, 17, Bandung Total area: 80.33 m2	September 15, 2015 up to September 14, 2020
82	PHD Kranggan Bekasi	Deed of Lease Agreement No 47 dated May 18, 2015, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Siat Kim	Location: Jl. Raya Hankam No.82, Bekasi Total area: 224 m2	10 years from the commencement date of the lease
83	PHD Dewi Sartika Cawang	Deed of Lease Agreement No 70 dated October 20, 2015, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Wiryono Halim	Location: Jl. Dewi Sartika No. 292 B, East Jakarta Total area: 216 m2	10 years from the commencement date of the lease
84	PHD Electronic City SCBD	Lease Agreement No. 006/ECI-TENANT/PSM/VI/2017 dated June 16, 2017	PT Electronic City Indonesia Tbk	Location: Foodcourt Electronic City SCBD, Jl. Jenderal Sudirman Kav 52-53 SCBD Lot 22 Sudirman Total area: 30 m2	April 13, 2016 up to April 12, 2021
85	PHD Serua Ciater Pamulang	Deed of Lease Agreement No 26 dated February 5, 2016, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Lie Wi Seng	Location: Jl. Sarua Pamulang, Tangerang Total area: 210 m2	10 years from the commencement date of the lease
86	PHD Purwakarta	Deed of Lease Agreement No 33 dated February 12, 2016, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Lilie Marlone Lunardi Lie Nay Loen	Location: Jl. Veteran No. 143, Purwakarta Total area: 120 m2	10 years from the commencement date of the lease
87	PHD Akses UI	Deed of Lease Agreement No 29 dated April 7, 2016, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Rohany Megawaty	Location: Jl. Akses UI No. 88, Bogor Regency Total area: 5 x 17 m2	10 years from the commencement date of the lease
88	PHD Sesetan Bali	Deed of Lease Agreement No 68 dated March 23, 2016, drawn up before Wayan Sugitha, S.H., a Notary in Denpasar.	Makruf Ali Syammach bin Ali Makruf Sjammach, Muhammad Ali Sjammach bin Ali Makruf Sjammach (representation of all heirs of Ali Makruf Sjammach)	Location: Jl. Raya Sesetan no. 160/210, Denpasar Total area: ± 144 m2	10 years from the commencement date of the lease
89	PHD Gajah Mada Semarang	Deed of Lease Agreement No 3 dated March 3, 2016, drawn up before Indah Indriani, S.H., a Notary in Semarang.	Winoto Basuki	Location: Jl. Gajah No. 99 Shophouse B, Semarang Total area: 150 m2	May 1, 2016 up to May 1, 2026
90	PHD Colombo Yogyakarta	Deed of Lease Agreement No 18 dated march 4, 2016 drawn up before Thomas Santoso Widjaya Gunawan, S.H., a Notary at Yogyakarta Deed of Lease Agreement No. 56 dated March 10, 2017 drawn up before Thomas Santoso Widjaya Gunawan, S.H., a Notary at Yogyakarta	Mulyani Untoro Cindy Wijoseno	Location: Shophouse at Jl. Colombo 6D & 6C, Yogyakarta Total area: 6D: 110 m2 6C: 207 m2	6D: 10 years from the commencement date of the lease 6C: May 21, 2017 up to May 21, 2027
91	PHD Ngesrep Semarang	Deed of Lease Agreement No 47 dated April 20, 2016, drawn up before Sri Ratnangsih Harjomuljo, S.H., a Notary in Semarang	Simon Suryo Handoyo, Luciana Juhadi	Location: Jl. Prof. Dr. Soedarto No. 81, Semarang Total area: 192 m2	June 26, 2016 up to June 20, 2026
92	PHD Godean Yogyakarta	Deed of Lease Agreement No 19 dated March 8, 2016 drawn up before Thomas Santoso Widjaya Gunawan, S.H., a Notary at Yogyakarta	Fani Suwito	Location: Jl. Kyai Mojo No. 91, Yogyakarta Total area: ± 216 m2	April 22, 2016 up to April 22, 2026
93	PHD Sultan Agung Semarang	Deed of Lease Agreement No 23 dated May 9, 2016, drawn up before Liliana Tedjosaputro, S.H., a Notary in Semarang.	Ratna Susiani Rahardjo, Dewi Susanti Rahardjo	Location: Jl. Sultan Agung No. 164, Semarang Total area: ± 120 m2	April 4, 2016 up to April 4, 2026
94	PHD Hayam Wuruk Bali	62 dated May 31, 2016, drawn up before Wayan Sugitha, S.H., a Notary in Denpasar.	Luh Sulastrini	Location: Jl. Hayam Wuruk No. 112, Denpasar Total area: ± 55 m2	10 years from the commencement date of the lease
95	PHD Gatsu Barat Bali	Deed of Lease Agreement No 4 dated July 21, 2016, drawn up before Wirawan, S.H., a Notary in Denpasar.	Kang Siu Hong	Location: Jl. Gatot Subroto Barat No. 12 B, Denpasar Total area: 4.5 x 15 m2	10 years from the commencement date of the lease
96	PHD Ragunan	Deed of Lease Agreement No 20 dated August 9, 2016, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Susana Astini, Titania Nur Shelly, Ginda Sanjaya, Firman Logama, Dicky Ramadan	Location: Shophouse at Jl. Raya Ragunan No. 14, South Jakarta Total area: ± 153 m2	October 15, 1016 up to October 14, 2026



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
97	PHD Kerobokan Bali	Deed of Lease Agreement No 12 dated May 4, 2017, drawn up before I Made Mertajaya, S.H., a Notary in Denpasar.	I Ketut Gede Wirawan	Location: Shophouse at Jl. Raya Kerobokan Kelod No. 101X, Bali Total area: ± 150 m2	October 15, 2016 up to October 15, 2026
98	PHD Cibubur Lapangan Tembak	Deed of Lease Agreement No 62 dated August 24, 2016, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Yurika	Location: Jl. Raya Lapangan Tembak No. 3, Cibubur Total area: 4 x 28 m2	October 9, 2016 up to October 8, 2026
99	PHD Dr Mansyur Medan	Deed of Lease Agreement No 78 dated August 29, 2016, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Srinita	Location: Shophouse at Jl. Dr. Mansyur No. 136 F, Medan Total area: Land: ±127.5 m2 Building: ± 297.5 m2	10 years from the commencement date of the lease
100	PHD Bona Indah	Deed of Lease Agreement No 33 dated September 13, 2016, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Fanny Darmawan	Location: Bona Indah Bisnis Centre Shophouse, Jl. Karang Tengah Blok B/I No. 6D, South Jakarta Total area: Land: ± 81 m2 Building: ± 203.5 m2	10 years from the commencement date of the lease
101	PHD S. Parman Medan	Deed of Lease Agreement No 26 dated September 8, 2016, drawn up before Franky Tjokroahdymulya, S.H., a Notary in Medan.	Siti Siswanto	Location: Shophouse at Jl. S. Parman Blok AA 2, Medan Total area: Land: ±64 m2 Building: ± 200 m2	10 years from the commencement date of the lease
102	PHD Tanjung Duren	Deed of Lease Agreement No 80 dated September 23, 2016, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi, as amended by the Deed of Lease Agreement No. 007/PSM/C21m6/IX/16 dated September 26, 2016	Kationo Limarto	Location: Shophouse at Jl. Tanjung Duren Barat 1 Blok G1 No. 11 A/C, West Jakarta Total area: ±5 x 17 m2	October 3, 2016 up to October 3, 2021
103	PHD Pengasinan Bekasi	Deed of Lease Agreement No 2 dated October 3, 2016, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Puspita Andayani	Location: Shophouse at Jl. Raya Pondok Timur/Pengasinan No. 8, Bekasi Total area: Land: ±177 m2 Building: ± 215 m2	10 years from the commencement date of the lease
104	PHD Sidoarjo	Deed of Lease Agreement No 4 dated October 6, 2016, drawn up before Yuliani Praptiningsih, S.H., a Notary in Sidoarjo	Benny Setiawan Chandra	Location: Jl. Pahlawan No. 7A, Sidoarjo Total area: Land: ± 75 m2 Building: ± 225 m2	10 years from the commencement date of the lease
105	PHD Marelan	Deed of Lease Agreement No 27 dated October 18, 2016, drawn up before Franky Tjokroahdymulya, S.H., a Notary in Medan.	Ponirin	Location: Shophouse at Jl. Marelan Raya, Medan Total area: Land: ±102 m2 Building: ±4 x 16 m2	10 years from the commencement date of the lease
106	PHD Krakatau	Deed of Lease Agreement No 24 dated November 22, 2016, drawn up before Franky Tjokroahdymulya, S.H., a Notary in Medan.	Marina, Jhonson Sutanto, Wenny Tiorani	Location: Shophouse at Jl. Gunung Krakatau No. 167, Medan Total area: Land: 119 m2 Building: 265 m2	10 years from the commencement date of the lease
107	PHD Poris	Deed of Lease Agreement No 57 dated November 18, 2016, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Jong Siauw Lie	Location: Shophouse Poris Paradise Eksklusif, Jl. Raya Poris Indah Blok B11 No. 20, Tangerang Total area: Land: ± 72 m2	10 years from the commencement date of the lease



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
108	PHD Pinang Ranti	Deed of Lease Agreement No 23 dated December 6, 2016, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Ahmad Fathi	Location: Shophouse at Jl. Pinang Ranti No. 5 RT 005/001, East Jakarta Total area: ± 350 m2	10 years from the commencement date of the lease
109	PHD Kemanggisan Dua	Deed of Lease Agreement No 49 dated December 15, 2016, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Adnan Haposan Soritua Hutagalung	Location: Shophouse at Jl. Kebon Jeruk Raya No. 24, West Jakarta Total area: Land: 796 m2 Building: 240.6 m2	10 years from the commencement date of the lease
110	PHD Ujung Berung	Deed of Lease Agreement No 38 dated January 19, 2017, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Marida, Sherily, Alvin Sugianto, Kelvin Sugianto	Location: Jl. A. Nasution No. 279, Bandung Total area: Land: ± 130 m2 Building: ± 84.5 m2	10 years from the commencement date of the lease
111	PHD Magelang	Deed of Lease Agreement No 55 dated March 10, 2017 drawn up before Thomas Santoso Widjaya Gunawan, S.H., a Notary at Yogyakarta	Adi Sugianto	Location: Shophouse at Jl. Tentara Pelajar No. 9 – 10, Magelang Total area: ± 510 m2	April 28, 2017 up to April 28, 2027
112	PHD Ciputra Surabaya	Deed of Lease Agreement No 3 dated March 2, 2017, drawn up before Sri Erliana Tjahjoharto, S.H., a Notary in Surabaya.	Dewi Lindawati Widjaya	Location: Jl. Taman Gapura Blok E Kav. 3, Surabaya Total area: ± 210 m2	May 2, 2017 up to May 2, 2027
113	PHD Gunung Bawakaraeng	Deed of Lease Agreement No 53 dated February 22, 2017, drawn up before Sri Hartini Widjaja, S.H., M.Kn., a Notary in Makassar	Tan Henny	Location: Jl. Gunung Bawakaraeng No. 218 dan 218 C, Makassar Total area: 107 m2	April 23, 2017 up to April 23, 2027
114	PHD Mulyosari Surabaya	Deed of Lease Agreement No 23 dated March 23, 2017, drawn up before Sri Erliana Tjahjoharto, S.H., a Notary in Surabaya.	Onijanto Hamdjaja	Location: Jl. Raya Mulyosari No. 372, Surabaya Total area: ± 350 m2	May 30, 2017 up to May 30, 2027
115	PHD Pengayoman Makassar	Deed of Lease Agreement No 23 dated March 17, 2017, drawn up before Asridah Ibnu, S.H., a Notary in Makassar	Tun Fendy Unggul	Location: Shophouse at Jl. Pengayoman No. 15, Makassar Total area: Land: 155 m2 Building: ± 465 m2	May 24, 2017 up to May 24, 2027
116	PHD Kaliurang Yogyakarta	Deed of Lease Agreement No 72 dated March 21, 2017 drawn up before Thomas Santoso Widjaya Gunawan, S.H., a Notary at Yogyakarta	Gandung Warsono	Location: Shophouse at Jl. Kaliurang KM 8,7 Sleman, Yogyakarta Total area: Land: ±136 m2 Building: ± 140 m2	May 21, 2017 up to May 21, 2027
117	PHD Citra Raya Cikupa	Deed of Lease Agreement No 1 dated May 3, 2017, drawn up before Fitria Sulisty Nova Rini, S.H., a Notary in Karawang	Pepy Alamsjah	Location: Shophouse at Jalan Bizet Blok L1 No. 01, Cikupa Total area: Land: ±114 m2 Building: ± 316 m2	July 4, 2017 up to July 4, 2027
118	PHD Kudus	Deed of Lease Agreement No. 26 dated May 4, 2017, drawn up before Soegianto, S.H., a Notary in Kudus	Luciana	Location: Shophouse at Jl. Achmad Yani No. 118-119, Kudus Total area: ± 204 m2	July 5, 2017 up to July 5, 2027
119	PHD Binjai	Deed of Lease Agreement No 19 dated May 16, 2017, drawn up before Franky Tjokroahdymulya, S.H., a Notary in Medan.	Hoam Tjin Lian	Location: Jl. Soekarno Hatta No. 53 KM 21,5, Binjai Total area: 253 m2	July 16, 2017 up to July 16, 2027
120	PHD Cibitung Cikarang	Deed of Lease Agreement No 2 dated May 24, 2017, drawn up before Fitria Sulisty Nova Rini, S.H., a Notary in Karawang	Lim Tjhiung On	Location: Shophouse at Jl. Raya Imam Bonjol, Cikarang Barat Total area: 132 m2	July 23, 2017 up to July 24, 2027



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
121	PHD Sumedang	Deed of Lease Agreement No 84 dated May 23, 2017, drawn up before Risdiani Tandi, S.H., a Notary in Bandung	Trisno Teddy	Location: Jl. Mayor Abdurachman No. 129, Sumedang Regency Total area: ± 480 m2	July 18, 2017 up to July 17, 2027
122	PHD Ciomas Bogor	Deed of Lease Agreement No 01 dated June 5, 2017, drawn up before Fitria Sulistya Nova Rini, S.H.,M.Kn, a Notary in Karawang	Suprpto	Location: Shophouse Harapan No. 5-6 Jl. Raya Ciomas, Kota Bogor Total area: ± 567 m2	September 10, 2017 up to September 9, 2027
123	PHD Mangun Jaya Tambun	Deed of Lease Agreement No 59 dated June 13, 2017, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi	Fenni Yanti	Location: Jl. Raya Sumber Jaya No. 84, Bekasi Regency. Total area: ± 128 m2	September 15, 2017 up to September 14, 2027
124	PHD Jembatan Lima Tambora	Deed of Lease Agreement No 47 dated July 14, 2017, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi	Marasi Tambun	Location: Jl. KH. Moch Mansyur No. 202, West Jakarta municipality Total area: ± 243 m2	September 25, 2017 up to September 25, 2027
125	PHD Kartini Depok Lama	Deed of Lease Agreement No 01 dated July 28, 2017, drawn up before Fitria Sulistya Nova Rini, S.H.,M.Kn, a Notary in Karawang	Harto	Location: Jl. Kartini No. 11, Depok City. Total area: ± 324 m2	October 3, 2017 up to October 2, 2027
126	PHD Daya Perintis Makassar	Confirmation of PHD's Letter of Interest to Lease dated July 25, 2017	Leang Gok Oe	Location: Jl. Perintis Kemerdekaan Km 14, Makassar City Total area: Land: ± 94.5 m2 Building: ± 283.5 m2	10 years from the commencement date of the lease
127	PHD Citra 6	Deed of Lease Agreement No 01 dated August 16, 2017, drawn up before Fitria Sulistya Nova Rini, S.H.,M.Kn, a Notary in Karawang, as amended by the additional Agreement dated August 23, 2017	Reinaldo Herlambang	Location: Jl. Raya Citra Garden 6 Blok H 06A, West Jakarta Municipality Total area: ± 202.5 m2	October 18, 2017 up to October 18, 2027
128	PHD Canadian Kota Wisata	Deed of Lease Agreement No 04 dated August 23, 2017, drawn up before Fitria Sulistya Nova Rini, S.H.,M.Kn, a Notary in Karawang	Lim York Anwar Lynn	Location: Canadian Broadway No. CBF 34, Bogor Regency. Total area: ± 112.5 m2	October 23, 2017 up to October 22, 2027
129	PHD Pandu Raya Bogor Baru	Deed of Lease Agreement No 02 dated August 23, 2017, drawn up before Fitria Sulistya Nova Rini, S.H.,M.Kn, a Notary in Karawang	Vivi Roviana	Location: Jl. Adna Wijaya/Jl. Pandu Raya No. 29 Shophouse No. 3, Bogor City Total area: ± 70 m2	October 28, 2017 up to October 27, 2027
130	PHD Cinunuk Bandung	Deed of Lease Agreement No 46 dated September 8, 2017, drawn up before Risdiani Tandi, S.H., a Notary in Bandung	Trikora Laksa Dewa	Location: Jl. Raya Cinunuk 171 A, Cinunuk Village, Cileunyi District, Bandung Regency, West Java Province Total area: 109 m2	Period I: October 30, 2017 - October 29, 2022; Period II: October 30, 2022 up to October 29, 2027
131	PHD Batu Bulan Bali	PHD (Pizza Hut Delivery) Standard Lease Cooperation Letter	To: Oka Saputra	Location: Shophouse at Jl. Batu Bulan Bali, Gianyar, Bali Building Total area: ± 323m2 Land Total area: ± 456 m2	10 years
132	PHD Setiabudi Bandung	Deed of Lease Agreement No 33 dated October 10, 2017, drawn up before Risdiani Tandi, S.H., a Notary in Bandung	Harjono Lonwis	Location: Shophouse at Jl. Dokter Setiabudi No. 171 A, Gegerkalong Village, Sukasari District, Bandung City Total area: ± 500 m2	November 15, 2017 up to November 15, 2022
133	PHD Gandul Cinere	Deed of Lease Agreement No 01 dated September 5, 2017, drawn up before Fitria Sulistya Nova Rini, S.H.,M.Kn, a Notary in Karawang	Achmad Edi Budhiono	Location: Jl. Raya Gandul RT 23 RW 06, Depok City Total area: ± 261 m2	November 11, 2017 up to November 11, 2027
134	PHD Tirtayasa Cilegon	Deed of Lease Agreement No 03 dated September 20, 2017, drawn up before Fitria Sulistya Nova Rini, S.H.,M.Kn, a Notary in Karawang Regency	Adi Susanto	Location: Shophouse at Jl. Tirtayasa No. 86, Ramanuju Village, Merak District, Serang Regency, Banten Province Total area: ± 305 m2	December 2, 2017 up to December 1, 2027
135	PHD Tlogosari Semarang	Deed of Lease Agreement No 02 dated October 12, 2017, drawn up before Nuki Priamsari, S.H., a Notary in Boja	Poei Gwat Nio	Location: Jl. Tlogosari Raya II/46-I2, Semarang City	November 29, 2017 up to November 28, 2027



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
				Total area: ± 250 m2	
136	PHD Mayor Syafei Serang	Deed of Lease Agreement No 04 dated September 20, 2017, drawn up before Fitria Sulisty Nova Rini, S.H.,M.Kn, a Notary in Karawang Regency	Erwin Taswin	Location: Shophouse at Jl. Mayor Safei No. 91-92-93, Lontar Village, Serang District, Serang Regency Total area: ± 506 m2	November 28, 2017 up to November 27, 2027
137	PHD Keradenan Cibinong	Deed of Lease Agreement No 05 dated September 29, 2017, drawn up before Fitria Sulisty Nova Rini, S.H.,M.Kn, a Notary in Karawang Regency	Firman Zen Sumawidjaja	Location: Jl. Raya Sukahati No. 112 D Cibinong, Bogor	Period I: December 4, 2017 - December 3, 2022; Period II: December 4, 2022 up to December 3, 2027
138	PHD Tropodo Sidoarjo	Deed of Lease Agreement No 1 dated October 2, 2017, drawn up before Sri Erlana Tjahjoharto, S.H., a Notary in Jakarta.	Yenny Soeltanong	Location: Shophouse at Jl. Raya Tropodo No. 69C, Tropodo Village, Waru District, Sidoarjo Regency, East Java Total area: ± 180 m2	November 18, 2017 up to November 17, 2027
139	PHD Tulungagung	PHD Standard Lease Cooperation Letter dated June 16, 2017	Tjandra Gunawan	Location: Shophouse at Jl. Diponegoro Tulung Agung No. 26 F, East Java Total area: ± 200 m2	10 years from the commencement date of the lease
140	PHD Sultan Hasanudin Gowa	Lease Agreement No. 11 dated October 11, 2017, drawn up before Michiko Sodikim, S.H., a Notary in Makassar	Liauw Rustan	Location: Shophouse at Jl. Sultan, Persiapan andang-Pandang Village, Somba District, Gowa Regency, South Sulawesi Province Total area: ± 200m ²	Period I: December 16, 2017 - December 16, 2022; Period II: December 16, 2022 up to December 16, 2027
141	PHD Imam Bonjol Pekalongan	Deed of Lease Agreement No 07 dated October 5, 2017, drawn up before Fitria Sulisty Nova Rini, S.H.,M.Kn, a Notary in Karawang Regency	Adi Pramono	Location: Jl. Imam Bonjol No. 30, Pekalongan City Total area: Land: ±600 m2 Building: ± 300m2	December 18, 2017 up to December 17, 2027
142	PHD Jalan Gudang Sukabumi	Deed of Lease Agreement No 89 dated October 16, 2017, drawn up before Gunawan, S.H., a Notary in Sukabumi Regency	Elwin	Location: Shophouse at Jl. Gudang, Kebonjati Village, Cikole District, Sukabumi City Total area: ± 300 m2	January 18, 2018 up to January 17, 2028
143	PHD Soekarno Hatta Probolinggo	Deed of Lease Agreement No 40 dated October 18, 2017, drawn up before Dwiana Juliastuti, S.H., a Notary in Probolinggo	Ahmad Abdullah Alaydrus	Location: Jl. Soekarno Hatta No. 1 & 2, Probolinggo City Total area: Land: ± 96 m2 & ±95 m2 Building: ±75 m2 & ±61 m2	January 1, 2018 up to January 1, 2028
144	PHD Unhas Perintis Makassar	Deed of Lease Agreement No. 7 dated November 14, 2017, drawn up before Taufiq Arifin, S.H., a Notary in Makassar	Arwindah C.T. Yasin	Location: Building at Jl. Perintis Kemerdekaan KM 9, Tamalanrea Jaya Village, Tamalanrea District, Makassar Total area: ± 510 m ²	Period I: January 2, 2018 - January 1, 2023; Period II: January 2, 2023 up to January 1, 2028
145	PHD Cileungsi	Deed of Lease Agreement No 46 dated October 31, 2017, drawn up before Fitria Sulisty Nova Rini, S.H.,M.Kn, a Notary in Karawang Regency	Ratni Z.N.	Location: Shophouse at Jl. Raya Cileungsi-Jonggol KM 1, Cileungsi Kidul Village, Cileungsi District, Bogor Regency Total area: ± 240 m2	January 6, 2018 up to January 5, 2028
146	PHD Pesanggrahan Dua	Deed of Lease Agreement No 10 dated November 6, 2017, drawn up before Fitria Sulisty Nova Rini, S.H.,M.Kn, a Notary in Karawang Regency	Amin Widjaja Tunggal	Location: Shophouse at Jl. Pesanggrahan No. 168 H, South Kembangan Village, Kembangan District, West Jakarta Total area: ± 280.13 m2	January 7, 2018 up to January 6, 2028
147	PHD Pamularsih Semarang	Deed of Lease Agreement No 02 dated December 20, 2017, drawn up before Nuki Priamsari, S.H., a Notary in Boja	Teddy Setiawan	Location: Jl. Pamularsih No. 71 Shophouse H-1, Semarang City Total area: ± 150 m2	February 19, 2018 up to February 18, 2028
148	PHD Tuparev Cirebon	Deed of Lease Agreement No 52 dated December 19, 2017, drawn up before Fitria Sulisty Nova Rini, S.H., MKn, a Notary in Karawang	Engkun Kurniady Permana	Location: Jl. Tuparev No. 85, Cirebon Regency Total area: ± 175 m2	February 21, 2018 up to February 20, 2028



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
149	PHD Sukun Malang	Deed of Lease Agreement No. 31 dated December 22, 2017, drawn up before Dyah Widhiawati, S.H., MKn, a Notary in Malang City	Nur, Alwiyah, Sidah, Hakimah Mauladdawiyah, Muchammad, Salim Umar Mauladdawilah, Abdullah, Alwy Umar Mauladdawilah	Location: Jl. S. Supriadi No. 31, Malang City Total area: ± 114 m2	February 22, 2018 up to February 21, 2028
150	PHD Jati Raya Banyumanik	Deed of Lease Agreement No 01 dated January 9, 2018, drawn up before Nuki Priamsari, S.H., a Notary in Boja	Herman Santoso	Location: Jl. Jati Raya G-11, Sronol Wetan Village, Banyumanik Regency, Semarang City Total area: ± 230 m2	March 10, 2018 up to March 9, 2028
151	PHD Galunggung Malang	Deed of Lease Agreement No. 07 dated January 10, 2018, drawn up before Dyah Widhiawati, S.H., MKn, a Notary in Malang City	Fransisca Maria Valentina	Location: Jl. Galunggung No. 76A, Kota Malang Total area: 65 m2 & 67 m2	March 2, 2018 up to March 1, 2028

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No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
1.	Segitiga Senen	Lease Agreement No. 203/-076.73 dated March 17, 2017	PD. Pembangunan Sarana DKI	Location: Jl. Senen Raya No. 135, Jakarta Total area: 283 m2	May 19, 2017 up to May 18, 2022
2.	Tunjungan Plaza	Lease Agreement No. PE-05 18-22 dated February 17, 2014	PT Pakuwon Jati	Location: PE-05 018-022 Level, Tunjungan Plaza, Jl. Basuki Rachmad No. 8-12 & Jl. Embong Malang No. 7-21, Surabaya Total area: ± 355.39 m2	August 22, 2014 up to August 21, 2019
3.	Pasar Festival	Lease Agreement No. 014/PF-LA/PH/VII.95 dated July 24, 1995 as last amended in Addendum No. 054/PF-LA/R&C/PH/XII.16 dated Desember 9, 2016	PT Bakrie Pesona Rasuna	Location: UG-01 level, Plaza Festival, Jl. HR Rasuna Said Kav. C-22, Jakarta Total area: 228.80 m2	August 1, 2016 up to July 30, 2019
4.	Galaxy Mall	Lease Agreement No. 2497/G-109-110/GM/HUK/P/XII/2016 dated Desember 2, 2016 as amended in Renewal of Lease Agreement No. 2174A/G-109-110/GM/HUK/P/X/2017 dated October 5, 2017	PT Sinar Galaxy	Location: Ground Floor No: G-109-110 Galaxy Mall Jl. Dharmasada Indah Timur No. 35 – 37, Surabaya Total area: 348.28 m2	October 6, 2017 up to April 5, 2018
5.	Sunter Mall	Lease Agreement No. 034/SS/SPSM-MOU/I/P/2018 dated January 26, 2018	PT Siola Mas	Location: Ground Floor, Unit No: 8, Sunter Mall, Jl. Danau Sunter Utara Blok G-7 Total area: 216 m2	December 24, 2017 up to March 23, 2018
6.	Pajajaran	Lease agreement dated May 8, 1998, as last amended by the Amendment Agreement dated March 13, 2017	Anton Subur/Sandra Hertanti	Location: Ditta House, Jl. Pajajaran No. 29, Bogor Total area: 457 m2	May 1, 2017 up to April 30, 2022
7.	Metropolitan Mall	Lease Agreement No. MKT/MMB/3.195/XII/96 as amended in deed No. 0293/MMB/MKT.TL/III/2016 dated March 29, 2017	PT Metropolitan Land	Location: 2nd Floor No. 32 & 33A Metropolitan Mall, Jl. KH Noer Ali, South Bekasi Total area: 283 m2	April 1, 2017 up to March 31, 2022
8.	Jemur Sari (2)	Deed of Lease Agreement No 17 dated May 14, 2012, drawn up before Sri Erlana Tjahjoharto, S.H., a Notary in Surabaya.	Moelyatni Ichwan Panusunan Radjamin	Location: Building at Jl. Raya Jemursari No. 136, Surabaya Total area: Land: 595 m2 Building: 400 m2	February 16, 2012 up to February 15, 2027
9.	Lippo Supermall	Lease Agreement dated August 8, 2017	PT Supermall Karawaci	Location: LG # 115, 105 Bulevar Diponegoro #00-00. Lippo Karawaci 1200, Tangerang 15811 - Indonesia Total area: 420.43 m2	December 1, 2017 up to December 1, 2022
10.	Taman Angrek Mall	Lease agreement dated May 19, 1999, as last amended by the Fourth Amendment dated June 19, 2017	PT Mulia Intipelangi	Location: 3rd Floor, Unit No. D1 Mal Taman Angrek, Jl. Letjen S. Parman, West Jakarta Total area: 252 m2	October 1, 2017 up to September 30, 2022
11.	Kopo	Lease agreement dated October 30, 1997, as amended by the Amendment Agreement dated December 15, 2014	Kikit Wirianti Sugata	Location: Bangunan di Jl. Kopo Bihul No. 92, Bandung	January 3, 2015 up to January 2, 2020



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
				Total area: Building: 300 m2 Land: 700 m2	
12.	Dago	Deed of Lease Agreement No 8 dated February 3, 2015, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bandung	Maximiliaan Knoch	Location: Jl. Ir. H. Juanda No. 48, Bandung Total area: 290 m2	January 1, 2015 up to January 31, 2020
13.	Puri Indah Mall	Lease Agreement No. 19/PIM/SM/AMPI/III/2015 dated May 26, 2015	PT Antilope Madju Puri	Location: Ground Floor, Unit No: 101, Puri Indah Mall, Jalan Puri Agung Indah, West Jakarta Total area: 321.17 m2	December 31, 2014 up to February 14, 2020
14.	Darmo	Deed of Lease Agreement No 11 dated November 7, 2017, drawn up before Fitria Sulistya Nova Rini, S.H., M.Kn., a Notary in Karawang Regency	Soetarti, Adi Poerwanto, Adi Soelistijo, Adi Djokosasono, Ermin Indarini	Location: Land and Building at Jl. Comal, Surabaya City Total area: ± 642 m2	April 8, 2018 up to April 7, 2023
15.	Ciputra	Lease Agreement No. C/UG-31, 49, Seating Area/PSW_PH/SDD/15-20 as amended by Addendum No. Add/UG-31, 49&SA/PH_PMS/LP/15-20 dated June 21, 2017 and Addendum No. Add/UG-31, 49&SA/PH_PMS/LP/15-20 dated June 21, 2017	PT Ciputra Sentra	Location: UG Floor, Mall dan Hotel Ciputra Unit 31, 49 & Seating Area Total area: 321.59 m2	July 1, 2015 up to July 30, 2020
16.	Menara Cakrawala	Lease Agreement No. 0407/LA-04/MC/07/2011 dated July 28, 2011 as amended by Addendum V No. 0407/LA-04/MC/07/2011 dated June 6, 2017	PT Skyline Building	Location: 1 st Floor, Menara Cakrawala, Jl. MH. Thamrin No. 9, Central Jakarta Total area: 302.84 m2	January 1, 2018 up to December 31, 2019
17.	Ratu Indah Makasar	Lease Agreement No. 10/LA-MaRI/PH/V/2015	PT Kalla Inti Karsa	Location: Ground Floor Mal Ratu Indah, Jl. Dr. Sam Ratulangi 35, Makassar Total area: 333.2 m2	July 20, 2015 up to July 19, 2020
18.	Cibubur	Deed of Cooperation Agreement No. 44 dated May 12, 2016, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	PT Catra Media Indonesia	Location: Space in the Integrated Gas Station area in Cibubur Total area: ± 397.8 m2	April 1, 2016 up to December 31, 2019
19.	Kemang	Lease Agreement dated September 11, 2000, as amended by the Amendment Agreement to the Lease Agreement dated May 18, 2009	Ellen Angouw	Location: Building at Jl. Kemang Raya No. 77, South Jakarta Total area: Building: 600 m2 Land: 1,975 m2	December 12, 2009 up to December 11, 2019
20.	Java Supermall	Lease Agreement No. PPSM/TP/1704/0014 dated April 26, 2017	PT Talenta Perkasa	Location: 2nd Floor No. 202-203 Java Supermall Total area: 325 m2	May 7, 2017 up to May 6, 2019
21.	Blok M Plaza	Lease Agreement No. B009/1.28-1.32A/PSM-PBM/VII/00 dated July 21, 2000, as last amended by the Addendum to Agreement dated January 12, 2016	PT Pakuwon Sentosa Abadi	Location: Plaza Blok M Unit 128-129A, 130A, 131, 132A, Parking Area, Jl. Bulungan No. 76, Jakarta Total area: 248.28 m2	January 23, 2016 up to January 22, 2019
22.	Bali Gatot Subroto	Deed of Lease Agreement No 01 dated March 7, 2013, drawn up before Agus Sudana, S.H., a Notary in Denpasar, as last amended by the Letter of Extension of Lease Agreement dated January 2, 2018.	I Wayan Kaler Astara, I Made Wardana, I Wayan Sugitha, Nyoman Gde Sudiantara	Location: Jl. Gatot Subroto No. 279, Denpasar Total area: 3,210 m2	January 25, 2018 up to January 24, 2023
23.	Malang	Deed of Contract Lease Agreement No. 47 dated May 22, 2013, drawn up before Dyah Widhiawati, S.H., a Notary in Malang	Ratna Setiawati	Location: Jl. Bromo No. 18A, Malang Total area: 1,198 m2	May 31, 2013 up to May 31, 2023
24.	Buah Batu	Agreement No. 593.101216.000258 dated June 5, 2017	Government of Bandung City	Location: Land at Jl. Buahbatu No. 137, Bandung Total area: ± 965 m2	June 1, 2017 up to May 31, 2022
25.	Batam	Deed of Lease Agreement No 23 dated September 17, 2014, drawn up before Yani Indrawaty Wibawa, S.H., a Notary in Jakarta.	Kaufman Bambang Lawadinata	Location: 3 Shophouses in Lubuk Baja Selatan Sub-District	October 21, 2014 up to October 21, 2019
26.	Bena Kutai	Deed of Lease Agreement No 135 dated March 25, 2015, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	PT Bena Kutai	Location: Building at Jl. Jenderal A. Yani, Balikpapan Total area: 452.70 m2	October 1, 2017 up to September 30, 2022
27.	Istana Plaza Bandung	Lease Approval Letter No. 212/LOI/Leasing/XII/2016 dated December 22, 2016	PT Suryana Istana Pasundan	Location: LG Floor, Unit No. D6, Istana Plaza, Jl. Pasir Kaliki No. 121 – 123,	January 30, 2017 up to January 30, 2022



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
				Bandung Total area: 325 m2	
28.	Kartini	Deed of Lease Agreement No 43 dated September 19, 2001, drawn up before Morini Basuki, S.H., a Notary in Cirebon	Nedrie Effendy	Location: Jl. RA Kartini No. 29, Cirebon Total area: Land: 1983 m2 Building: 470 m2	March 1, 2012 up to February 28, 2022
29.	Centra Plaza Samarinda	Lease Agreement No. 005/LOI/SCP-JAKARTA/RPM/II/2017 dated January 17, 2017	PT Samarinda Central Plaza	Location: Ground Floor Unit 102, Samarinda Central Plaza Total area: ± 360 m2	March 5, 2017 up to March 4, 2022
30.	Bintaro Plaza	Deed of Renewal and Restatement of Lease Agreement No. 2 dated December 4, 2014, drawn up before Eus Widari, S.H., a Notary in South Tangerang.	PT Jaya Real Properti Tbk	Location: Space on the 1 st Floor of Anex Block 01, Bintaro Plaza Total area: 345.02 m2	May 24, 2014 up to May 23, 2019
31.	Solo	Letter of Renewal of Cooperation Agreement dated June 12, 2017	S.B. Wiryanti Sukamdani	Location: Building at Jl. Slamet Riyadi No. 388, Surakarta 57149, Solo Total area: -	June 20, 2017 up to June 19, 2018
32.	Gunung Sahari	Cooperation Agreement No. 003/GTR/ACCT/IV/2017 dated April 10, 2017	PT Golden Truly Retailindo	Location: 2 nd Floor Golden Truly Jl. Gunung Sahari No. 59, Central Jakarta Total area: 329.52 m2	May 26, 2017 up to May 25, 2022
33.	Kelapa Gading 3	Lease Agreement Summarecon Mal Kelapa Gading North Jakarta No. 018 (EXT)/GROUND.FL/MKG-III/PSM/IX/2017, dated September 7, 2017	PT Summarecon Agung Tbk	Location: Ground Floor Unit #G-61 Mal Kelapa Gading 3, Jl Boulevard No. 96 JKT 14240 Total area: 365.57 m2	November 13, 2017 up to November 12, 2022
34.	Panakkukang	Profit Sharing Cooperation Agreement No. 003/PBH-MP/VIII/02 dated August 26, 2002, as last amended by the Amendment Agreement No. Add-073/PBH-MP/XII/17 dated December 15, 2017	PT Margamas Indah Development	Location: 1 st Floor Unit B1-28, Mal Panakkukang, Makassar Total area: 342 m2	March 31, 2018 up to March 30, 2023
35.	Adam Malik	Deed of Lease Agreement No 14 dated August 14, 2008, drawn up before Eliza Asmawel, S.H., a Notary in South Jakarta.	Tony Nauli Basa	Location: Jl. Adam Malik No. 15, Medan Total area: ± 400m2	April 6, 2008 up to April 5, 2020
36.	Pesona Kahyangan	Lease Cooperation Agreement dated February 20, 2003, as amended by the Minutes of Meeting dated March 12, 2018	Dra. S.B. Wiryanti Sukamdani	Location: Shophouse No. 11 – 12 Kompleks Depok Khayangan, Jl. Margonda Raya, Depok Total area: 402 m2	April 21, 2018 up to April 20, 2020
37.	Cempaka Putih District	Deed of Lease Agreement No 70 dated June 20, 2003, drawn up before Frans Elsius Muliawan, S.H., a Notary in Jakarta, as last amended by the Deed of Renewal of Lease Agreement No. 17 dated June 19, 2013, drawn up before Eliza Asmawel, a Notary in South Jakarta.	Go Hoey Ing, Kwik (Kwee) Hok Nio, Grace Poedjokerto, Vincent Goutama, Go Amelia	Location: Jl. Cempaka Putih Raya No. 145 Total area: Front area: 180 m2 Land: 577 m2	August 1, 2013 up to July 31, 2018
38.	Padang	Deed of Lease Agreement No 6 dated September 9, 2013, drawn up before Eliza Asmawel, S.H., a Notary in South Jakarta.	Andry Firgo	Location: Jl. Ahmad Yani No. 21, Padang Total area: Land: 1,150 m2 Building: ± 415 m2	August 15, 2013 up to August 14, 2023
39.	Bekasi Mega Mall	Deed of Lease Agreement No. 139 dated April 24, 2003, drawn up before Buntario Tigris Darmawa Ng, as amended by the Amendment Agreement to the Lease Agreement dated September 18, 2013	PT Fego Land	Location: Upper Ground Unit 6, 7, 18 & 19 Mega Bekasi Shopping Center, Jl. Ahmad Yani Bekasi Total area: ± 250 m2	September 10, 2013 up to September 9, 2018
40.	Slipi Jaya	Deed of Renewal and Restatement of Building Space Lease Agreement No. 06 dated December 6, 2017, drawn up before Diw Yulianti, S.H., a Notary in South Jakarta City.	PT Jaya Real Property Tbk	Location: 1 st Floor, Block B No. 19, Plaza Slipi Jaya, Jl. Letjen S. Parman Kav. 17-18, Jakarta Total area: 211.42 m2	October 7, 2016 - October 6, 2021
41.	Pondok Gede Plaza	Lease Agreement No. 020/LGL/BKMJ/X/2015 dated October 30, 2015	PT Budikencana Megahjaya	Location: 2 units on the 1 st & 2 nd floor of Shophouse Block H No. 7A and 7B, Plaza Pondok Gede Total area: 1 st Floor: 256 m2 2 nd Floor: 256 m2	October 14, 2015 up to October 13, 2018



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
42.	Palembang	Lease agreement dated October 17, 2003, as last amended by the Amendment Agreement dated June 28, 2013	Hartati/Anijati	Location: Jl. Jenderal Sudirman No. 29, Palembang Total area: 751 m2	November 20, 2013 up to November 19, 2018
43.	Buncit	Lease agreement dated November 1, 2013	David Alexander Saputra	Location: Jl. Warung Buncit No. 2, South Jakarta Total area: Land 1,195 m2 Building 300 m2	November 27, 2013 up to November 26, 2023
44.	Lippo Cikarang Mall	Rental Price Confirmation Letter No. 071/MLC-LS/II/18 dated February 15, 2018	PT Graha Nusa Raya	Location: Unit: Ground Floor, Unit 13A-15 & 15 A, Cikarang Mall, Jl. MH Thamrin, Cikarang Warehouse: L1 Cikarang Mall, Jl. MH Thamrin, Cikarang Total area: Unit: 13 A-15: 222.46 m2 Building: 29.28 m2	March 21, 2018 up to March 20, 2023
45.	Manado Mega Mall	Lease Agreement No. 002/PSM/PIZZA HUT/MM/Manado/II/2017 dated January 16, 2017	PT Megasurya Nusalestari	Location: GF Level Unit GF #10 – 14 Mega Mall Manado Total area: 334.55 m2	5 years from the commencement date of the lease
46.	Delta Plaza	Lease Confirmation Letter dated December 31, 2013	Plaza Surabaya	Location: Level I/B1 Shopping Center Surabaya Total area: 292.82 m2	May 1, 2014 up to April 30, 2019
47.	Sun Plaza	Sun Plaza Lease Agreement No. 1804/PSM-SP/F&B/R/V/2014 dated May 5, 2014	PT Manunggal Wiratama	Location: Level Lower Ground Zone C Unit No. 42, 43, 45, 46 & 47 Sun Plaza, Jl. H. Zainul Arifin No. 7, Medan Total area: 262.68 m2	May 16, 2014 up to May 15, 2019
48.	Pluit Village	Lease Approval Letter No. 050/LOI/SPECT/LS-PV/III/17 dated August 8, 2017	PT Duta Wisata Loka	Location: Ground Floor Unit No. 86 Indoor and Outdoor Pluit Village Total area: Indoor: 250.09 m2 Corridor: 19.36 m2	May 1, 2018 - October 31, 2022
49.	Giant Cileduk	Lease Agreement No. 073-PHCLD/BM-LA/P/VIII/2009 dated August 1, 2009, as amended by the Second Addendum No. 01-PHCLD/BM-ADD/II/VII/2017 dated July 24, 2017.	PT Binamandiri Majugemilang	Location: Ground Floor, Unit D5-4, Giant Kreo Ciledug, Tangerang 15156 Total area: 224.1 m2	July 6, 2017 up to July 5, 2020
50.	Malioboro Mall	Lease Agreement No. 001/SPSM-MM/V/2016 dated May 23, 2016 as amended by Addendum No. 006/ADD-MM/Vi/2016	PT Yogya Indah Sejahtera	Location: 2 nd Floor, Unit No. 02 – 04 & 23 Mal Malioboro, Yogyakarta Total area: 216.90 m2	September 1, 2016 up to August 31, 2019
51.	Manyar Kertoarjo	Deed of Lease Agreement No 14 dated September 26, 2013, drawn up before Sri Erlina Tjahjoharto, S.H., a Notary in Surabaya.	Wahjono Siadiman	Manyar Kertoarjo (R137) Location: Jl. Manyar Kertoarjo No. 21, Surabaya Total area: Land: 599 m2 Building: 600 m2	October 13, 2013 up to October 12, 2022
52.	Permata Hijau	Deed of Lease Agreement No 76 dated September 16, 2004, as last amended by the Amendment Agreement dated September 18, 2013	PT Fego Land	Location: Unit No. 6 & 7, and kiosk area at Block A14 No. 25, 26, 27, Grand ITC Permata Hijau, Jl. Arteri Permata Hijau, South Jakarta Total area: 256 m2	November 1, 2012, up to October 31, 2019
53.	Setiabudi Bandung	Deed of Lease Agreement No 11 dated January 27, 2014, drawn up before Nenny Isnaeni, S.H., a Notary in Bandung	Mintarsih	Location: Jl. Doktor Setiabudi No. 23, Bandung Total area: Land: 600 m2 Building: 400 m2	January 5, 2014 up to January 4, 2019
54.	Centro Kuta	Lease Agreement No. 001/PPSM/BUDSM-LGL/VI/2014 dated June 2, 2014	PT Bali Unicorn	Location: Level Mall Ground No. MG – 52, 53, 55, 57, Discovery Shopping Mall, Jl. Karika Plaza Kuta - Tuban Total area: 240 M2 (Indoor), 36 m2 (Outdoor)	March 16, 2016 up to March 31, 2020
55.	Thamrin Plaza	Lease Agreement No. 93/SUU-Pizza.Hut/TP-L.1/III/2015 dated March 13, 2015	PT Supra Uniland Utama	Location: Level 1 Corridor, Level 1 Carpark, Mezzanine Unit, Thamrin Plaza, Jl.	March 1, 2015 up to February 28, 2020



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
				Thamrin No.75-R, Medan Total area: Corridor: 126.60 m2 Corridor: 53.00 m2 Mezzanine: 70.40 m2	
56.	Jambi	Lease Agreement No. 011/prj-tms-mk/III/10 dated March 4, 2010, as last amended by the Amendment Agreement dated December 6, 2014	PT Tirta Mas Jaya	Location: Matahari Jambi Building, Ground Floor Total area: 253.38 m2	April 2, 2015 up to April 1, 2020
57.	Mulyosari	Deed of Lease Agreement No 58 dated February 18, 2005, drawn up before Felicia Imantaka, S.H., a Notary in Surabaya, as last amended by the Amendment Agreement dated November 4, 2013.	Rudy Tegegani	Location: Building at Jl. Raya Mulyosari No. AA 8, Mulyorejo - Surabaya Total area: Land: 109 m2 Building: 300 m2	April 13, 2014 up to April 12, 2019
58.	Banjarmasin	Deed of Lease Agreement No 9 dated November 24, 2014, drawn up before Nanang Ferwandy Tjoegito, S.H., a Notary in Banjarmasin.	Wienarty Rachmad	Location: Land and Building at Jl. Ahmad Yani KM 3.5 Banjarmasin Total area: Land: 947 m2	May 5, 2005 up to May 4, 2025
59.	Bogor Indah Plaza	Lease Confirmation Letter No. RUKO-A1+A2+B1(2LT)/SK-PIB/IV/2016 dated April 1, 2016	PT Binapapan Perkasa	Location: Shophouse at Plaza Indah Bogor Total area: ± 400 m2	May 29, 2016 up to May 28, 2019
60.	Semanggi Plaza	Lease Agreement No. 065/PNI/SPSM/III/2018 dated March 1, 2018	PT Primatama Nusa Indah	Location: GF, No. GF-129 & 131, Plaza Semanggi Jl. Jenderal Sudirman Kav. 50, South Jakarta Total area: 235.38 m2	March 26, 2018 up to March 31, 2018 Based on the Termination Letter of Lease Agreement dated March 6, 2017, the outlet lease agreement was not renewed and has been closed on March 31, 2018.
61.	Megamall Batam Center	Lease Agreement No. 0002/MMBC/LA-T/XII/2009 dated Desember 2, 2016 as amended by the Amendment to Lease Agreement No. 0021/MMBC/LA-T/VI/2015	PT Federal Investindo	Location: Ground Floor No. 229, 230, 231, 232 Megamall Batam Centre, Jl. Engku Putri, Batam Total area: 185.11 m2	June 30, 2015 up to July 29, 2020
62.	Cilegon Supermall	Suppermall Cilegon Lease Agreement No. 013/Perj.Sw.PizzaHut/CLG-GPM/VIII/2015	PT Griyapesona Mentari	Location: Supermall Cilegon, Ground Floor, Jl. Raya Cilegon Merak, Serang Total area: 196.21 m2	June 27, 2015 up to June 26, 2020
63.	ITC Serpong	Deed of Lease Agreement No 20 dated May 3, 2005, drawn up before Buntario Tigris Darmawan NG, S.H., a Notary in Jakarta.	PT Kosmo Life Style	Location: Unit No. 11 & 12 ITC BSD, Jl. Pahlawan Seribu, Serpong – Tangerang Total area: 352.58 m2	July 1, 2015 up to June 30, 2020
64.	Pamulang	Deed of Lease Agreement No 32, drawn up before Elliza Asmawel, S.H., a Notary in Jakarta.	PT Alfa Retailindo	Location: Ground Floor 010 A, Alfa Pamulang Branch, Jl. Siliwangi No. 9, Tangerang Total area: ± 212 m2	July 1, 2005 up to May 30, 2025
65.	Ciputra Sraya Mall	Lease Agreement No. D-B/PKB-PSP/YS/05/2015 dated September 18, 2015	PT Pancaseraya Permai	Location: Ground Floor Unit B, Mal Ciputra Seraya, Jl. Riau No. 58, Pekanbaru Total area: 212 m2	August 1, 2015 up to July 31, 2020
66.	Karawang	Deed of Lease Agreement No 1 dated August 1, 2005, drawn up before Rianto, S.H., a Notary in West Jakarta, as last amended by the Deed of Renewal of Lease Agreement No. JIL.2015.PSMB.00167 dated August 3, 2015	PT Jakarta Intiland	Location: Ground Floor, Unit A67, Mall Karawang, Jl. Ahmad Yani, Karawang Total area: 248 m2	July 19, 2015 up to July 18, 2020
67.	Sidoarjo	Lease Agreement No. 0701-01/LGL/IDR-SCP/SDA/II/2016	PT Indraco	Location: Jl. Pahlawan No. 1, Sidoarjo Total area: 400 m2	August 6, 2015 up to August 5, 2020
68.	Cibubur Junction	Lease Agreement No. 064/PSM-CJ/PH/R/GF/VIII/17 dated August 7, 2017	PT Cibubur Utama	Location: Mall Cibubur Junction, Jl. Jambore 1, Ground Floor Unit 38 Total area: 189.12 m2	August 9, 2017 up to August 8, 2022



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
69.	Cempaka Mas	Kiosk Lease Agreement No. 837-B/PSM/DP-CMMG/IX/2015 dated September 16, 2015 Lease Agreement No. 005/L&P/ITCCMMG/IX/2015 dated September 1, 2015	PT Duta Pertiwi	Location: ITC Cempaka Mas LG Floor Total area: Kiosk Unit 170-186: 154.70 m2 Unit: 66 m2	Kiosk: September 19, 2015 – September 18, 2020 Unit: September 19, 2015 up to September 18, 2020
70.	Cijantung Mall	Lease Agreement No. 040/KP-PSM/LEG/VIII/2015 dated August 27, 2015	PT Kobame Propertindo	Location: Unit at Mal Cijantung Jl. Pendidikan I, Cijantung Total area: 261.62 m2	September 26, 2015 up to September 25, 2020
71.	King Plaza	Deed of Lease Agreement No 30 dated September 26, 2005, drawn up before Eliza Asmawel, S.H., a Notary in Jakarta, as last amended by the Amendment Agreement dated December 18, 2017.	Alvin Benyamin Tjandra	Location: Unit in Kings Plaza 2 at Jl. Kepatihan No. 4 & 6, Bandung Total area: 250 m2	January 1, 2018 up to March 31, 2018 Based on the Termination Letter of Lease Agreement dated March 6, 2017, the outlet lease agreement was not renewed and has been closed on March 31, 2018.
72.	Medan Fair	Medan Fair Lease Agreement No. 24/PSM-PMF/SK/LG/XII/2015 dated December 10, 2015	PT Anugrah Prima	Location: 2 nd Floor Unit 26 Plaza Medan Fair, Jl. Jenderal Gatot Subroto No. 30, Medan Total area: 283.54 m2	January 21, 2016 up to January 20, 2021
73.	Mercure	Deed of Lease Agreement No 71 dated December 15, 2005, drawn up before Ira Sudjono, S.H., a Notary in Jakarta, as lastly amended by the Deed of Renewal of Lease Agreement No. 16 dated July 7, 2015, drawn up before Paulus Widodo Sugeng Haryono, S.H., a Notary in Jakarta.	Jemmy Wantono	Location: Shopping Arcade of Mercure Hotel Kuta, Jl. Pantai Kuta, Denpasar Total area: ± 672 m2	December 7, 2015 up to December 6, 2020
74.	Cilandak	Deed of Lease Agreement No 64 dated September 14, 2015, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Theresia Setyawati	Location: Land and Building at Jl. Raya Cilandak KKO No. 59, South Jakarta Total area: Land: 1,200 m2 Building: 230 m2	January 30, 2016 up to January 29, 2021
75.	Sukabumi	Deed of Lease Agreement No 17 dated December 14, 2005, drawn up before Eliza Asmawel, S.H., a Notary in Jakarta.	Gan Fei Lie	Location: Land and Building at Jl. Jenderal Ahmad Yani No. 16 E & F, Medan Total area: Land: 1,370 m2 Building: ± 300 m2	May 1, 2016 up to April 30, 2026
76.	Ambarukmo Plaza	Unit Lease at Ambarukmo Plaza Yogyakarta Agreement No. 0009/LEG/PSM-SL/GF/PA/I/16 dated January 25, 2016	PT Putera Mataram Mitra Sejahtera	Location: GF, No. Unit A33, Plaza Ambarukmo Yogyakarta Total area: 233.86 m2	June 24, 2016 up to June 23, 2021
77.	Tamini Square	Lease Agreement No. 008/PSM-TMS/Pizza Hut/VI/2016 dated June 1, 2016	PT Cahaya Megah Nusantara	Location: GF Unit GB-01, Jl. Taman Mini Raya, Pinang Ranti Jakarta, Jakarta Total area: 198 m2	June 24, 2016 up to June 23, 2021
78.	Palembang Indah Mall	Palembang Indah Mall Lease Agreement No. 002/MLIM/PSM-MLIMI/2017 dated January 11, 2017	PT Musi Lestari Indo Makmur	Location: GF Unit GF#55 Palembang Indah Mall Jl. Letkol Iskandar No. 18, Palembang Total area: 192.32 m2	July 1, 2017 up to June 30, 2018
79.	Tegal	Lease Agreement No. SP-16-00298 dated June 30, 2016	PT Sri Tanaya Megatama	Location: Ground Floor, No. RK 02 & GF 33-34-35, Pacific Mall, Jl. Mayjend Sutoyo No. 35, Tegal Total area: RK 02: 142 m2 GF 33-34-35: 130.05 m2	June 30, 2016 up to June 29, 2026
80.	Lapangan Ross Tebet	Deed of Lease Agreement No 45 dated July 27, 2016, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Muhammad Aldjufri	Location: Jl. Lapangan Ross Raya No. 127B, Tebet Total area: Land: ± 434 m2 Building: ± 346 m2	July 19, 2017 up to July 18, 2019
81.	Setiabudi Semarang	Deed of Lease Agreement No 15 dated April 18, 2006, drawn up before Eliza Asmawel, S.H., a Notary in Jakarta, as last amended by the Amendment Agreement dated April 28, 2016.	Liem Jetty Nio	Location: Jl. Setiabudi No. 196, Semarang Total area: Land: ± 1,446 m2 Building: ± 250 m2	August 12, 2016 up to August 11, 2021
82.	Kalibata Plaza	Profit Sharing Lease Agreement No. 346/KP-PSM/LEG/VIII/2016 dated August 2, 2016	PT Tribandhawa Binasarana	Location: Unit: GF Plaza Kalibata, Jl. Raya Kalibata,	Unit: August 31, 2016 – August 30, 2021



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
				South Jakarta Warehouse: Basement Plaza Kalibata, Jl. Raya Kalibata, South Jakarta Total area : Unit: 266 m2 Warehouse: 37.20 m2	Warehouse: September 24, 2016 up to September 23, 2021
83.	Kuningan	Lease Agreement No. 02210/PSM/PMS-ITCKUN/VIII/2006 dated August 23, 2006, as amended by No. 02586-A/ADD-1/PMS-ITCKUN/V/2016	PT Perwita Margasakti	Location: Level Semi-Ground Floor Block E6 and Ground Floor Block F5 ITC Kuningan Total area: 294.98 m2	October 25, 2011 up to October 24, 2018
84.	Pasar Atom	Lease Agreement No. 2937/PSM JP-ITC/IV/17 dated April 28, 2017	PT Citraagung Tirta Jatim	Location: Block BT/2, 1 st Floor, ITC Surabaya Mega Grosir, Jl. Gembong No. 20-30, Surabaya Total area: 191.64 m2	January 1, 2018 up to December 31, 2022
85.	Royal Plaza	Lease Agreement No. T 087/PSM-LSG/ROZA/LG/V/2016 dated May 24, 2016	PT Dwijaya Manunggal	Location: Level G No. C1 – 01, Royal Plaza Surabaya Total area: 213.13 m2	December 24, 2016 up to December 23, 2021
86.	Tol Cikampek	Lease Agreement No. 012/KM.19-Cikampek/IX/2016 dated December 9, 2016	PT Samudra Adidaya Sentosa	Location: Ground Floor Rest Area, Jakarta – Cikampek Toll Road KM 19+200 Total area: Restaurant: ± 305 m2 Warehouse: ± 15 m2	December 30, 2016 up to December 29, 2021
87.	Pusat Grosir Cililitan	Lease Agreement dated April 11, 2017	PT Wahana Cipta Sejahtera	Location: Level Ground Floor, Pusat Grosir Cililitan, Jl. Mayjen Sutuyo No. 76, Cililitan, East Jakarta Total area: ± 300 m2	March 2, 2017 up to March 1, 2022
88.	Banda Aceh	Deed of Lease Agreement No 6 dated August 8, 2012, drawn up before Elliza Asmawel, S.H., a Notary in Jakarta.	Teuku Iskandar Zulkarnain	Location: Jl. Tengku H.M. Daud Beureueh No. 1 Total area: 788 m2	November 4, 2012, up to May 3, 2027
89.	Setiabudi	Deed of Lease Agreement No 9 dated March 12, 2007, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Adi Azhari Effendi, Andriani Devi Effendi	Location: Jl. Setiabudi No. 203, Medan Total area: Land: ±2,700 m2 Building:	May 19, 2007 up to May 18, 2022
90.	Depok ITC	Sitting Area Lease Agreement No. 007/PZN-PH/ITC-DEPOK/VI/2015 dated June 22, 2015 Kiosk Lease Agreement No. 418/PZN/ITC-DEPOK/X/2015 dated June 22, 2015 Booth/Counter Lease Agreement No. 006/PZN-PH/ITC-DEPOK/VI/2015 Kiosk Lease Agreement No. 416/PZN/ITC-DEPOK/VI/2015 dated June 22, 2015 Kiosk Lease Agreement No. 416/PZN/ITC-DEPOK/VI/2015 dated June 22, 2015	PT Phinisindo Zamrud Nusantara	Location: ITC Depok Café 119, 120, 121: 3 rd Floor Booth: 2 nd floor Total area: Sitting Area: 92.04 m2 Café 121: 37.26 m2 Booth: 4.15 m2 Café 119: 37.26 m2	Sitting Area: June 23, 2015 – June 22, 2020
91.	Malang Town Square	Letter of Renewal of Lease Agreement dated May 23, 2017	PT Matahari Putra Prima Tbk	Location: Lower Ground Hypermart Malang Town Square Total area: 224.99 m2	June 1, 2017 up to May 30, 2020
92.	Bandung Indah Plaza	Lease Agreement No. 086/PSM-BIP/Pizza Hut/GF#T09,T10,T11,T-Teras,B,BSM-0/VI/2017 dated June 7, 2017	PT Mega Semesta Abadi	Location: Ground Floor Area Unit No. T09, T10 & T11, GF # T-Teras B, BSM-0, Bandung Indah Plaza, Jl. Merdeka 56, Bandung Total area: T09,T10,T11: 199.21 m2 T-Teras B: 48m2 BSM-0 B: 19.06 m2	June 29, 2017 up to June 28, 2020
93.	Kemang Pratama	Letter of Confirmation on Approval of Renewal of Lease of Space for Pizza Hut Restaurant at LINC SQUARE Mall, Kemang Pratama Real Estate, Bekasi No. 008/LO-DIRUT/LINCS/VI/2017 dated July 4, 2017	PT Lingkar Cipta Selaras (LINCS)	Location: 2 nd Floor Unit L2-SI-01 LINC SQUARE Building, Kemang Pratama, Bekasi Total area: 248.3025 m2	August 1, 2017 up to July 31, 2019
94.	Pondok Kelapa	Deed of Lease Agreement No 21 dated June 28, 2007, drawn up before Elliza Asmawel, S.H., a Notary in Jakarta.	Harnida Yusmar Basri	Location: Building at Jl. Pondok Kelapa Raya Kav. DKI Blok B 14 No. 4, East	September 5, 2007 up to September 4, 2022



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
				Jakarta Total area: Land: 309 m2 Building: 297 m2	
95.	Gajah Mada Plaza	Lease Agreement No. 061/PSM-GMP/SMK/LG/R/IX/17 dated September 30, 2017	PT Graha Baru Raya	Location: Gajah Mada Plaza, Level 1 Unit 65-75, Jl. Gajah Mada No. 19-16, Central Jakarta Total area: Main Area: 294,17 m2 Seating area: 8.15 m2	October 1, 2017 up to September 30, 2022
96.	Summarecon Serpong	Summarecon Mal Serpong – Tangerang Lease Agreement No. 001/DGF.FL/SMS/PSM/IX/07 dated Desember 2, 2016 as amended in Renewal of Lease Agreement No. 095/LD/SMS/UNIT/AG/IV/17 dated July 24, 2017	PT Lestari Mahadibya	Location: Ground Floor Unit No. DGF-05 & 06 Downtown Walk Summarecon Mal Serpong Total area: ± 192 m2	September 24, 2017 up to September 23, 2022
97.	Duta Pertiwi Mall	Lease Agreement dated October 12, 2012, as extended by Letter No. 222/Retail Mall/DP Mall/L-HO/III/18	Maria Kristiana	Location: Level 1 Block Unit 1-29 & 1-30, DP Mall Semarang, Jl. Pemuda No. 150 Total area: 241 m2	March 1, 2018 up to February 28, 2020
98.	Ayani Megamall	Lease Agreement No. MGT.226/PSM/139 dated August 25, 2007, as amended by the Amendment III dated February 6, 2017	PT Santosa Mitra Kalindo	Location: Ayani Megamall, Unit B1-11A and Common Area, Jl. Ahmad Yani, Pontianak Total area: Unit: 356 m2 Warehouse: 16 m2	October 22, 2017 up to October 21, 2022
99.	Margo City	Lease Agreement No. PDP.001/MC/PSM/0304 July 18, 2012, as amended by the Lease Agreement No. PDP.001/MC/PSM/0574	PT Puri Dibya Properti	Location: GF – 18 & 19 and Indoor Seating Area Total area: 365 m2	December 15, 2017 up to December 14, 2019
100.	Kiara Condong	Lease Agreement No. 016/LA-KCB/A&D/CI/X/2012 dated October 22, 2012, as extended by letter No. 384/SMM/A&D/TRI-KCB/III/18 Regarding Response to Lease Renewal and Rental Discount Request	PT Carrefour Indonesia	Location: Ground Floor, Unit 17 & 18 Carrefour Kiara Condong, Jl. Buah Batu, Bandung Total area: 285.36 m2	March 1, 2018 up to December 31, 2018
101.	Modernland	Deed of Lease Agreement No. 18 dated October 25, 2007, drawn up before Eliza Asmawel, S.H., a Notary in Jakarta.	Dedeh Syahrwati	Location: Land and Building at Jl. Jenderal Sudirman, Tangerang - Banten Total area: Land: 1,475 m2 Building: ± 538 m2	January 15, 2008 up to January 14, 2023
102.	Buaran Plaza	Lease Agreement No. 001/PB/PH/X/07 dated October 29, 2007, as last amended by the Additional Agreement IV No. 001/Add.IV/PB/PH/X/07	Sugito Tedjo	Location: Leased Unit, Ground Floor No. 35-36, Plaza Buaran, Jl. Raden Inten No. 1, East Jakarta Total area: 256 m2	February 8, 2018 up to February 7, 2023
103.	Artha Gading	Rental Price Renewal Confirmation Letter No. 149/D/MKT-LSG/MAG/III/2018 dated March 2, 2018	PT Swadaya Panduartha	Location: GF, Artha Gading Mall, Jl. Boulevard Artha Gading, North Jakarta. Total area: Unit: 240m2 Sitting Area: 74m2	March 13, 2018 up to June 12, 2018
104.	Kota Wisata	Deed of Cooperation Agreement No. 12 dated January 21, 2008, drawn up before Eliza Asmawel, S.H., a Notary in Jakarta, as last amended by the Letter of Extension of Lease Agreement dated April 2, 2018.	Ong Onggo Tjandra Setiawan	Location: Unit at Jl. Alternatif, Gunung Putri, Bogor	April 23, 2018 up to April 22, 2023
105.	Jember	Deed of Lease Agreement No 3 dated October 3, 2007, drawn up before Eliza Asmawel, S.H., a Notary in Jakarta, as last amended by the Letter of Extension of Lease Agreement dated March 15, 2018.	PT Puri Kumala Semesta	Location: Jl. PB Sudirman No. 7, Jember Total area: Land: 1,200 m2 Building: 400 m2	March 13, 2018 up to March 12, 2023
106.	Cirendeau	Deed of Lease Agreement No 07 dated March 6, 2008, drawn up before Eliza Asmawel, S.H., a Notary in Jakarta, as last amended by the Letter of Pizza Hut Third Lease Period dated December 15, 2017.	Halimah	Location: Taman Pesona Bali Shophouse, Jl. Raya Cirendeau, Tangerang Total area: 248 m2	May 19, 2018 up to May 18, 2023
107.	Cimahi	Deed of Lease Agreement No 09 dated October 25, 2007, drawn up before Eliza Asmawel, S.H., a Notary in Jakarta.	Doktorandus Arifin Mulijadi, Sutarman Mulijadi	Location: Jl. Raya Cibabat No. 114, Cimahi	June 21, 2008 up to June 20, 2028



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
				Total area: Land: 1,100 m2	
108.	Bendungan Hilir	Deed of Lease Agreement No 2 dated April 3, 2008, drawn up before Elliza Asmawel, S.H., a Notary in Jakarta.	Tjong Johan Sulistio, Jie Suhartini Gunawan	Location: Building at Jl. Bendungan Hilir Raya No.31, Jakarta Pusat Total area: Land: ±300 m2 Building: ± 450 m2	July 7, 2008 up to July 7, 2028
109.	Kupang	Deed of Lease Agreement No 049 dated May 14, 2008, drawn up before Wahyudi Suyanto, S.H., a Notary in Bekasi.	Liem Bambang Soepriyanto	Location: Building at Jl. Raya Kupang Indah No. 47 – 49, Surabaya Total area: Building: ±500 m2 Land: ± 865 m2	July 18, 2008 up to July 18, 2023
110.	CBD Cileduk	Deed of Lease Agreement No 8 dated July 3, 2008, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Heru Setiawan	Location: Shophouse at Jl. HOS Cokroaminoto No. 93, Ciledug, Tangerang Total area: Unit: 900 m2	August 26, 2008 up to August 25, 2018
111.	Duta Mall Banjarmasin	Lease Agreement No. 199/Perj-Sewa/GU-Pizza Hut/VII/2008 dated July 31, 2008	PT Govindo Utama	Location: 1 st Floor, Block A3, A5, A6, A7, T3, T5, T6 and T7 Total area: 320 m2	Period I: October 10, 2008 - October 9, 2013; Period II: October 10, 2013 up to October 9, 2018
112.	Ancol	Deed of Agreement No. 216 dated September 23, 2008, drawn up before Aulia Taufani, S.H., a Notary in South Jakarta.	Budi Karya Sumadi	Location: Selasar Ancol Bay, Jl. Lodan Timur, North Jakarta Total area: ± 553 m2	October 2, 2008 up to October 1, 2018
113.	Matahari Mall	Lease Agreement No. MM/741/X/2008 dated November 17, 2008	PT Fajar Surya Perkasa	Location: Ground Floor, Unit LD-30-31 Mal Matahari Puri – Daan Mogot, Jl. Raya Daan Mogot Km 15.6, West Jakarta Total area: 265.26 m2	December 20, 2008 up to December 19, 2018
114.	Nagoya Hill	Lease Agreement No. 159/NH/PSM-TMI/XI/2013 dated November 7, 2013	PT Teguh Meta Internusa	Location: GF, GR-F-1-1, Nagoya Hill, Batam Total area: ± 60.48 m2	January 15, 2014 up to January 14, 2019
115.	Manado Town Square	Deed of Lease Agreement No 76 dated November 21, 2008, drawn up before Maudy Manoppo, S.H., a Notary in Manado, as last amended by the Confirmation Letter of Extension of Lease Agreement dated May 7, 2013.	PT Gerbang Nusa Perkasa	Location: Unit on the Ground Floor, Unit GF – Atrium Bunaken Manado Town Square, Jl. Pierre Tendean Boulevard Raya, Manado Total area: 354.2366 m2	November 30, 2013 up to November 29, 2018
116.	Karebosi Link	Deed of Lease Agreement No 07 dated October 4, 2013, drawn up before Fitra Noviyanti, S.H., a Notary in Makassar	PT Tosan Permai Lestari	Location: Karebosi Link, G Floor Total area: 296.9 m2	November 29, 2013 up to November 28, 2018
117.	Emporium Pluit	Lease Agreement No. PP/064/II/LA/2014 dated January 9, 2014.	PT Pluit Propertindo	Location: Level 4 Unit 4-22, 4-23, 4-IC-03 & 4-ST-03 Emporium Pluit Total area: 292.13 m2	April 1, 2014 up to March 31, 2019
118.	Serang	Lease Agreement No. 5 dated January 14, 2009, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Junita Tjitra	Location: Unit G-2 at Serang Mall, Jl. Ahmad Yani No. 2, Serang, Banten Total area: 208 m2	February 6, 2009 - February 5, 2019
119.	Bali Galeria Mall	Lease Agreement No. 048/PSM-MBG. PTP/VIII/2013 dated August 28, 2013	PT Petarung Tangguh Persada	Location: Jl. Bypass Ngurah Rai, Denpasar Total area: Unit: 304.02 m2	March 15, 2014 up to March 14, 2019
120.	Botani Square	Lease agreement dated April 1, 2009, as last amended by the Addendum to Lease Agreement No. 036/ADD3/SM-1/BAC/VI/2014	PT Bogor Anggana Cendikia	Location: Ground Floor No: GF 9-10, Botani Square, Jl. Pajajaran, Bogor Total area: 252 m2	June 16, 2014 up to June 15, 2019
121.	Ciwalk	Lease Agreement No. 19/Cihampelas Walk/SPSM/IX/2008 dated September 25, 2008, as last amended by Lease Extension Letter No. 011/CWK-MKT/1/2018 dated January 15, 2018	PT Karya Abadi Samarga	Location: Lower Ground Floor Cihampelas Walk Unit Ext. 1 Total area: 414.68 m2	April 10, 2018 up to December 31, 2018
122.	Pagar Alam Lampung	Deed of Lease Agreement No 11 dated December 10, 2008, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Ina Irena Jonas	Location: Jl. Teuku Umar, Lampung Total area: 1,400 m2	May 5, 2009 up to May 4, 2029
123.	Abeypura	Deed of Lease Agreement No 8 dated May 8, 2009, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Christian Thean Laurentio	Location: Matoa Town Square, Jl. Raya Abeypura – Jayapura.	June 12, 2009 up to June 11, 2029



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
				Total area: ±375m2	
124.	Mall of Indonesia	Lease Agreement No. 231/LA/MOI-LGL/V/2010 dated May 31, 2010	PT Makmur Jaya Serasi	Location: GF Unit RC 29, RC 29 M and RC 29 S Mall of Indonesia Total area: ± 303.2 m2	March 1, 2010 up to February 28, 2020
125.	Pemuda	Deed of Lease Agreement No 18 dated March 25, 2009, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Muhamad Faridy	Location: Land at Jl. Pemuda No. 79, Pulo Gadung, East Jakarta Total area: Land: ± 1,200 m2	20 years from the commencement date of the lease
126.	Basko Grand Mall	Unit Lease Agreement No. 001/BGM/PSM/VIII/2009	PT Basko Minang Plaza	Location: Jl. Dr. Hamka No. 2A, Padang Total area: 288 m2	August 22, 2009 up to April 21, 2020
127.	Bukit Tinggi	Deed of Lease Agreement No 15 dated March 31, 2010, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Iwan Wahyudi	Location: Shophouse at Jl. Ahmad Yani No. 3-5, Bukittinggi Total area: ± 500 m2	15 years from the commencement date of the lease
128.	Plaza Mulia	Lease Agreement No. PSM/04/PTSM-JKT/IX/2009 dated September 17, 2009, as amended by the First Addendum No. ADD/003/SMD/XII/2012 dated December 5, 2012	PT Selyca Mulia	Location: Ground Floor Unit No. 21 Plaza Mulia Samarinda Total area: 317.86 m2 plus 24 m2	December 4, 2012 up to December 3, 2022
129.	Pahlawan	Deed of Lease Agreement No 2 dated June 9, 2009, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Trianawaty	Location: Jl. Raya Pahlawan No. 176, Bogor Total area: Land: 1,617 m2 Building: 603 m2	12 years from the commencement date of the lease
130.	Balikpapan SuperBlok	Pizza Hut Lease Agreement No. 011/WBL/PKS-PS/WBL/VII/10	PT Wulandari Bangun Laksana	Location: Balikpapan Superblock, GF, Unit 31 Total area: 301.95 m2	November 22, 2009 up to November 21, 2019
131.	Tanjung Pinang	Deed of Lease Agreement No 19 dated May 5, 2009.	Trisnawati	Location: Jl. Ketapang No. 1, 2, 3, Tanjung Pinang Total area: Land: ± 879 m2 Building: ± 985 m2	April 30, 2009 up to April 29, 2024
132.	Kediri Mall	Lease Agreement No. SP-10-00026 dated February 1, 2010, as last amended by Addendum to Lease Agreement	PT Sri Tanaya Megatama	Location: GF, No. GF BS 02 & GF OC 04, Kediri Mall, Jl. Hayam Wuruk No. 46, Kediri Total area: GF BS 02: 255.67 m2 GF OC 04: 15.2 m2	GF BS 02: March 19, 2010 - March 18, 2025 GF OC 04: March 19, 2011 up to March 18, 2025
133.	Petterani	Deed of Lease Agreement No 2 dated December 1, 2009, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	PT Sinar Galesong Pratama	Location: Land at Ramayana Carpark, Jl. A.P Pettarani, Makassar Total area: Land: 1,500 m2 2-Story Building: Ground floor with a total area of 450 m2 1st Floor with a total area of 100 m2	April 9, 2010 up to April 8, 2025
134.	Puncak Pafesta	Deed of Lease Agreement No 05 dated October 14, 2009, drawn up before Elliza Asmawel, S.H., a Notary in Jakarta, as last amended by the Amendment Agreement dated February 14, 2017.	PT Damarindo Abadi Lestari	Location: Jl. Raya Puncak No. 20, Bogor Total area: Land: ± 220 m2 Building: ± 400 m2	April 14, 2010 up to April 13, 2030
135.	Matraman	Deed of Lease Agreement No 1 dated November 4, 2009, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Abdul Rosyid Fadil	Location: Land at Jl. Matraman Raya No. 37, East Jakarta Total area: ± 880 m2	20 years from the commencement date of the lease
136.	Depok Dua Tengah	Deed of Lease Agreement No 04 dated March 5, 2010, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Sri Syuhada	Location: Jl. Tole Iskandar No. 8A, 8B, 8C, Depok Total area: Land: 435 m2 Building: ± 580 m2	May 30, 2010 up to May 29, 2030
137.	Tasikmalaya	Deed of Lease Agreement No 11 dated July 20, 2010, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	PT Asia Sanprima Jaya	Location: Unit GF 52, Plaza Asia, Jl. HZ. Mustofa No. 326, Tasikmalaya Total area: Indoor: 208.65 m2	15 years from the commencement date of the lease



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
				Outdoor: 67.05 m2	
138.	Kaliurang	Deed of Lease Agreement No 3 dated March 4, 2010 drawn up before Thomas Santoso Widjaya Gunawan, S.H., a Notary at Yogyakarta	PT Hajjah Sri Widadi	Location: Jl. Kaliurang KM 5-6, Yogyakarta Total area: Land: 937 m2 Building: 305 m2	Period I: July 27, 2010 - July 26, 2015; Period II: July 27, 2015 - July 26, 2020; Period III: July 27, 2020 - July 26, 2025; Period IV: July 27, 2025 up to July 26, 2030
139.	Gandaria City Mall	Booking Form No. 023/BF-FC/II/15 dated March 18, 2015	PT Artisan Wahyu	Location: Level Lower Ground Unit L-28 – 30 Mal Gandaria City, Jl. Sultan Iskandar Muda, South Jakarta Total area: ± 220 m2	November 5, 2015 up to November 4, 2020
140.	Sanur	Deed of Rental Right Assignment No. 27 dated May 19, 2010, drawn up before I Ketut Senjaya, S.H., a Notary in Denpasar.	PT Penida Bercindomarealt	Location: Jl. By Pass Ngurah Rai No. 15, Bali Total area: Land: 1,500 m2	October 6, 2010 up to October 5, 2029
141.	Sudirman	Deed of Lease Agreement No 7 dated March 4, 2010, drawn up before Wahyu Wiryo, S.H., a Notary in Yogyakarta.	Sasongko Kumoro, Haruno, Suryokumoro & Retno Kumoro	Location: Land and Building at Jl. Jenderal Sudirman No. 65, Yogyakarta Total area: 1,563 m2	August 17, 2010 up to August 16, 2030
142.	SKA Pekanbaru	SKA Mall Shop Unit Lease Agreement No. 064/P/RT/CIP-MALL/II/2016 dated January 5, 2016	PT Citraciti Pacific	Location: Unit on the 1 st Floor No. 93 – 94, SKA Mall, Pekanbaru Total area: 238.18 m2	January 10, 2016 up to January 9, 2021
143.	Citra Raya Cikupa	Lease Agreement No. 037/CR-DL/SGM/yh/ah/hh/PKS/PizzaHut/VIII/10 as amended by Addendum I No. 089/CR-DL/SGM/yh/ah/hh/Add/PizzaHut/XI/2010 dated November 25, 2010	PT Ciputra Residence	Location: Jl. Boulevard No. 2A Cikupa, Ground Floor Total area: 375 m2	January 15, 2011 up to January 14, 2021
144.	Krakatau	Deed of Lease Agreement No 18 dated September 22, 2010, drawn up before Franky Tjokroahdymulya, S.H., a Notary in Medan.	Suanto	Location: Shophouse Unit No. 24 ABC at Jl. Krakatau, Medan City Total area: ± 750 m2	January 30, 2011 up to January 29, 2026
145.	Carrefour Lebak Bulus	Lease Renewal Confirmation Letter No. 084/SMM-LOC/LB/02-17 dated March 7, 2017	PT Carrefour Indonesia	Location: Ground Floor Unit GF03, GF04 Carrefour Lebak Bulus Total area: 317.66 m2	March 15, 2017 up to March 14, 2020
146.	Gajah Mada Pontianak	Deed of Lease Agreement No 32 dated January 13, 2011, drawn up before Effendy Hidayat, S.H., a Notary in Pontianak.	Susein Koputra & Sui Lan	Location: Shophouse Building at Jl. Gajahmada No. 45, Pontianak Total area: Land: ±800 m2 Building: ± 862 m2	April 30, 2011 up to April 29, 2031
147.	Ciputra World Surabaya	Unit Lease at Ciputra World Mall Surabaya Agreement No. 96/LGL-CWS/PERJ-SEWA/IX/2011 dated September 30, 2011, as amended by Addendum No. 10/LGL-CWS/ADD-PERJ.SEWA/III/2016 dated March 7, 2016	PT Winwin Realty Centre	Location: Level 3 #25 Mall Ciputra World Jl. Mayjen Sungkono Kav. 89, Surabaya Total area: 313.55 m2	August 1, 2016 up to July 31, 2021
148.	Juanda	Asset Lease Agreement No. 036/100100/2010-S0 dated December 29, 2010.	PT Pertamina Persero (Persero)	Location: Jl. Juanda No. 13, Kebon Kelapa Total area: 1,556 m2	October 1, 2011 up to September 30, 2021
149.	Depok Town Centre	Deed of Lease Agreement No 17 dated July 19, 2011, drawn up before Nallysa Wardhani, S.H., a Notary in South Jakarta.	PT Gapura Omega Alpha Land	Location: Jl. Sawangan Raya No. 1, Depok Total area: Indoor: 185.5 m2 Outdoor: 224 m2	15 years from the commencement date of the lease
150.	Garut	Lease Agreement No. JIL.2016.PSMB.10210 dated November 11, 2016	PT Jakarta Intiland	Location: Ground Floor Unit No. 1-D and 1 st Floor Unit No. 2-B, Mall Garut Total area: Indoor: ± 201.59 m2 Outdoor: ± 72.91 m2	November 11, 2016 up to November 10, 2021
151.	Taman Ratu	Deed of Lease Agreement No 10 dated August 23, 2011, drawn up before Eliza Asmawati, S.H., a Notary in South Jakarta.	Arkianto Hadi	Location: Land and Building at Taman Ratu Indah Block AA2 No. 35, Kebon Jeruk, West Jakarta Total area: Land: ±500 m2	November 29, 2011 up to November 28, 2031



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
				Building: ± 500 m2	
152.	Harapan Indah	Deed of Lease Agreement No 02 dated September 7, 2011, drawn up before Edi Priyono, S.H., a Notary in Central Jakarta.	PT Deltasari Adipratama	Location: Kavling C Kota Harapan Indah Bekasi Total area: Land: ± 2,500 m2	March 31, 2012 up to March 30, 2032
153.	Solo Square	Lease Agreement No. 001/SPSM-SQ/II/2017 dated January 19, 2017	PT Solo Indah Dinamika	Location: Unit No. GF – 07A, 07B & 09, GF Solo Square, Jl. Slamet Riyadi No. 451 – 455, Surakarta Total area: 296.07 m2	December 25, 2016 up to December 24, 2021
154.	Sam Ratulangi	Deed of Lease Agreement No 75 dated September 22, 2011, drawn up before Michiko Sodikim, S.H., a Notary in Makassar, as amended by the Amendment Agreement dated January 5, 2017.	Sherly Wijaya, Winny Wijaya & Vera Wijaya	Location: Building at Jl. Doktor Ratulangi No, 17-A, Makassar Total area: 999 m2	January 1, 2017 up to December 31, 2021
155.	Riau Bandung	Deed of Lease Agreement No 10 dated November 10, 2011, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Arlina Surya	Location: Jl. RE Martadinata No. 126 Total area: Land: 1,052 M2 Building: 700 m2	February 10, 2012 up to January 31, 2022
156.	Alaudin Makassar	Deed of Lease Agreement No 5 dated October 21, 2011, drawn up before Albert Simon Dumanauw, S.H., a Notary in Makassar	Muhammad Ramli Lasse	Location: Jl. Sultan Alaudin No. 234, Mangasa Total area: 1500 m2	February 21, 2012 up to February 20, 2032
157.	Cirebon Super Blok	Lease Agreement No. 016.GF/KBT-SPECIALITY CSBM/III/2012 dated March 1, 2012.	PT Karya Bersama Takarob	Location: Cirebon Super Blok Level GF Unit GF & GFO-16 Jl. Dr. Cipto Mangunkusumo No. 26, Cirebon Total area: Indoor: 287.71 m2 Outdoor: 41.09 m2	Period I: March 23, 2012 - March 22, 2017; Period II: March 23, 2017 up to March 22, 2022
158.	Palu	Deed of Lease Agreement No 8 dated February 13, 2012, drawn up before Sri Eriana Tjahjoharto, S.H., a Notary in Jakarta.	Hermanto Chandra	Location: Jl. Emmy Saelan No. 17, Palu Total area: Land: 1,528 m2 Building: 1,913 m2	May 1, 2012 up to April 30, 2027
159.	Sipin Jambi	Deed of Lease Agreement No 1 dated October 6, 2011, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Mrs. Midrawati	Location: Jl. Kolonel Abunjani, Selamat Sub-District, Telanaipura District, Jambi City, Jambi Province Total area: Land: 1,275 m2 Building: ± 427 m2	20 years from the commencement date of the lease
160.	Jatiwaringin	Deed of Lease Agreement No 2 dated January 5, 2012, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Mrs. Melisa JAP	Location: Jl. Jatiwaringin Komplek AURI Block H/1, Cipinang Melayu Sub-District, Kramat Jati District, East Jakarta City Total area: Land: 1,210 m2 Building: 700 m2	20 years from the commencement date of the lease
161.	Ciliwung Malang	Deed of Lease Agreement No 07 dated November 8, 2011, drawn up before Elliza Asmawel, S.H., a Notary in Jakarta.	Hendra Sugianto	Location: Building at Jl. Ciliwung No. 1, Malang Total area: Land: ±622 m2 Building: ±500-600 m2	June 1, 2012 up to May 31, 2032
162.	Sunset Point Bali	Deed of Lease Agreement No 31 dated May 9, 2012, drawn up before I G. A. Mass Seri Lestari P, SH. Mkn., a Notary in Badung Regency	Mr. I Nyoman Selamat Yasa	Location: Jl. Sunset Road 88-99 Seminyak, Bali Total area: 292 M2	10 years commencing from unit renovation
163.	Kota Kasablanka Mall	Kota Kasablanka Booking Form No. 061/BF-KK/III/17 dated February 16, 2017	PT Elite Prima Utama	Location: LG Floor, Unit No. L 23 Total area: ± 297 m2	November 1, 2017, up to October 31, 2022
164.	Warung Jambu Tiga	Deed of Lease Agreement No 9 dated November 8, 2011, drawn up before Elliza Asmawel, S.H., a Notary in Jakarta.	Romzi	Location: Jl. Raya Pajajaran, Bogor Total area: ± 3000 m2 ± 500 m2	10 years from the commencement date of the lease
165.	Gatot Subroto Pancoran	Deed of Lease Agreement No. 16 dated November 9, 2011, drawn up before Yunardi, S.H., a Notary in South Jakarta.	Tan Muljadi Kartasasmita & Jeffry Kartasasmita	Location: Land at Jl. Gatot Subroto No. 1,000, South Jakarta Total area: 3,385 m2	June 11, 2012 up to June 10, 2022
166.	Taman Mini Sentral	Deed of Lease Agreement No 19 dated February 15, 2012, drawn up before Elliza Asmawel, S.H., a Notary in Jakarta, as last amended by the Letter of Extension of Lease Agreement dated	PT Laksana Berkas Abadi	Location: GF Block A Unit No. 3, Sentra Niaga Taman Mini, Jl. Pintu I, Taman Mini	December 24, 2017 up to December 23, 2022



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
		January 23, 2017.		Indonesia Indah Total area: Indoor: ± 305 m2 Outdoor: ± 81 m2	
167.	Lippo Plaza Kendari	Lease Agreement No. 03/MAB-LPK/XII/2012	PT Mitra Anda Sukses Bersama	Location: GF, Unit 07-06, Lippo Plaza Kendari, Jl. MT Haryono No. 61-63, Kendari Total area: Indoor: 256.54 m2 Outdoor: 52.7 m2 Warehouse: 47.62 m2	January 2, 2013 up to January 1, 2023
168.	Komsen Jatiasih Bekasi	Deed of Lease Agreement No 16 dated July 26, 2012, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Jokwah Saraswati	Location: Land at Jl. Raya Pondok Gede, Bekasi Total area: 1,500 m2	January 25, 2013 up to January 24, 2033
169.	Diponegoro Bali	Deed of Lease Agreement No 8 dated May 7, 2012, drawn up before Elliza Asmawel, S.H., a Notary in Jakarta.	Made Wartini Pendit, Putu Asih Primatanti	Location: Jl. Diponegoro No. 122, Badung Total area: Land: ±700 m2 Building: ± 450 m2	Period I: July 3, 2013 - July 2, 2018; Period II: July 3, 2018 - July 2, 2023; Period III: July 3, 2023 up to July 2, 2028
170.	Citra Enam	Deed of Lease Agreement No 01 dated April 10, 2013, drawn up before Suwoto, S.H., a Notary in Jakarta.	PT Cakrawala Respati	Location: Citra Real Estate, Citra Garden City Blok L1A, Kalideres Total area: Land: ± 205 m2 Leased Unit: ± 410 m2	15 years from the commencement date of the lease
171.	Makassar Townsquare	Lease Agreement No. JIL.2011.PSMB.00225 dated December 8, 2011, as amended by Addendum No. JIL.2011.PSMB.00225 dated July 5, 2013	PT Jakarta Intiland	Location: Unit on the Ground Floor of Makassar Town Square, Jl. Perintis Kemerdekaan, Ujung Pandang Total area: 200 m2	May 12, 2013 up to May 11, 2033
172.	Graha Pena Surabaya	Deed of Lease Agreement No 13 dated November 27, 2012, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	PT Graha Pena	Location: Building at Jl. Ahmad Yani No. 88, East Java Total area: ± 400 m2	20 years from the commencement date of the lease
173.	Sumarecon Bekasi Mall	Summarecon Mal Bekasi Lease Agreement No. 004/DW-FB/Gr.FL/SMB/PSM/II/2013 dated January 25, 2013	PT Makmur Orient Jaya	Location: Ground Floor Unit No. FB-111 & FB-112, Downtown Walk Total area: 253.30 m2	June 28, 2013 up to June 27, 2018
174.	Asrama Haji Medan	Deed of Lease Agreement No 59 dated October 30, 2012, drawn up before Franky Tjokroahdymulya, S.H., a Notary in Medan.	PT Nusa Developments	Location: Jl. Jenderal A.H. Nasution/Jl. Karya Jasa Kota Medan Total area: Land: ± 1,750 m2 Building: ± 500 m2	20 years from the commencement date of the lease
175.	Grand Wisata Bekasi	Deed of Lease Agreement No 08 dated May 6, 2013, drawn up before Hermanto, S.H., a Notary in Bekasi Regency	PT Putra Alvita Pratama	Location: Land at Café Walk LOT 1 A, Grand Wisata Real Estate Bekasi Total area: 661 m2	July 31, 2013 up to August 1, 2033
176.	Malang Soekarno Hatta	Deed of Lease Agreement No 23 dated May 23, 2013, drawn up before Nallysa Wardhani, S.H., Acting Notary of Eliza Asmawel, S.H., a Notary in South Jakarta, as last amended by the Addendum No. 19 dated October 30, 2014, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Olivia Dewi Sutanto	Location: Land and Building at Jl. Soekarno – Hatta No. 25, Kav. 1, Malang Total area: Land: ±227 m2 Building: ± 693 m2	20 years from the commencement date of the lease
177.	Center Point Medan	Lease Agreement No. 003/T/PSM-C.Point/Legal/SK/IX/2013 dated September 30, 2013	Handoko	Location: LG Floor No. 34, Centre Point Mall, Medan Total area: 297 m2	November 4, 2013 up to November 3, 2023
178.	Cibinong City Mall	Lease Agreement No. PM/LO/2012/05/000012 dated October 8, 2013	PT Puri Wahid Pratama	Location: Jl. Tegar Beriman No. 1 Cibinong, Bogor, Ground Floor Total area: 285 m2	October 19, 2013 up to October 18, 2018
179.	Semarang Pandanaran	Deed of Lease Agreement No 8 dated March 20, 2013, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	CV Nurjaya Sukses Abadi	Location: Land and Building at Jl. Pandanaran No. 115, Semarang Total area: Land: 1,168 m2 Building: ± 600 m2	August 20, 2013 up to August 19, 2028



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
180.	Karawang Central Plaza	Deed of Lease Agreement No 12 dated July 19, 2013, drawn up before Nallysa Wardhani, S.H., an acting Notary of Elliza Asmawell, S.H., a Notary in South Jakarta.	Graha Buana Prima	Location: Karawang Central Plaza, Jl. Raya Galuh Mas, Karawang Total area: Indoor: 350 m2 Outdoor: 50 m2	15 years from the commencement date of the lease consisting of 3 periods
181.	Gajah Mada Medan	Deed of Lease Agreement No 59 dated June 20, 2013, drawn up before Franky Tjokroahdymulya, S.H., a Notary in Medan.	Effendy	Location: Building at Jl. Gajah Mada at the corner of Jl. Mataram No. 19, Medan Total area: ± 812 m2	January 17, 2014 up to January 16, 2034
182.	Suzuya Banda Aceh	Deed of Lease Agreement No 8 dated September 5, 2013, drawn up before Franky Tjokroahdymulya, S.H., a Notary in Medan.	PT Suriatama Mahkota Kencana	Location: Building at Jl. Teuku Umar, Banda Aceh Total area: Indoor: ± 255 m2 Outdoor: ± 25 m2	15 years from the commencement date of the lease
183.	Metropolitan City Panam	Deed of Lease Agreement No 30 dated November 14, 2013, drawn up before Pritta Melanie, S.H., a Notary in Pekanbaru.	PT Summerville Indonesia	Location: Metropolitan City Building, Jl. HR. Soebrantas KM. 12, MTC Panam Complex, Pekanbaru Total area: ± 350 m2	January 23, 2014 up to January 22, 2034
184.	Kemanggisian	Deed of Lease Agreement No 06 dated August 28, 2013, drawn up before Elliza Asmawell, S.H., a Notary in South Jakarta.	Hadi Gunawan & Emilia Bambang	Location: Land at Jl. Kemanggisian No. 4, West Jakarta Total area: 1,083 m2	September 16, 2013 up to September 15, 2033
185.	Bintaro Jaya Xchange	Lease Agreement of Unit at Bintaro Jaya X-Change No. 157/PS/MKT-BXc/JRP/II/2014	PT Jaya Real Property	Location: Lower Ground Blok 113, Bintaro Jaya Xchange, Tangerang Selatan Outer Ring Road Total area: 281.83 m2	Valid up to February 23, 2024
186.	Festival Citylink	Lease Agreement No. 024/LGL-BSP/PSM/II/2014 dated February 28, 2014	PT Brilliant Sakti Persada	Location: Festival Citylink, Jl. Peta No. 241, Bandung Unit GF 28 for the restaurant & GF 28 A for the warehouse Total area: Restaurant: ± 250 m2 Warehouse: ± 18 m2	February 28, 2014 up to February 27, 2024
187.	Palembang Icon Mall	Lease Agreement No. 068/PSM-PI/GISI-PH/II/14 dated February 3, 2014, as amended by Addendum I No. 026/ADD/PSM-PI/PIZZA HUT/IX/2016 dated September 19, 2016	PT Griya Inti Sejahtera Insani	Location: Ground Floor Unit G-29B & 35 Palembang Icon, Palembang Sport & Convention Center, Jl. PON IX, Palembang Total area: 276.18 m2	April 8, 2014 up to April 7, 2019
188.	Senapelan Pekanbaru	Deed of Lease Agreement No 29 dated November 14, 2013, drawn up before Pritta Melanie, S.H., a Notary in Pekanbaru.	Winna Chandra	Location: Land at Jl. Jendral Sudirman No. 12, Pekanbaru Total area: 1,845 m2	May 14, 2014 up to May 13, 2024
189.	Palembang Trade Center	Deed of Profit Sharing Cooperation Agreement No. 20 dated May 20, 2015	Welly Salim	Location: GF, No. 36-40, Palembang Trade Mall, Palembang Total area: ± 350.83 m2	June 10, 2014 up to June 9, 2024
190.	Jatinangor Town Square	Business Space Lease Agreement No. 004/LGL-JTS/V/2014 dated May 19, 2014 as last amended by Addendum No. 004/LGL-JTS/V/2014 dated February 2, 2015	PT Mahkota Inti Citra	Location: GF, Kavling A2-01, Jatinangor Town Square, Jl. Raya Jatinangor No. 150, Sumedang Total area: Restaurant: ± 210 m2 Terrace: ± 20 m2	June 30, 2014 up to August 29, 2019
191.	Citraland Semarang	Lease Confirmation Letter No. MCS/PIZZA HUT/IV-14/LSNG dated April 28, 2014	PT Ciputra Semarang	Location: Mal Ciputra First Floor, Jl. Simpang Lima No. 1, Semarang Total area: 238 m2	July 8, 2014 up to July 7, 2024
192.	Jimbaran Bali	Deed of Rental Right Assignment No. 48 dated August 22, 2012, drawn up before Anak Agung Ngurah Gede Widarma, S.H., a Notary in Denpasar, as amended by the Amendment Agreement dated August 15, 2013.	Gusti Ayu Made Lina Nuhayanti Note: The Lessor is the Assignee of Rental Rights from the owners of the Leased Object who assigned their Rental Rights to the Company	Location: Jl. Raya By Pass Nusa Dua, Badung Total area: ± 2,000 m2	July 11, 2014 up to July 10, 2042
193.	Majapahit Semarang	Deed of Lease Agreement No 07 dated March 13, 2014, drawn up before Elliza Asmawell, S.H., a Notary in South Jakarta.	Juniwati, Agustinus Gunawan Budihartono	Location: Jl. Brigjen Sudiarto No. 444, Semarang	20 years from the commencement date of the lease



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
				Total area: ± 1,800 m2	
194.	Antasari Lampung	Deed of Lease Agreement No 1 dated June 9, 2014, drawn up before Tjhia Giok Tjoe, S.H., a Notary in Bandar Lampung	Marijana Sutanto	Location: Jl. Pangeran Antasari Lampung Total area: ± 2,100 m2	12 years from the commencement date of the lease
195.	Bintaro Veteran 2	Deed of Lease Agreement No 07 dated May 21, 2014, drawn up before Sri Hartati, S.H., a Notary in South Tangerang City.	Doktorandus Iskandar Zulkarnaen	Location: Land and building at Jl. RC Veteran No. 27, South Jakarta Total area: ± 815 m2	October 21, 2014 up to October 20, 2024
196.	Cisalak Depok	Deed of Lease Agreement No 1 dated July 4, 2014, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Fiter Lie	Location: Shophouse Building at Jl. Raya Bogor RT 1 RW 2 Cisalak Sub-District, Depok Total area: Land: 530 m2 Building: ± 480 m2	November 15, 2014 up to November 14, 2034
197.	Diponegoro Salatiga	Deed of Lease Agreement No 2 dated August 25, 2014, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Mahjudin	Location: Jl. Diponegoro No. 59A, Salatiga Total area: ± 628 m2	November 8, 2014 up to November 7, 2024
198.	Madiun	Deed of Lease Agreement No 6 dated September 12, 2014, drawn up before Elliza Asmawel, S.H., a Notary in Jakarta.	CV Sohanto Adi Perkasa	Location: Building at Jl. Pahlawan No. 32, Madiun Total area: ± 263 m2	15 years from the commencement date of the lease
199.	Lokasari	Deed of Lease Agreement No 8 dated December 11, 2013, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Sonny Muljono	Location: Taman Hiburan Rakyat Block A No. 16, Jl. Mangga Besar Raya No. 81, West Jakarta Total area: ± 458 m2	15 years, consisting of 3 periods Period I: January 2015 – January 2020 Period II: January 2020 – January 2025 Period III: January 2025 – January 2030
200.	Alam Sutera	Deed of Lease Agreement No 17 dated September 30, 2014, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	PT Fast Food Indonesia Tbk	Location: Alam Sutera Boulevard Kavling A, South Tangerang Total area: 498m2	16 years and 9 months from the commencement date of the lease
201.	Sultan Agung Yogyakarta	Deed of Lease Agreement No 57 dated October 24, 2014, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Jusuf Indrijanto	Location: Land at Jl. Sultan Agung No. 58, Yogyakarta Total area: ± 974 m2	12 years from the commencement date of the lease
202.	S Parman Samarinda	Deed of Lease Agreement No. 6 dated November 15, 2013, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Rusdi Soetioso	Location: Building at Jl. S. Parman No. 3, Samarinda Total area: ± 500 m2	20 years from the commencement date of the lease
203.	Mojopahit Mojokerto	Deed of Lease Agreement No 64 dated April 15, 2015, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Rudyanto	Location: Land and Building at Jl. Majapahit No. 402-404, Mojokerto, East Java Total area: Land: 2500 m2 Building: ± 400 m2	20 years from the commencement date of the lease
204.	S Parman Bengkulu	Deed of Lease Agreement No 98 dated April 24, 2015, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Dharma Setyawan	Location: Building at Jl. S. Parman No. 56, Bengkulu Total area: Land: 1,125 m2 Building: 500 m2	August 7, 2015 up to August 6, 2035
205.	Banjarbaru	Deed of Lease Agreement No 5 dated January 16, 2015, drawn up before Suprpti, S.H., a Notary in Banjarbaru City	Emillya	Location: Building at Jl. Ahmad Yani, KM 34 600, Banjarbaru Total area: 1,405 m2	20 years from the commencement date of the lease
206.	Rijali Ambon	Deed of Lease Agreement No 3 dated November 4, 2009, drawn up before Elliza Asmawel, S.H., a Notary in South Jakarta.	Maria Goreti Tan	Location: Jl. Rijali, Ambon City Total area: Land: ± 596 m2 Building: ± 750 m2	30 years from the commencement date of the lease
207.	Palangkaraya	Deed of Lease Agreement No 126 dated August 31, 2015, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Madya Raramitah, Wininti Karyani, Maria Ametisa Maharati, Hanny Diyeni Saloh	Location: Land and Building at Jl. Imam Bonjol No. 23, Palangkaraya Total area: Land: ±1,745 m2	January 8, 2016 up to January 7, 2026



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
				Building: ± 200 m2	
208.	Mataram Sriwijaya	Pizza Hut Lease Confirmation at Jl. Sriwijaya Mataram	-	Location: Jl. Sriwijaya - Mataram, Lombok Total area: 1,400 m2	20 years
209.	Metropolitan Mall Cileungsi	Lease Agreement No. 175/KGC/MMC/MKT. PH/VII/2016 dated July 1, 2016	PT Kembang Griya Cahaya	Location: Ground Floor No. 44 – 45 and No. 44 – 45T Metropolitan Mall Cileungsi, Jl. Metro Raya, Cileungsi, Bogor Total area: No. 44 – 45: 184 m2 No. 44 – 45T: 29 m2	July 4, 2016 up to July 3, 2026
210.	Big Mall Samarinda	Lease Agreement No. 116/PSM/BIG-L/X/2016 dated October 31, 2016	PT Borneo Inti Graha	Location: Unit on GF, Big Mall Samarinda Total area: 328.83 m2	October 2, 2016 up to October 1, 2021
211.	Antapani	Deed of Lease Agreement No 104 dated June 28, 2016, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi	Indriati	Location: Jl. Terusan Jakarta, No. 71, Bandung Total area: Land: ± 184m2 Building: ± 747m2	December 25, 2016 up to December 24, 2036
212.	Sisingamangaraja Medan	Deed of Lease Agreement No 13 dated August 2, 2016, drawn up before Mimin Rusli, S.H., a Notary in Medan.	Yusuf	Location: Jl. Sisingamangaraja No. 61, Medan Total area:	20 years from the commencement date of the lease
213.	Paal 2 Manado	Deed of Lease Agreement No 43 dated May 12, 2016, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Angel Lilian Lingkam & Lanny Lingkam	Location: Land at Jl. RE Martadinata No. 57, Manado Total area: Land: ± 1,200 m2	20 years from the commencement date of the lease
214.	Kupang Lippo Plaza	Lease Agreement No. 14/PSM-BSS/LPK-PIZZAHUT/N/XII/16 dated December 2, 2016	PT Bumi Sarana Sejahtera	Location: Ground Floor Unit GF 15 – 18 (Indoor), Unit No. 15OB03 (Outdoor), GF (Gudang), Lippo Plaza Kupang Total area Indoor: ± 240.53 m2 Outdoor: ± 40 m2 Warehouse: 35.24 m2	November 30, 2016 up to November 29, 2026
215.	Sudirman Pekanbaru	Deed of Lease Agreement No 70 dated June 21, 2016, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi	PT Sumber Mas Jaya	Location: Jl. Sudirman (Simpang Harapan) Pekanbaru Total area: ± 320 m2	20 years from the commencement date of the lease
216.	Supermall Pakuwon Indah	Store Unit Lease Agreement No. T0026/PSM-SPI/EXT/XII/2014 dated December 4, 2014	PT Pakuwon Permai	Location: Supermal Pakuwon Indah, Lower Ground, Unit No. LG. 42 & 45 Total area: ± 301 M2	5 years
217.	Rita Mall Purwokerto	Memorandum of Understanding No. 028a/LOI/RTS-PURWOKERTO/RCI/VI/2015 dated June 26, 2015	PT Rita Ritelindo	Location: GF, Unit 02, Rita Supermall, Purwokerto Total area: 268.37 m2	5 years from the commencement date of the lease agreement, with an option to renew for a period of 5 years
218.	Kota Bintang	Deed of Lease Agreement No 59 dated December 16, 2016, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	PT Kota Bintang Rayatri	Location: B Walk Kalimalang Unit W.3, Grand Kota Bintang, Bekasi Total area: Land: ± 318 m2 Building: ± 298 m2	15 years from the commencement date of the lease consisting of 3 periods
219.	Rancho T.B Simatupang	Deed of Lease Agreement No 22 dated December 6, 2016, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	Irwansyah	Location: Jl. TB Simatupang No. 99A RT.002 RW.010, Jakarta City Total area: 926 m2	10 years from the commencement date of the lease
220.	Jogya City Mall	Unit Lease Agreement No. 009/PSM/JCM/III/2017 dated June 19, 2017	PT Garuda Mitra Sejati "Jogja City Mall"	Location: Jogja City Mall Level GF, Jl. Magelang KM 6, Sleman Total area: Indoor: 260.95 m2 Outdoor: 52.15 m2	June 26, 2017 up to June 25, 2022
221.	Emerald Bintaro	Deed of Lease Agreement No 16 dated March 9, 2017, drawn up before Wiwik Rowiyah Suparno, S.H., M.Kn., a Notary in Bekasi.	PT Jaya Real Property Tbk	Location: Jl. CBD Emerald Blok CE/A No. 1, South Tangerang Total area: 1,570 m2	15 years from the commencement date of the lease



No.	Outlet Name	Lease Agreements	Lessor	Leased Object	Term
222.	Raden Intan Lampung	Deed of Lease Agreement No 01 dated April 13, 2017, drawn up before Fitri Sulisty Nova Rini, S.H., M.Kn., a Notary in Karawang Regency	Rico Sutanto	Location: Jl. Raden Intan No. 112, Bandar Lampung City Total area: ± 1,931 m2	September 13, 2017 up to September 13, 2033
223.	Danau Sunter Utara	Deed of Lease Agreement No 02 dated June 14, 2017, drawn up before Fitri Sulisty Nova Rini, S.H., M.Kn., a Notary in Karawang Regency	Ong Surjadi Muljo	Location: Jl. Danau Sunter Utara No. A3/14, North Jakarta municipality Total area: Land: ± 1900 m2 Building: ± 660 m2	November 10, 2017 up to November 10, 2027
224.	Panjang Kebon Jeruk	Deed of Lease Agreement No 142 dated December 29, 2016, drawn up before Wiwik Rowiyah Suparni, S.H., M.Kn., a Notary in Bekasi City	Tjahja Tanuwidjaja	Location: Jl. Panjang Arteri Kelapa Dua No. 1, West Jakarta municipality Total area: ± 1892 m2	10 years from the commencement date of the lease
225.	Paramount Serpong	Lease Agreement No. 002/PELBP/V/2017 dated May 29, 2017	PT Paramount Enterprise International	Location: Jl. Boulevard Raya Gading Serpong Total area: ± 1,200 m2	15 years from the commencement date of the lease
226.	Jababeka Cikarang	Lease Agreement No. 002/PSM/Busdev-GBC/X/2017 dated October 2, 2017	PT Grahabuana Cikarang	Location: Jl. Arifin C. Noor Kav. C5F, Movieland, Kota Jababeka, Cikarang, Bekasi Total area: ± 252 m2	December 15, 2017 up to December 14, 2027
227.	Hertasning Makassar	Pizza Hut Lease Conditions Hertasing Makassar dated February 23, 2017	PT Sinar Galesong Pratama	Location: Citra Land Hertasing Celebes Real Estate Total area: Land: 269 m2 Building: 400 m2	20 years from the commencement date of the lease
228.	MERR Surabaya	Deed of Lease Agreement No 10 dated October 9, 2017, drawn up before Anita Lucia Kendarto, S.H., M.Kn., a Notary in Surabaya	Sudarsono	Location: Kedung Baruk Sub-District, Rugkut District, Surabaya City Total area: ± 1,265 m2 & ± 1,905 m2	February 28, 2018 up to February 28, 2030
229.	Paskal HyperSquire Bandung	Mutual Agreement No. 1887/X/MPN/2017 dated October 4, 2017	PT Mitra Perdana Nuansa	Location: No.#L2-28B Total area: Unit: 252 m2 Kitchen: 13 m2	January 1, 2018 up to December 31, 2022
230.	Cinere Raya Dua	Letter of Intent dated June 12, 2017	Alwin Arifin	Location: Jl. Cinere Raya RT 005 RW 002, Depok Total area: ± 1,498 m2	20 years since the restaurant is open for public
231.	MT Haryono Balikpapan	Deed of Lease Agreement No 07 dated September 6, 2017, drawn up before Andreas Gunawan, S.H., M.Kn., a Notary in Balikpapan City	Yulius Susanto	Location: Jl. MT Haryono Balikpapan Total area: ± 2000 m2	March 12, 2018 up to March 11, 2038
232.	Pondok Indah Mall 2	Lease Agreement No. 145/SM/MK-PIM2/VI/2015 dated June 30, 2015	PT Metropolitan Kentjana Tbk	Location: Level 3, Pondok Indah Mall II, No. 317-319, Jl. Metro Pondok Indah Kav. IV/TA, South Jakarta Total area: ± 174.58 m2	August 1, 2015 up to July 31, 2020
233.	Neo Soho	Lease Agreement No. TMI.035/VIII/PSM/2016	PT Tiara Metropolitan Indah	Location: LG Floor No. 125, Jl. Letjend S. Parman Kav. 28, West Jakarta Total area: 121.58 m2	5 years from the commencement date of the lease

As of the date of this Prospectus, the Company has not extended the expired Lease Agreements for PHR Galaxy Mall and PHR Sunter Mall, the lease agreement for PHR Galaxy Mall is still in extension negotiation process, and PHR Sunter Mall will be closed and relocated so that the lease agreement will not be extended.



Agreements with Suppliers

1. Purchase Agreements between the Company and Suppliers

The Parties:

- a. The Company; and
- b. Supplier

The Company and the Supplier shall jointly be referred to as the “**Parties**” and individually as the “**Party**.”

Scope of Agreement:

The Company agrees to purchase products from the Supplier, and the Supplier agrees to provide the products ordered by the Company in accordance with the purchase order.

Rights and Obligations of the Parties:

Rights and Obligations of the Company:

The Company's rights and obligations are, among others:

- a. The Company shall have the right to reject or return products if the Supplier delivers products that do not meet the agreed specifications; and
- b. The Company shall be obligated to pay the Supplier in accordance with the terms stipulated in the agreement.

Rights and Obligations of the Supplier:

The Supplier's rights and obligations are, among others:

- a. The Supplier shall comply with the regulations stipulated by the Company, such as the prohibition for giving or offering monies, commissions, merchandises, loans, or gifts unofficially or other benefits to the Company's employees without the acknowledgment of their superiors, management, whether intentionally or unintentionally, sending defective or non-standard products that may pose harm to the Company and other parties; and
- b. The Supplier shall not conduct any violation of the law and criminal acts such as theft, tax evasions, or provide the Company's confidential information to other parties without the Company's consent.

Termination

The agreement shall terminate:

- a. At the termination date of the agreement set forth in the agreement, except in the event of default; and
- b. If the Company unilaterally terminates the agreement in the event that the Supplier fails to perform its obligations in accordance with the terms specified in the agreement.

Governing Law:

The Law of the Republic of Indonesia

Settlement of Dispute

District Court of Jakarta.

No.	Agreement	Object	Term
1	Purchase Agreement Ref No. 0079-I-2018/SMK/PURC-SOEBA dated January 2, 2018, with PT Soejasch Bali.	1. Beef Crumble: 30 tons/month; 2. Beef Salami: 150 kg/month; 3. Beef Rasher: 300 kg/month; 4. Smoked Beef: 8 tons/month;	January 1, 2018 up to December 31, 2018
2	Purchase Agreement Ref No. 0076-I-2018/SMK/PURC-CPI dated January 2, 2018, with PT Charoen Pokphand Indonesia.	5. Chicken Schnitzel PH: 10 tons/month; 6. Coated Wing: 8 tons/month; 7. New Orleans Chicken Wing: 25 tons/month; 8. Breaded Leg: 7.5 tons/month; 9. Crispy Chicken Ribs: 15 tons/month;	January 1, 2018 up to June 30, 2018
3	Purchase Agreement Ref No. 0080-I-2018/SMK/PURC-Belfoods dated January 2, 2018, with PT Belfoods Indonesia.	Chicken Stick PH: 20 tons/month;	January 1, 2018 up to December 31, 2018
4	Agreement Ref No. 0104-I-2018/SMK/PURC-DSJ dated December 20, 2017, with PT Dwiselaras Jayapack.	1. Box TA Small 6.5" ND: 1700 Packs/month; 2. Box TA Large 11.5" ND: 2300 Packs/month; 3. Box TA Large 9.25" ND: 480 Packs/month; 4. Box TA Large 13.75" ND: 2030 Packs/month; 5. Liner PH Small 6.5 Inch: 750 Packs/month; 6. Liner PH Regular 9.25 Inch: 270 Packs/month; 7. Liner PH Regular 11.5 Inch: 1200 Packs/month; 8. Liner PH Regular 14 Inch: 480 Packs/month; 9. New Box 11.5 Inch House PHD: 1500 Packs/month; 10. New Box 11.5 Inch Office PHD: 1200 Packs/month;	January 1, 2018 up to March 31, 2018 The Company is still in the process of negotiation for extending the agreement, terms and conditions stipulated in the agreement are still in effect for parties in the agreement



No.	Agreement	Object	Term
		11. New Box 14 Inch House PHD: 660 Packs/month; 12. New Box 14 Inch Office PHD: 780 Packs/month; 13. New Flatbread Box PHD: 150 Packs/month; 14. Big Box PHD: 950 Packs/month; 15. New Inner Big Box PHD – 2017: 1300 Packs/month; 16. Box Puff Pastry PHD: 270 Packs/month; 17. Box Puff Pastry PH: 150 Packs/month; 18. Outer Box Lasagna 100 Packs/month; 19. Outer Box Puff Pastry 20. Big Box Pasta PHD: 100 Packs/month; 21. Carton Box Sausage: 1100 Packs/month; 22. My Box Pizza PHD: 1200 Packs/month; 23. Double Box + Middle Partition PHD: 1000 Packs/month; 24. Slice Box KPH: 40 Packs/month; 25. Take Away Box KPH: 1 Pack/month; 26. New Box SCP 11.5 KPH Live Big: 10 Packs/month; 27. New Box SCP 11.5 KPH Live Big: 10 Packs/month; 28. New Box SCP 11.5 KPH Succeed: 10 Packs/month; 29. New Box SCP 11.5 KPH Pizza is Art: 10 Packs/month; 30. Box Half Moon KPH: 10 Packs/month; 31. Inner Box Caneloni: 170 Packs/month; 32. Carton Box Caneloni: 170 Packs/month; 33. Middle Partition Big Box PH: 600 Packs/month; 34. Lower Partition Big Box PH: 600 Packs/month; 35. Big Box PH ND: 600 Packs/month; 36. Inner Partition Box Large 14 Inch PHD: 1000 Packs/month; 37. Fantastic Box PH: 150 Packs/month; 38. Sleeve Hot Cup 8 oz PH Logo: 100 Packs/month; 39. Triple Box PH: 2700 Packs/month; 40. Inner Triple Box 47cm x 55cm: 2700 Packs/month; 41. Inner Triple Box 58cm x 70cm: 2700 Packs/month;	
5	Purchase Agreement Ref No. 0077-I-2018/SMK/PURC-SMPFI dated December 14, 2017, with PT San Miquel Pure Foods Indonesia.	1. Beef Burger: 35 tons/month; 2. Beef Sausage: 15 tons/month; 3. Smoked Beef: 8 tons/month; 4. Chicken Chunks: 3.5 tons/month; 5. Chicken Luncheon: 3.5 tons/month; 6. Blue Bear Flour 7. SMK Flour 1 Kg	January 1, 2018 up to June 30, 2018
6	Purchase Agreement Ref No. 0085-I-2018/SMK/PURC-ULMII dated January 1, 2018, with PT Ultrajaya Milk Industry.	Ultra UHT Milk: 4000 cartons/month:	January 1, 2018 up to December 31, 2018
7	Purchase Agreement Ref No. 0084-I-2018/SMK/PURC-UNIIN dated March 1, 2018, with PT Unilever Indonesia.	1. Italian Herbs; 2. Cream of Soup Base; 3. Mayomagic; 4. Knorr Lime Powder; 5. Sariwangi Tea; 6. Knorr Pronto Tomato Sauce; 7. Lipton Ice Tea; 8. Blueband 2kg; 9. Blueband 15kg; 10. Frytol.	March 5, 2018 up to December 31, 2018
8	Agreement Ref No. 0083-I-2018/SMK/PURC-LASIN dated March 1, 2018, with PT Lasallefood Indonesia.	1. PH Mayonnaise; 2. BBQ Sauce; 3. Tomato Ketchup Gallon; 4. Mustard Maestro; 5. Chilli Sauce Bottle; 6. Chilli Sauce Sachet 8 gr; 7. Tomato Sauce Bottle; 8. Simple Sirup; 9. Orange Juice; 10. Marjan Syrup Fruit Punch Lychee; 11. Marjan Syrup Strawberry; 12. Marjan Melon; 13. Mango Juice; 14. Chili Sauce Sachet PHD 25 gr.	March 1, 2018 up to December 31, 2018
9	Agreement Ref No. 0078-I-2018/SMK/PURC-MS dated November 13, 2017, with PT Macrosentra Niagaboga.	1. Chicken Chunk; 2. Chicken Luncheon: 4 tons/month; 3. Beef Blackpepper; 4. Coated Wing (Mix): Max 1.5 Tons/month; 5. Roasted Chicken: 10 MT/month; 6. Chicken Katsu; 7. Veggie Chicken Sausage: 35 tons/month; 8. Menchi Cutlet;	January 1, 2018 - December 31, 2018

Credit Agreement

1. PT Mitsubishi UFJ Lease & Finance Indonesia

Sale and Lease-Back - Investment Financing Agreement No. SMK1010531215 dated December 23, 2015, as was amended with the Financing Agreement – sale and lease back Amendment No. SMK1010531215 dated March 16, 2018 between the Company and PT Mitsubishi UFJ Lease & Finance Indonesia

The Parties:

- The Company; and
- PT Mitsubishi UFJ Lease & Finance Indonesia ("MULI").



The Company and MULI shall jointly be referred to as the “**Parties**” and individually as the “**Party**.”

Scope/Objective of Agreement:

MULI agrees to purchase machineries or equipment for the restaurants having the goods and services, with a useful life of more than 1 year (“**Object**”) from the Company and to finance lease such objects to the Company, and the Company agrees to sell the Object to MULI and lease back such Objects from MULI.

MULI agrees to provide a finance lease facility in the amount agreed by the Parties. All costs related to the acquisition and delivery of the Object to the Company and other costs incurred by MULI in connection with the agreement shall be borne by and/or paid by the Company.

During the course of lease, the ownership of the Object shall remain at MULI, and the Company shall be prohibited from selling, leasing, mortgaging, charging with mortgage rights or fiduciary liens or any charging any assignment in any way whatsoever, or transferring or pledging the Object and/or undertaking any action that violates MULI’s right of ownership.

Lease Term:

The finance lease term shall commence on the commencement date of the finance lease and shall expire on the specified date, namely January 29, 2016, until January 29, 2020 (48 months).

Governing Law:

The Law of the Republic of Indonesia

Settlement of Dispute:

All courts having jurisdiction over the Company and/or the Company’s assets.

Based on the amendment of investment financing agreement – Sale and Lease Back no. No. SMK1010531215 dated March 16 2018 between the Company and MULI, the Company has secured approval from MULI in relation to the Share Initial Public Offering. With respect to the Sale and Lease-Back and Investment Financing Agreement referred to above, the Parties agree that the Company shall finance lease the Objects at certain outlets owned by the Company as mutually agreed. The summary of Objects under sale and finance lease is presented below:

No. Outlet

1. Palembang Trade Center (R297)
2. Jatinangor Town Square (R298)
3. Jimbaran Bali (R300)
4. Majapahit Semarang (R301)
5. Antasari Lampung (R302)
6. Cisalak Depok (R305)
7. Diponegoro Salatiga (R306)
8. Madiun (R307)
9. Mojopahit Mojokerto (R311)

2. The Bank of Tokyo-Mitsubishi UFJ Ltd.

Credit Agreement No. 11-0576 LN dated December 23, 2011, with The Bank of Tokyo-Mitsubishi UFJ Ltd. as amended several times and last amended by the Credit Agreement No 17-0335-GC-LN dated December 22, 2017

The Parties:

- a. The Company; and
- b. The Bank of Tokyo-Mitsubishi UFJ Ltd. (“**BTMU**”).

The Company and BTMU shall jointly be referred to as the “**Parties**” and individually as the “**Party**.”



Scope/Objective of Agreement:

BTMU agrees to provide an uncommitted credit facility to the Company where the funds shall be withdrawn in advance in Rupiah currency, provided that the principal of the loan shall not exceed the specified limit of the facility at all times. Pursuant to the above, the Company agrees to the credit facility from BTMU, therefore the Company may utilize the credit facility by withdrawing one or more loans during the availability period. The purpose of this facility is to finance the Company's working capital.

Financing Term:

Availability Period: December 23, 2017 up to December 23, 2018

Last Repayment Date: March 23, 2019

Collaterals:

Fiduciary liens on the Company's inventories and/or equipment, with a collateral value of 120% of the Facility Limit.

Governing Law:

The Law of the Republic of Indonesia

Settlement of Dispute

District Court of Central Jakarta.

The Company obtained the written approval from BTMU based on the Letter No. 005/02/LCBD/2018 dated February 23, 2018, in connection with the Company's Share Initial Public Offering.

Agreement on Forward Exchange Contracts dated December 23, 2015 as amended by the Amendment to the Agreement on Forward Exchange Contracts dated December 23, 2016

The Parties:

- a. The Company; and
- b. BTMU

The Company and BTMU shall jointly be referred to as the "**Parties**" and individually as the "**Party**."

Scope of Agreement:

The Company hereby acknowledges and confirms that each and every risk related to foreign exchange trading, including, but not limited to, credit risk, settlement risk, and market risk, are fully understood and accepted by the Company, and that every Forward Exchange Contract ("Forward Exchange Contract" shall mean a contract entered into by the Company and BTMU, pursuant to which the Company agrees to sell or buy from BTMU, foreign-currency denominated legal tender or foreign-currency denominated credits at a specified time subsequent to the contract date, or within a specified period subsequent to the contract date (hereinafter collectively referred to as "**Maturity**") and at a specified foreign exchange rate, up to an amount that shall be determined by BTMU from time to time based on the level of risk as determined by BTMU at its own discretion) shall be deemed to have been exercised by the Company based on the Company's own discretion and at the Company's own risk and responsibility.

The Company shall be liable to each and every liability related to the Forward Exchange Contract and the Company shall not hold BTMU liable in any way whatsoever for any loss that may arise as a result of any advice provided by BTMU, whether or not such advice is sought by the Company.

The Company hereby agrees to submit to BTMU, a statement of risk in the form and substance acceptable to BTMU.

Term of Agreement:

A Forward Exchange Contract shall be deemed entered into at the time the Company submits a request for such contract in accordance with the procedures set forth by BTMU from time to time, which may be provided in writing or by phone instruction, by fax or any other means approved by BTMU, from every authorized representative of the Company as provided to and registered at BTMU or at the time that the Company and BTMU reach a verbal agreement on the terms and conditions of a Forward Exchange Contract. In the event of instructions made by phone call, BTMU shall act in accordance with the instructions of the person who identifies themselves to carry out transaction with BTMU, however, BTMU shall not have the responsibility to perform further investigation whatsoever regarding the identity of such person. The Company hereby represents that the risk of error in identifying person (persons) shall be solely borne by the Company, and the Company commits to compensate BTMU for each and every loss and/or damage that arise from such error.



Governing Law:

The Law of the Republic of Indonesia

Settlement of Dispute

District Court of Central Jakarta.

3. PT Bank Mandiri (Persero) Tbk

- a. **Deed of Investment Credit Facility II Agreement No. CRO.KP/070/KI/15 No. 06 dated April 28, 2015, drawn up before Hasnah, S.H., M.Kn., a Notary in Jakarta.**

The Parties:

- a. The Company; and
- b. PT Bank Mandiri (Persero) Tbk ("**Bank Mandiri**").

The Company and Bank Mandiri shall jointly be referred to as the "**Parties**" and individually as the "**Party**."

Scope of Agreement:

Bank Mandiri shall provide to the Company, a facility in the amount of Rp50,000,000,000 in the form of a non-revolving credit facility ("**Facility**"). The purpose of the Facility shall be for the refinancing of Pizza Hut and Pizza Hut Delivery outlets.

Term of Facility:

The final maturity date shall be April 27, 2020.

Governing Law:

The Law of the Republic of Indonesia

Settlement of Dispute

District Court of South Jakarta.

- b. **Deed of Working Capital Credit Facility Agreement No. CRO.KP/067/KMK/15 No. 03 dated April 28, 2015, drawn up before Hasnah, S.H., a Notary in Jakarta, as last amended by the Offer Letter of Extension of Credit Facility under the name of PT Sarimelati Kencana No. WBG.CB4/SPPK/017/207 dated April 25, 2017.**

The Parties:

- a. The Company; and
- b. PT Bank Mandiri (Persero) Tbk ("**Bank Mandiri**").

The Company and Bank Mandiri shall jointly be referred to as the "**Parties**" and individually as the "**Party**."

Scope of Agreement:

Bank Mandiri shall provide to, a Working Capital Credit Facility in the amount up to Rp35,000,000,000 ("**Facility**"). This facility is a revolving overdraft facility with the purpose of providing additional working capital, including to take over the Working Capital Credit Facility from Bank Permata in the amount of Rp35,000,000,000.

Term of Facility:

The Facility is valid up to April 27, 2018

The Company is currently in the process of extending the term of the facility.

Governing Law:

The Law of the Republic of Indonesia



Settlement of Dispute

District Court of South Jakarta.

- c. **Deed of Special Transaction Credit Agreement No. 19 dated May 30, 2017, drawn up before Ati Mulyati, S.H., M.Kn., a Notary in Jakarta, as last amended by the Offer Letter of Additional and New Credit Facility under the name of PT Sarimelati Kencana No. WBG.CB4/SPPK/019/2017 dated May 9, 2017.**

The Parties:

- a. The Company; and
- b. PT Bank Mandiri (Persero) Tbk ("**Bank Mandiri**").

The Company and Bank Mandiri shall jointly be referred to as the "**Parties**" and individually as the "**Party**."

Scope of Agreement:

Bank Mandiri shall provide to the Company, a facility in the amount of Rp50,000,000,000 in the form of a non-revolving credit facility ("**Facility**").

The purpose of the Facility is to finance the Company's deficit cash flow.

Term of Agreement:

The final maturity date shall be May 30, 2021.

Governing Law:

The Law of the Republic of Indonesia

Settlement of Dispute

District Court of South Jakarta.

- d. **Deed of Treasury Line Agreement No. CRO.KP/071/TL/15 No. 7 dated April 28, 2015, drawn up before Hasnah, S.H., a Notary in Jakarta, as last amended by the Letter No. OPS.CRO/CCL.329/ADD/2017 dated May 30, 2017, regarding Addendum III to the Treasury Line Agreement No. CRO.KP/071/TL/2015, Deed No. 7 dated April 28, 2015, regarding Additional Limit**

The Parties:

- a. The Company; and
- b. PT Bank Mandiri (Persero) Tbk ("**Bank Mandiri**").

The Company and Bank Mandiri shall jointly be referred to as the "**Parties**" and individually as the "**Party**."

Scope of Agreement:

Bank Mandiri shall provide to the Company, a facility in the amount of USD5,000,000 in the form of an uncommitted and advised credit facility ("**Facility**"). The Facility shall be used by the Company for the purpose of hedging transactions such as: raw material purchase, franchise fee payments, machinery and equipment purchase against the risk of fluctuation in the United States Dollar exchange rate against Rupiah.

Term of Facility:

The final maturity date shall be April 27, 2018. The maximum period per transaction shall be 6 months.

Governing Law:

The Law of the Republic of Indonesia



Settlement of Dispute

District Court of South Jakarta.

The Company has secured approval from Bank Mandiri to waive condition that for every change in the Company's shareholder and status, the Company need a prior written consent from Bank Mandiri.

All credit agreements with Bank Mandiri referred to above are secured by the followings:

Collaterals:

Pursuant to the Agreement, the Company shall be obligated to submit the followings to Bank Mandiri:

- a. *fixed assets:*
 - i. Right to Build Certificate ("SHGB") No. 596/Cibaduyut dated February 5, 2013, under the name of the Company, for a total area of 596 m2, located at Cibaduyut Sub-District, Bojongloa Kidul District, Bandung City, West Java;
 - ii. SHGB No. 84/Cirangrang, dated January 17, 2013, for a total area of 376 m2, located at Cirangrang Sub-District, Babakan Ciparay District, Bandung City, West Java;

Both SHGBs are charged with First Degree Mortgage Right with Bank Mandiri as the beneficiary, with a collateral value of Rp5,060,000,000;

 - iii. Strata Title Certificate No. 1195/I/Karet Semanggi, dated October 2, 2013, under the name of PT Wika Realty, for a total area of 94.2 m2, the transfer of title of such certificate into the Company's name is still in process. Upon completion of such transfer of title, such certificate shall be charged with First Degree Mortgage Right with Bank Mandiri as the beneficiary, with a collateral value of Rp2,590,000,000;
- b. *non fixed-assets:*
 - i. The Company's current and future furniture and fixtures, namely:
 1. 67 outlets with a total collateral value of Rp163,025,692,569 from the take over from Bank Permata;
 2. 32 outlets with a total collateral value of Rp103,107,197,201;
 - ii. The Company's current or future inventories, based on the Inventory Report as of March 31, 2015, No. 0.002/IV/INF/MDR/2015, signed by the Company on April 23, 2015, with a collateral value of Rp35,000,000,000, located at:
 1. General Store Ancol- Jakarta; and
 2. General store Rorotan-Jakarta.

The Company has secured written approval from Bank Mandiri based on (i) electronic letter dated April 10 2018, (ii) Letter No. CBG.LC1/CGD.100/2018 dated April 10, 2018, and (iii) Letter No. CBG.LC1/GCD.140/2018 dated May 7, 2018, in relation to the Company's Share Initial Public Offering.

4. PT Bank CIMB Niaga Tbk

Deed of Amendment and Restatement of Credit Agreement No. 12 dated June 19, 2017, drawn up before E. Betty Budiyaniti Moesigit, S.H., a Notary in the Special Capital Region of Jakarta

The Parties:

- a. The Company; and
- b. PT Bank CIMB Niaga Tbk ("**CIMB**").

The Company and CIMB shall jointly be referred to as the "**Parties**" and individually as the "**Party**."

Scope of Agreement:

The Parties agree that the Company shall receive the credit facilities granted by CIMB. Pursuant to the credit facilities granted by CIMB, the Company shall receive an extension of the Overdraft Credit Facility and Import Special Transaction Credit Facility and obtain new credit facilities in the form of Investment Credit Facility 3 and Standby Letter of Credit Facility. Pursuant to such credit facilities, the Parties agree to combine all the credit agreements. The credit facility agreement is an integral part of and cannot be separated from the General Terms and Conditions of Bank CIMB Niaga 2015 Rev.04 No. 063/SUK/CB/JKT/2016 previously agreed by the Parties.

Term of Credit Facility:

- a. Overdraft Credit Facility: Based on Letter (i) No. 042/SX/CBTVI/III/2016 and (ii) No. 043/SX/CBTVI/III/2016 which both dated March 14 2018 and issued by CIMB, the term of the credit facility is up to June 17 2018.
- b. Import Special Transaction Credit Facility: Based on Letter No. 043/SX/CBTVI/III/2016 dated March 14 2018 issued by CIMB, the term of the credit facility is up to June 17 2018.



- c. Investment Credit Facility 2: November 20, 2017
- d. Investment Credit Facility 3: June 18, 2022
- e. Standby Letter of Credit Facility: Based on Letter No. 043/SX/CBTVI/III/2016 dated March 14 2018 issued by CIMB, the term of the credit facility is up to June 17, 2018.

The amount of Credit Facility

- a. Overdraft Credit Facility: Rp35,000,000,000
- b. Import Special Transaction Credit Facility: USD5,000,000
- c. Investment Credit Facility 2: Rp50,000,000,000
- d. Investment Credit Facility 3: Rp150,000,000,000
- e. Standby Letter of Credit Facility USD2,500,000

Collaterals:

The Company shall submit to CIMB, collaterals to be bound by collateral documents in the forms and contents as required by CIMB, including all addendums and/or amendments thereof, which shall be outlined in a separate agreement that is integral to the credit agreement. Presented below are the collaterals submitted by the Company:

- a. The Company's equipment charged with fiduciary lien with a collateral value of Rp170,000,000,000 pursuant to the Deed of Fiduciary Lien No. 48 dated April 9, 2012, drawn up before Drs. Gunawan Tedjo, S.H., M.H., a Notary in Jakarta, including the current and future amendments thereof;
- b. The Company's equipment charged with fiduciary lien with a collateral value of Rp50,000,000,000 and USD3,500,000 pursuant to the Deed of Fiduciary Lien No. 120 dated November 22, 2012, drawn up before Drs. Gunawan Tedjo, S.H., M.H., a Notary in Jakarta, including the current and future amendments thereof;
- c. First Degree Mortgage Right on the land and building at Pizza Hut Bumi Serpong Damai outlet under the Right to Build Certificate No. 1390/Lengkong Wetan under the name of the Company, with a Mortgage Right value of Rp1,561,140,000;
- d. First Degree Mortgage Right on the land and building at Pizza Hut Mangga Dua outlet No. 416/I and Pizza Hut Mangga Dua outlet No. 491/II with Strata Title Certificate No. 416/I/Mangga Dua Selatan and Strata Title Certificate No. 419/II/Mangga Dua Selatan, with a mortgage right value of Rp12,061,880,000;
- e. Assignment of rental rights of all outlets pledged to CIMB based on the Deed of Assignment of Rental Rights as Collaterals No. 121 dated November 22, 2012, drawn up before Drs. Gunawan Tedjo, S.H., M.H., a Notary in Jakarta, including the current and future amendments thereof;
- f. Assignment of rental rights of all Pizza Hut and Pizza Hut Delivery outlets financed by CIMB based on the Deed of Assignment of Rental Rights as Collaterals No. 52 dated April 9, 2012, drawn up before Drs. Gunawan Tedjo, S.H., M.H., a Notary in Jakarta, including the current and future amendments thereof;
- g. Fiduciary liens on machineries and equipment with a minimum collateral value of Rp150,000,000,000, the charge of lien may be conducted gradually in accordance with the disbursement schedule of Investment Credit Facility 3; and
- h. Cash collateral in the form of pledge of accounts/restricted cash/time deposit and other cash collaterals in the amount of 20% of the SBLC to be issued in the same currency as the SBLC to be issued.

Governing Law:

Undefined

Settlement of Dispute

District Court of Central Jakarta.

The Company obtained the written approval from CIMB based on (i) the Letter No. 041/SX/CBTVI/III/2018 dated March 7, 2018 and (ii) letter No. 073/SX/CBTVI/IV/2018 dated April 23, 2018, in connection with the Company's Share Initial Public Offering.

Deed of Foreign Exchange Sale and Purchase Agreement No. 13 dated June 19, 2017, drawn up before E. Betty Budiyantri Moesigit, S.H., a Notary in Jakarta

The Parties:

- a. The Company; and
- b. CIMB.

The Company and CIMB shall jointly be referred to as the "Parties" and individually as the "Party."



Scope of Agreement:

CIMB agrees to grant the Foreign Exchange Sale and Purchase Facility to the Company with an aggregate Pre-Settlement Limit of up to the equivalent of USD500,000 ("**Facility**")

Term of Facility:

Commencing from June 17, 2017, until March 17, 2018 ("**Maturity Date**").
The Company is currently in the process of extending the term of the facility.

Collaterals:

To secure timely and full payment of all the amount payable by the Company to CIMB pursuant to the agreement, upon request of CIMB, the Company shall be obligated to submit collaterals and/or additional collaterals in the form required by CIMB.

Governing Law:

The Law of the Republic of Indonesia.

Settlement of Dispute

Central Jakarta District Court.

5. PT Bank HSBC Indonesia

Deed of Credit Agreement No. 97 dated November 23, 2017, drawn up before Muhammad Hanafi, S.H., a Notary in Jakarta as was amended with the First Amendment to the Financing Agreement No. JAK/180175/U/180129 dated March 15, 2018 between the Company and PT Bank HSBC Indonesia.

The Parties:

- a. The Company; and
- b. PT Bank HSBC Indonesia ("**HSBC**").

The Company and HSBC shall jointly be referred to as the "**Parties**" and individually as the "**Party**."

Scope of Agreement:

HSBC agrees to provide a credit facility of Rp100,000,000,000 for the lease/purchase of new outlets of Pizza Hut and Pizza Hut Delivery.

Term of Facility:

Up to 60 months, commencing from November 23, 2017, up to November 23, 2022.

Governing Law:

The Law of the Republic of Indonesia.

Settlement of Dispute

The South Jakarta District Court, however, the Company agrees that such selection shall not prevent HSBC from initiating a legal process against the Company that may arise in relation to the agreement at another authorized court in other authorized jurisdiction.

Collaterals:

To secure the credit facility, HSBC shall hold and/or shall always hold the following collaterals until all of the Company's obligations to HSBC pursuant to and in connection with the agreement have been declared paid in full by HSBC in writing;

- a. Mortgage Right on the land and building located on SHGB No. 01501/Beji in the amount of Rp2,035,000,000;
- b. Mortgage Right on the land and building located on SHGB No. 25/Teladan Timur in the amount of Rp2,475,000,000;
- c. Mortgage Right on the land and building located on SHGB No. 3461/Cempaka Putih Timur in the amount of Rp6,380,000,000;
- d. Mortgage Right on the land and building located on SHGB No. 20016/Pa Batang in the amount of Rp3,685,000;
- e. Mortgage Right on the land and building located on SHGB No. 433/Sukarasa in the amount of Rp21,600,700; and
- f. Mortgage Right on the land and building located on SHGB No. 02507/Sukaesmi in the amount of Rp4,950,000,000.



If HSBC identifies a decline or material decline in the value of such collateral(s), HSBC may, at its own discretion, requests the Company to provide additional collaterals in the form and substance that are acceptable by HSBC. Such request shall be submitted in writing and the Company shall be provided with a period of 30 HSCB business days from the date of such request to submit such additional collateral(s).

As long as the Company has any outstanding payables to HSBC pursuant to the agreement, all taxes, costs, and levies charged by the competent authorities in relation to the agreement and collaterals pledged, shall be borne and paid by the Company and/or the guarantor.

HSBC shall have the right to immediately exercise its rights and authorities arising from or pursuant to the agreement and/or collateral documents, including to foreclose the collaterals.

Based on the First Amendment to the Financing Agreement No. JAK/180175/U/180129 dated March 15 2018 between the Company and HSBC, the Company has secured approval form HSBC in relation to the Share Initial Public Offering.

1.5. Description of Fixed Assets

As of the issuance of this Prospectus, The Company owns fixed assets in the form of land and buildings as described below:

NO.	TYPE, NUMBER, DATE OF LAND RIGHT CERTIFICATE AND SURVEY CERTIFICATE/LOCATION MAP	HOLDER OF RIGHT	LOCATION	LAND AREA (M ²)	EXPIRY OF LAND RIGHTS	DESCRIPTION OF LIEN
1.	Strata Title Certificate No. 491/II/Kelurahan Mangga Dua Selatan dated August 27, 1997. Site Plan No. 2151/1997 dated August 15, 1997.	The Company	Mangga Dua Selatan Sub-District, Sawah Besar District, Central Jakarta Municipality, Special Capital Region of Jakarta	140	-	-
2.	Strata Title Certificate No. 416/II/Kelurahan Mangga Dua Selatan dated August 27, 1997. Site Plan No. 2076/1997 dated August 15, 1997.	The Company	Mangga Dua Selatan Sub-District, Sawah Besar District, Central Jakarta Municipality, Special Capital Region of Jakarta	110	-	-
3.	Strata Title Certificate No. 1195/II/Kelurahan Karet Semanggi dated October 2, 2013. Site Plan No. 19/2013 dated October 2, 2013.	The Company	Karet Semanggi Sub-District, Setiabudi District, South Jakarta Municipality, Special Capital Region of Jakarta	94.2	-	Based on Hak Tanggungan Certificate No. 7988/ 2015 dated 23 December 2015 issued by the South Jakarta Land Office This land is being secured to Bank Mandiri
4.	Right to Build Certificate No. 3641/Kelurahan Cempaka Putih Timur dated September 21, 2015. Survey Certificate No. 00135/Cempaka Putih Timur/2015 dated September 14, 2015.	The Company	Cempaka Putih Timur Sub-District, Cempaka Putih District, Central Jakarta Municipality, Special Capital Region of Jakarta	88	November 29, 2046	-
5.	Right to Build Certificate No. 2698/Kelurahan Sawah dated September 2, 2015. Survey Certificate No. 193/Sawah/2014 dated December 1, 2014.	The Company	Sawah Sub-District, Ciputat District, South Tangerang City, Banten Province	61	October 22, 2043	-
6.	Right to Build Certificate No. 2449/Kelurahan Rangkapan Jaya Baru dated May 19, 2017. Survey Certificate No. 01561/Rangkapan Jaya Baru/2017 dated May 2, 2017.	The Company	Rangkapan Jaya Baru Sub-District, Pancoran mas District, Depok City, West Java Province	118	June 9, 2042	-
7.	Right to Build Certificate No 596/Kelurahan Cibaduyut dated February 5, 2013. Survey Certificate No. 00007/2013 dated January 17, 2013.	The Company	Cibaduyut Sub-District, Bojongloa Kidul District, Bandung City, West Java Province	596	January 19, 2041	Based on Hak Tanggungan Certificate No. 08106/ 2015 dated 11 August 2015 issued by Bandung Land Office This land is being secured to Bank Mandiri.
8.	Right to Build Certificate No. 84/Kelurahan Cibaduyut dated February 6, 2013. Survey Certificate No. 00033/2013 dated January 17, 2013.	The Company	Cirangrang Sub-District, Babakan Ciparay District, Bandung City, West Java Province	376	January 19, 2041	Based on Hak Tanggungan Certificate No. 08088/ 2015 dated 11 August 2015 issued by the South Jakarta Land Office, This land is being secured to Bank Mandiri.
9.	Right to Build Certificate No. 4247/Desa Margahayu Selatan dated January 15, 1998. Location Map No. 2548/1996 dated March 18, 1996.	The Company	Margahayu Selatan Village, Margahayu District, Bandung Regency, West Java Province	143	September 24, 2042	-
10.	Right to Build Certificate No. 02507/Desa Sukaresmi dated February 6, 2015. Survey Certificate No. 00317/Sukaresmi/2015	The Company	Sukaresmi Village, Cikarang Selatan District, Bekasi Regency, West Java Province	81	April 13, 2034	-



No.	TYPE, NUMBER, DATE OF LAND RIGHT CERTIFICATE AND SURVEY CERTIFICATE/LOCATION MAP	HOLDER OF RIGHT	LOCATION	LAND AREA (M ²)	EXPIRY OF LAND RIGHTS	DESCRIPTION OF LIEN
	dated January 24, 2015.					
11.	Right to Build Certificate No. 433/Kelurahan Sukarasa dated July 17, 2005. Survey Certificate No. 11/SUKARASA/2005 dated April 21, 2005.	The Company	Sukarasa Sub-District, Tangerang District, South Tangerang City, Banten Province	986	June 14, 2047	-
12.	Right to Build Certificate No. 20016/Kelurahan Pa'batang dated September 14, 2011. Survey Certificate No. 00088/Pa'batang/2011 dated June 27, 2011.	The Company	Pa'batang Sub-District, Mamajang District, Makassar City, South Sulawesi Province	145	May 23, 2047	-
13.	Right to Build Certificate No. 25/Kelurahan Teladan Timur dated November 17, 2014. Survey Certificate No. 00032/Teladan Timuri/2014 dated October 28, 2014.	The Company	Teladan Timur Sub-District, Medan Kota District, Medan City, North Sumatra Province	253	-	-
14.	Right to Build Certificate No. 01501/Kelurahan Beji dated February 12, 2014. Survey Certificate No. 00022/Beji/2014 dated January 27, 2014.	The Company	Beji Sub-District, Beji District, Depok City, West Java Province	96	December 28, 2040	-
15.	Right to Build Certificate No. 56/Kelurahan Batu Ampar dated November 28, 2014. Survey Certificate No. 00352/Batu Ampar/2014 dated November 7, 2014.	The Company	Batu Ampar Sub-District, Kramat Jati District, East Jakarta Municipality, Special Capital Region of Jakarta	137	-	-
16.	Right to Build Certificate No. 1390/Desa Lengkong Wetan Dated December 6, 1997. Location Map No. 30011/1997 dated October 6, 1997	The Company	Lengkong Wetan Village, Serpong District, Tangerang Regency, West Java Province	116	July 18, 2007	Based on <i>Hak Tanggungan</i> Certificate No. 3155/ 2015 dated 21 February 2014 issued by Tangerang Regency Land Office This land is being secured to Bank CIMB.

1.6. Description of Intangible Assets

As of the issuance of this Prospectus, the Company has material intangible assets in the form of intellectual property rights as registered at the Directorate General of Intellectual Property Rights listed on the following website: <http://www.wipo.int/branddb/id/en/#> with the following description:

No.	NUMBER AND DATE OF BRAND CERTIFICATE	BRAND	CLASS OF GOODS/SERVICES	BRAND EXPIRY	DESCRIPTION
1	IDM000322996 dated September 27, 2011	DUET HEMAT	12	5/4/2020	
2	IDM000322997 dated September 27, 2011	DUET HEMAT	27	5/4/2020	
3	IDM000322999 dated September 27, 2011	DUET HEMAT	25	5/4/2020	
4	IDM000323001 dated September 27, 2011	DUET HEMAT	24	5/4/2020	
5	IDM000323002 dated September 27, 2011	DUET HEMAT	38	5/4/2020	
6	IDM000323000 dated September 27, 2011	DUET HEMAT	43	5/4/2020	
7	IDM000313608 dated July 22, 2011	POPCRUST	38	1/21/2020	
8	IDM000313169 dated July 14, 2011	POPCRUST	32	1/21/2020	
9	IDM000308472 dated May 25, 2011	POPCRUST	15	1/21/2020	
10	IDM000308695 dated May 25, 2011	POPCRUST	16	1/21/2020	
11	IDM000303032 dated May 2, 2011	HOT RICE	42	8/25/2019	
12	IDM000303031 dated May 2, 2011	HOT RICE	38	8/25/2019	
13	IDM000300488 dated April 5, 2011	HOT RICE	32	8/25/2019	
14	IDM000298572 dated March 28, 2011	SENSASIDELIGHT	16	3/3/2019	
15	IDM000294278 dated February 16, 2011	CROWN CRUST	38	5/19/2019	
16	IDM000292597 dated February 7, 2011	HOT RICE	12	8/25/2019	
17	IDM000292831 dated February 7, 2011	HOT RICE	24	8/25/2019	
18	IDM000292833 dated February 7, 2011	HOT RICE	27	8/25/2019	
19	IDM000292832 dated February 7, 2011	HOT RICE	25	8/25/2019	
20	IDM000290075 dated January 17, 2011	HOT RICE	16	8/25/2019	
21	IDM000290077 dated January 17, 2011	HOT RICE	15	8/25/2019	
22	IDM000281898 dated November 23, 2010	CROWN CRUST	15	5/19/2019	
23	IDM000281005 dated November 23, 2010	SENSASIDELIGHT	43	3/3/2019	
24	IDM000281004 dated November 23, 2010	SENSASIDELIGHT	38	3/3/2019	
25	IDM000277950 dated October 27, 2010	CROWN CRUST	27	5/19/2019	
26	IDM000277951 dated October 27, 2010	CROWN CRUST	24	5/19/2019	
27	No. IDM000277194 dated October 21, 2010	SANTAI SORE	38	12/15/2018	
28	IDM000277196 dated October 21, 2010	SANTAI SORE	43	12/15/2018	
29	IDM000273614 dated October 4, 2010	SENSASIDELIGHT	27	3/3/2019	
30	IDM000273613 dated October 4, 2010	SENSASIDELIGHT	25	3/3/2019	
31	IDM000273615 dated October 4, 2010	SENSASIDELIGHT	24	3/3/2019	
32	IDM000271545 dated September 21, 2010	SENSASIDELIGHT	15	3/3/2019	
33	IDM000271546 dated September 21, 2010	SENSASIDELIGHT	12	3/3/2019	
34	IDM000260687 dated July 21, 2010	SANTAI SORE	16	12/15/2018	
35	IDM000260686 dated July 21, 2010	SANTAI SORE	15	12/15/2018	
36	IDM000260685 dated July 21, 2010	SANTAI SORE	12	12/15/2018	
37	IDM000251982 dated June 10, 2010	SANTAI SORE	27	12/15/2018	



No.	NUMBER AND DATE OF BRAND CERTIFICATE	BRAND	CLASS OF GOODS/SERVICES	BRAND EXPIRY	DESCRIPTION
38	IDM000251981 dated June 10, 2010	SANTAI SORE	24	12/15/2018	

1.7. Insurance

As of the date of issuance of this Prospectus, the Company carried the following insurance policies:

No.	Insurer	Insurance Policy	Insurance Type	Insured Object	Term	Sum Insured and Premium	Banker's Clause
1.	PT Asuransi Allianz Utama Indonesia	JKT00-G-1403-04O0001686	Comprehensive General Liability Policy	Third party legal liability that arise in the course of the Company's business activities or products sold by the Company.	February 28, 2018 up to February 28, 2019	Sum Insured: a. <u>Rp5,000,000,000 per location per incident; and</u> b. <u>Rp20,000,000,000 per location in overall.</u> Premium: <u>Rp383,792,957.19</u>	-
2.	PT Lippo General Insurance Tbk (35%) Co-Insurer: a. PT Asuransi Allianz Utama Indonesia (35%); b. PT Asuransi FPG Indonesia – Head Office (20%); and c. QBE General Insurance Indonesia (10%)	1812021800006	Fidelity Guarantee Insurance	Continuing financial losses as a result of theft and/or dishonesty and/or financial fraud and/or ownership fraud against the employer by the insured employees, whether individually or collectively with each other. The insurance covers 20 nameless employees, depending on their respective authorities and status or functions as store area manager and/or cashiers (who personally controls or has access to the Company's finance)	February 28, 2018 up to February 28, 2019	Sum Insured: <u>Rp3,525,000,000 in aggregate</u> Premium: <u>Rp105,800,000</u>	-
3.	PT Lippo General Insurance Tbk (80%) Co-Insurer: a. PT Asuransi Allianz Utama Indonesia (10%); b. PT Asuransi FPG Indonesia (10%)	1801351800004	Terrorism and Sabotage Insurance	Material/Property Damage, which constitutes all personally owned real properties, including, but not limited to, building and all equipment or supporting items or items in the vicinity of the building. Business interruption, which constitutes financial losses resulting in the Company experiencing a loss of gross profit as a result of a decrease in financial turnover and/or an increase in operating expenses.	February 28, 2018 up to February 28, 2019	Sum Insured: <u>Rp3,250,749,070,660</u> Premium: <u>Rp514,392,166.12</u>	-
4.	PT Asuransi Allianz Utama Indonesia (35%) Co-Insurer: a. PT Lippo General Insurance Tbk (35%); b. PT Asuransi FPG Indonesia (20%); dan c. PT Asuransi QBE Pool Indonesia (10%)	JKT00-Q-1403-04F0001882	Indonesian Standard Earthquake Insurance	Material Damage, which constitutes all personally owned real properties, including, but not limited to, building and all equipment or supporting items or items in the vicinity of the building. Business interruption, which constitutes financial losses resulting in the Company experiencing a loss of gross profit as a result of a decrease	February 28, 2018 up to February 28, 2019	Sum Insured: <u>Rp3,250,749,070,659.55</u> Premium: <u>Rp2,320,162,549.82</u>	a. The Bank of Tokyo-Mitsubishi UFJ Ltd, Jakarta Branch; b. PT Bank Mandiri (Persero) Tbk; and c. PT Bank CIMB Niaga Tbk. d. PT Mitsubishi UFJ Lease and Finance Indonesia

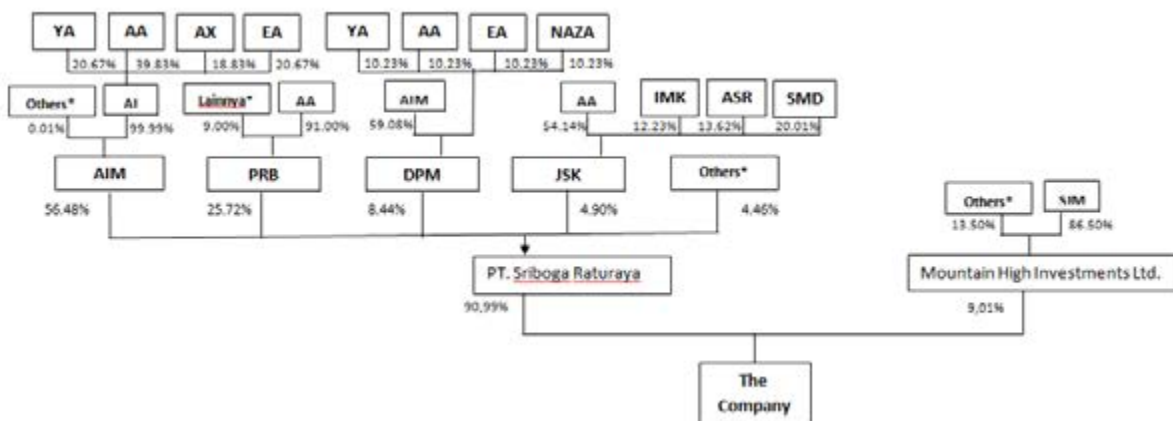


No.	Insurer	Insurance Policy	Insurance Type	Insured Object	Term	Sum Insured and Premium	Banker's Clause
				<i>in financial turnover and/or an increase in operating expenses.</i>			e. PT Bank HSBC Indonesia Tbk
5.	PT Asuransi Allianz Utama Indonesia (35%) Co-Insurer: a. PT Lippo General Insurance Tbk (35%); b. PT Asuransi FPG Indonesia (20%); dan c. PT Asuransi QBE Pool Indonesia (10%)	JKT00-G-1403-04F0001882	Property All Risk (Excluding: Earthquake, Volcanic Eruption, and Tsunami)	Material Damage, which constitutes all personally owned real properties, including, but not limited to, building and all equipment or supporting items or items in the vicinity of the building. Business interruption, which constitutes financial losses resulting in the Company experiencing a loss of gross profit as a result of a decrease in financial turnover and/or an increase in operating expenses.	February 28, 2018 up to February 28, 2019	Sum Insured: <u>3,250,749,070,659.55</u> Premium: <u>Rp3,173,232,663.47</u>	f. The Bank of Tokyo-Mitsubishi UFJ Ltd, Jakarta Branch; g. PT Bank Mandiri (Persero) Tbk; and h. PT Bank CIMB Niaga Tbk. i. PT Mitsubishi UFJ Lease and Finance Indonesia j. PT Bank HSBC Indonesia Tbk

The management believes that the sum insured referred to above is adequate to cover possible losses on insured assets. The Company is not affiliated to the insurance companies referred to above.

1.8. Diagram of Ownership between the Company's Shareholders and the Company

Presented below is the ownership structure of the Company to the Company's Shareholders.



Notes:

AI	: PT Arifin Investment	YA	: Arnie Arifin	Naza	: Naomi Ainun Zhafarina Arifin
AIM	: PT Alberta Investment Management	AA	: Alwin Arifin	IMK	: Iskandar Muda Kamil
PRB	: PT Pangan Rahmat Buana	AX	: Alex Arifin	ASR	: Ary Satria Rachman Ramly
DPM	: PT Dani Prisma Mitra	EA	: Emil Arifin	SMD	: Sarah Maheswari Darmawan
JSK	: PT Jumi Sarikencono	SJM	: Stephen James McCarthy		

* Each shareholders own less than 5% of shares, and the Company does not have the authorization to disclose the information in the Prospectus

As of the date of issuance of this Prospectus, the Company's Controlling Shareholder is the Arifin Family.

1.9. ASSOCIATION BY WAY OF MANAGEMENT AND SUPERVISION BETWEEN THE COMPANY AND THE LEGAL ENTITY SHAREHOLDERS

The Company's association by way of management and supervision to the legal entity shareholders is presented in the following table:

No.	Name of Management	SRR	MHI	The Company
1.	Hadian Iswara	D		PC
2.	Ito Warsito			IC
3.	Brata T. Hardjosubroto			C



No.	Name of Management	SRR	MHI	The Company
4.	Stephen James McCarthy	D	D	PD
5.	Frederick Estrada Cadlaon	D		D
6.	Budi Setiawan			ID
7.	Jeo Sasanto			D
8.	Raden Ayu Suhardani Arifin	PC		
9.	Do Anh Dung	C		
10.	Sjoufjan Awal	C		
11.	Alwin Arifin	PD		
12.	Edni Aswita Basri	D		

Note:

PC	:	President Commissioner	PD	:	President Director
IC	:	Independent Commissioner	ID	:	Independent Director
C	:	Commissioner	D	:	Director

2. BRIEF DESCRIPTION ON LEGAL ENTITY SHAREHOLDERS

1) PT Sriboga Raturaya

PT Sriboga Raturaya ("SRR") is the owner/holder of 2,199,683,250 (two billion one hundred ninety nine million six hundred eighty three thousand two hundred fifty) shares in the Company, representing 90.99% of the Company's total issued and paid-up capital. Currently the head office of SRR is domiciled in Plaza Daniprisma, 3rd floor, Jl. Sultan Hasanuddin No.47-48, Kebayoran Baru, South Jakarta.

Brief History

PT Sriboga Raturaya was established under the name "PT Sriboga Raturaya" based on Deed No. 79 dated November 10, 1994, passed before Rini Someintapoera, S.H., a Jakarta-based notary. MOLHR approved the Deed by virtue of Decree No. C2-6122.HT.01.01.TH'95 dated May 16, 1995. It was registered in the South Jakarta District Court registry under No. 853/A.PT/HKM/1995/PN.JAK.SEL dated June 12, 1995, and subsequently announced in the State Gazette of the Republic of Indonesia No. 59 dated July 25, 1995 and the Supplement to the State Gazette of the Republic of Indonesia No. 6215 ("SRR's Deed of Establishment").

The Articles of Association, as set forth in the SRR's Deed of Establishment, have been amended several times and the last amendment is stipulated in:

- a. Deed of Shareholders Resolution No. 3 dated January 15, 2009, passed before Helmy Panuh, S.H., a Jakarta-based notary, which was approved by the MOLHR pursuant to Decree no. AHU-12820.AH.01.02.Tahun 2009 dated April 15, 2009 and registered in the Company Registry at the MOLHR under No. AHU-0016276.AH.01.09.Tahun 2009 on the same date ("**Deed No. 3/2009**").

Pursuant to Deed No. 3/2009, the shareholders of SRR approved the amendment of SRR's Articles of Association in its entirety to conform with the Company Law.

- b. Deed of Circular Resolutions in lieu of Extraordinary General Meeting of Shareholders No. 10 dated October 25, 2017, passed before Sri Agustini, S.H., a Jakarta-based notary, which was reported to the MOLHR pursuant to Receipt of Notification of Amendment to Articles of Association No. AHU-AH.01.03-0185626 dated October 30, 2017 and the Receipt of Notification of Changes in Company Data No. AHU-AH.01.03-0185627 on the same date, and was registered in the Company Registry at the MOLHR under No. AHU-0136535.AH.01.11.TAHUN 2017 also on the same date ("**Deed No. 10/2017**").

Pursuant to Deed No. 10/2017, the shareholders of SRR approved (i) the transfer of all shares owned by Mega Fortune Holdings Limited to PT Pangan Rahmat Buana in the amount of 65,718 shares, shares owned by Golden Harvest Holdings Group Ltd to PT Pangan Rahmat Buana in the amount of 6,664 shares, and shares owned by Bellstar Commercial Corp to Muhammad Ramdani Basri in the amount of 2,500 shares, and (ii) the change of SRR's status from Foreign Investment Company (*Penanaman Modal Asing*, "PMA") into a Domestic Investment Company (*Penanaman Modal Dalam Negeri*, "PMDN"), and therefore amended all provisions of SRR's Articles of Association.

Aims and Objectives

Pursuant to Article 3 of SRR's Articles of Association, the aims and objectives of SRR are:

- a. Owned or leased real-estate business;
- b. Wholesale trade of food and beverages, and agriculture products; and
- c. Other management consulting activities.



To achieve the aims and objectives referred to above, SRR carries out the following business activities:

- Purchase, sale, lease and operation of owned or leased real-estate, such as apartment buildings, residential and non-residential buildings, including land sale activities and residential estate operation activities for numerous areas;
- Wholesale trade of food and beverages, agricultural products particularly flour industry products, including import, export, and inter-island trade, both on its own behalf or based on commission and on behalf of other parties, and to engage as a purveyor, wholesaler and distributor and agency, both domestic and overseas; and
- Advisory and guidance regarding operational and other organizational and management issues such as strategic and organisational planning, decisions in areas that are inherently related to finance, marketing goals and policies, human resources planning, practices and policies, production planning, scheduling and control. The provision of service business may include advisory and guidance regarding operation and public service in connection with public relations and communication, lobbying, various management functions, management consulting by agronomist and agricultural economist in agriculture and others, design of accounting methods and procedures, cost accounting programs, expenditure budget control procedures, advisory and assistance for business and public service in terms of planning, organization, efficiency and monitoring, management information, and others.

Business Activities

Pursuant to SRR's Articles of Association, the aims and objectives of SRR are:

- Owned or leased real-estate business;
- Wholesale trade of food and beverages, and agriculture products; and
- Other management consulting activities.

Capital Structure and Shareholder Composition

Pursuant to the Deed No. 10/2017, the composition of SRR's capital structure and shareholder, as of the date of issuance of this Prospectus, is as follows:

Description	Nominal Value of Rp1.000.000.- per Share		
	Total Shares (share)	Nominal Value (Rp)	%
Authorized Capital	1,000,000	1,000,000,000,000	
Issued and Paid-Up Capital			
1. PT Alberta Investment Management	158,917	158,917,000,000	56.48
2. PT Pangan Rahmat Buana	72,382	72,382,000,000	25.73
3. PT Dani Prisma Mitra	23,750	23,750,000,000	8.44
4. PT Jumi Sarikencono	13,804	13,804,000,000	4.90
5. PT Pancasahabat Abadi	5,000	5,000,000,000	1.78
6. PT Anugrah Gandum Sari	2,500	2,500,000,000	0.89
7. Muhammad Ramdani Basri	2,500	2,500,000,000	0.89
8. Dra. Maryam Ibrahim	2,500	2,500,000,000	0.89
Total Issued and Fully Paid-up Capital	281,353	281,353,000,000	100.00
Total Shares in Portfolio	718,647	718,647,000,000	

Composition of the Board of Commissioners and Board of Directors

Pursuant to (i) the Deed of Circular Resolution in lieu of the Extraordinary General Meeting of Shareholders No. 08 dated December 18, 2017, passed before Sri Agustini, S.H., a Jakarta-based notary, which was reported to the MOLHR as evidenced by the Receipt of Notification of Changes in Company Data No. AHU-AH.01.03-0203007 dated December 20, 2017 and registered in the Company Registry at the MOLHR under No. AHU-0162185.AH.01.11.Tahun 2017 on the same date ("**Deed No. 08/2017**") and (ii) the Deed of Circular Resolution in lieu of the Extraordinary General Meeting of Shareholders No. 05 dated January 16, 2017, drawn up before Sri Agustini, S.H., a Jakarta-based notary, which was reported to the MOLHR pursuant to the Receipt of Notification of Changes in Company Data No. AHU-AH.01.03-0019818 dated January 17, 2017 and registered in the Company Register at the MOLHR under No. AHU-0006118.AH.01.11.Tahun 2017 on the same date ("**Deed No. 5/2017**"), the composition of SSR's Board of Directors and Board of Commissioners, as of the issuance of this Prospectus, is as follows:

Board of Commissioners:

President Commissioner : Raden Ayu Suhardani Arifin
 Commissioner : Do Anh Dung
 Commissioner : Sjoufjan Awal

Board of Directors

President Director : Alwin Arifin
 Director : Edni Aswita Basri
 Director : Hadian Iswara
 Director : Frederick Estrada Cadlaon
 Director : Stephen James McCarthy

3. MANAGEMENT AND SUPERVISION

Board of Commissioners:

President Commissioner	: Hadian Iswara
Commissioner	: Brata T. Hardjosubroto
Independent Commissioner	: Ito Warsito

Board of Directors

President Director	: Stephen James McCarthy
Director	: Jeo Sasanto
Director	: Frederick Estrada Cadlaon
Independent Director	: Budi Setiawan

Each member of the Board of Commissioners and Board of Directors was appointed in accordance with the provisions of the Company's Articles of Association and reported/notified to the MOLHR in accordance with prevailing laws and regulations of the Republic of Indonesia and in compliance with FSAR No. 33/2014.

The Company appointed its Independent Commissioner and Independent Director as Ito Warsito and Budi Setiawan respectively in accordance with the requirements of FSAR No. 33/2014 and the Indonesia Stock Exchange Regulation No. I-A regarding Registration of Shares and Equity Securities Other than Shares Issued by a Listed Company, Annex I of the Decision Letter of the Board of Directors of PT Bursa Efek Indonesia No. Kep-00001 BEI/01-2014, dated January 20, 2014.

Presented below are the brief profiles of each member of the Company's Board of Commissioners and Board of Directors:

Board of Commissioners



Hadian Iswara, President Commissioner

Indonesian Citizen, 54 years old.

Born in Cirebon on December 3, 1963, Mr. Iswara earned his Bachelor's Degree in Economy, majoring in Accounting from Padjadjaran University, Bandung in 1987. Mr. Iswara started his career at Prasetyo, Utomo & Partners as a Senior Auditor (1987-1991), PT Price Waterhouse Sutanto as Assistant Manager (1992-1994), PT Astra International Tbk as Senior Manager (1994-1998), PT Ernst & Young Advisory Services as Senior Manager (1998-2006) and PT Bisma Dharma Kencana as Finance Director (2006-present). His career in Siboga Group began with PT Sriboga Raturaya as a Senior Manager (2006-2014), PT Sriboga Marugame Indonesia as Commissioner (2013-2016), PT IPMI International Indonesia as President Commissioner (2015-2017), PT Sriboga Boat Noodle as Commissioner (2016-2017), PT Sriboga Raturaya as Director (2014-present) and finally as President Commissioner of the Company (2018-present).



Brata Taruna Hardjosubroto, Commissioner

Indonesian Citizen, 61 years old.

Born in Surabaya on June 20, 1956, Mr. Hardjosubroto earned his Bachelor's Degree in Electronic Engineering from Bandung Institute of Technology in 1980, and Master of Business Administration from University of Newport, England in 1992. Mr. Hardjosubroto began his career at Schlumberger Wire Line as a Field Engineer (1982-1983), IBM Indonesia as Manager (1983-1993), PT CSM (VSAT Services) as General Manager (1993-1997), PT Indosat as General Manager Marketing, Sales, & International Relation (1997-2001), PT Lintasarta as Commissioner (2000-2001), PT IndosatM2 as President Director (2001-2006), PT Indosat Tbk as Senior Vice President (2006-2007), PT IndosatM2 as Commissioner (2006-2007), Bakrie School of Management as Vice Dean & Lecturer (2007-2008), Yayasan Pendidikan Bakrie as Vice Director (2008), PT Pos Indonesia as President Commissioner (2008-2009) and XeroFi Indonesia as Founder and Managing Partner (2010-present). He has served in Siboga Group as Commissioner of PT Sriboga Flour Mill since 2014, Commissioner of PT Sriboga Boat Noodle since 2017 and as Commissioner of the Company starting 2018.



Warsito (also known as Ito Warsito, Independent Commissioner)

Indonesian Citizen, 56 years old.

Born in Wonosobo on November 20, 1961, Mr. Warsito earned his Bachelor's Degree in Accounting from the Indonesian State College of Accountancy (STAN) in 1989 and Master of Business Administration from Harvard Business School in 1994.

Mr. Warsito began his career as auditor at the Indonesia's National Government Internal Auditor (BPKP) (1983-1986), accountant at the State Financial Accounting Agency (1992-1994), Associate Director at PT Danareksa Sekuritas (1994-1997), Director at PT Danareksa Sekuritas (1997-2001), Director at PT Bahana Securities (2001-2003), President Director at PT Bahana Securities (2003-



2006), Chief Executive Officer and President Commissioner at PT Bahana Sekuritas (2006-2009), Finance Director at PT Bahana Pembinaan Usaha Indonesia (2006-2009), President Director at PT Bursa Efek Indonesia (2009-2015), Advisor at Citra Borneo Indah Group (2015-present), member of Panel of Advisors South Asia for Amundi Asset Management (2016-present), Commissioner at PT Pelabuhan Indonesia Investama (2017-present) and Member of Audit Committee of Otoritas Jasa Keuangan (2018-present). Mr. Warsito joined the Company as an Independent Commissioner in 2018.



Hadian Iswara, President Commissioner

Indonesian Citizen, 54 years old.

Born in Cirebon on December 3, 1963, Mr. Iswara earned his Bachelor's Degree in Economy, majoring in Accounting from Padjadjaran University, Bandung in 1987. Mr. Iswara started his career at Prasetyo, Utomo & Partners as a Senior Auditor (1987-1991), PT Price Waterhouse Sutanto as Assistant Manager (1992-1994), PT Astra International Tbk as Senior Manager (1994-1998), PT Ernst & Young Advisory Services as Senior Manager (1998-2006) and PT Bisma Dharma Kencana as Finance Director (2006-present). His career in Siboga Group began with PT Sriboga Raturaya as a Senior Manager (2006-2014), PT Sriboga Marugame Indonesia as Commissioner (2013-2016), PT IPMI International Indonesia as President Commissioner (2015-2017), PT Sriboga Boat Noodle as Commissioner (2016-2017), PT Sriboga Raturaya as Director (2014-present) and finally as President Commissioner of the Company (2018-present).



Brata Taruna Hardjosubroto, Commissioner

Indonesian Citizen, 61 years old.

Born in Surabaya on June 20, 1956, Mr. Hardjosubroto earned his Bachelor's Degree in Electronic Engineering from Bandung Institute of Technology in 1980, and Master of Business Administration from University of Newport, England in 1992. Mr. Hardjosubroto began his career at Schlumberger Wire Line as a Field Engineer (1982-1983), IBM Indonesia as Manager (1983-1993), PT CSM (VSAT Services) as General Manager (1993-1997), PT Indosat as General Manager Marketing, Sales, & International Relation (1997-2001), PT Lintasarta as Commissioner (2000-2001), PT IndosatM2 as President Director (2001-2006), PT Indosat Tbk as Senior Vice President (2006-2007), PT IndosatM2 as Commissioner (2006-2007), Bakrie School of Management as Vice Dean & Lecturer (2007-2008), Yayasan Pendidikan Bakrie as Vice Director (2008), PT Pos Indonesia as President Commissioner (2008-2009) and XeroFi Indonesia as Founder and Managing Partner (2010-present). He has served in Siboga Group as Commissioner of PT Sriboga Flour Mill since 2014, Commissioner of PT Sriboga Boat Noodle since 2017 and as Commissioner of the Company starting 2018.



Warsito (also known as Ito Warsito, Independent Commissioner)

Indonesian Citizen, 56 years old.

Born in Wonosobo on November 20, 1961, Mr. Warsito earned his Bachelor's Degree in Accounting from the Indonesian State College of Accountancy (STAN) in 1989 and Master of Business Administration from Harvard Business School in 1994.

Mr. Warsito began his career as auditor at the Indonesia's National Government Internal Auditor (BPKP) (1983-1986), accountant at the State Financial Accounting Agency (1992-1994), Associate Director at PT Danareksa Sekuritas (1994-1997), Director at PT Danareksa Sekuritas (1997-2001), Director at PT Bahana Securities (2001-2003), President Director at PT Bahana Securities (2003-2006), Chief Executive Officer and President Commissioner at PT Bahana Sekuritas (2006-2009), Finance Director at PT Bahana Pembinaan Usaha Indonesia (2006-2009), President Director at PT Bursa Efek Indonesia (2009-2015), Advisor at Citra Borneo Indah Group (2015-present), member of Panel of Advisors South Asia for Amundi Asset Management (2016-present), Commissioner at PT Pelabuhan Indonesia Investama (2017-present) and Member of Audit Committee of Otoritas Jasa Keuangan (2018-present). Mr. Warsito joined the Company as an Independent Commissioner in 2018.



Board of Directors



Stephen James McCarthy, President Director

United States Citizen, 61 years old.

Born in Illinois, United States on May 29, 1956, he attended the President Management Leadership Program Unit at Harvard Business School from 2012-2014. Mr. McCarthy has been with the Company since 1997 but his extensive experience in Pizza Hut dates back to 1975. He started his career at Pizza Hut Hawaii (1975-1992), Pizza Hut British Columbia (1992-1993), and Pizza Hut Taiwan (1993-1997). He also serves as Director of PT Sriboga Marugame Indonesia (since 2012), Director of Mountain High Investments Limited (since 2004), Director of Sriboga Boat Noodle (2016-2017) and Director of PT Sriboga Raturaya (since 2017).



Frederick Estrada Cadlaon, Director

Philippine Citizen, 50 years old.

Born in the Philippines on November 8, 1967, Mr. Cadlaon earned his Bachelor of Science degree in Commerce (Accounting) from University of Pangasinan, Dagupan City, Philippines in 1988, and Master of Business Administration from Beedie School of Business, Simon Fraser University, Canada in 2017. Mr. Cadlaon is a Certified Public Accountant, which he obtained from the Professional Regulations Commission, Manila, Philippines in 1989. Mr. Cadlaon honed his career in various companies in the Philippines before he joined PT Sriboga Raturaya in 1996. From 1996-2014, Mr. Cadlaon held several senior management positions and served as Director of accounting and finance at the Sriboga Group. From 2004-2018, Mr. Cadlaon became a member in the Company's Board of Commissioners and currently serves as the Company's Director. Mr. Cadlaon previously served as President Commissioner of PT IPMI International Indonesia (2012-2015) and has been Director of PT Sriboga Raturaya since 2017.



Jeo Sasanto, Director

Indonesian Citizen, 50 years old.

Born in Medan on January 24, 1968, Mr. Sasanto earned his Bachelor's Degree in Accounting from Tarumanegara University, Jakarta in 1991. Mr. Sasanto joined the Company as Chief Accounting (1993-1995), Finance Director (1996-2015), and Director and General Manager of PHR (2016-present). Mr. Sasanto also served as Director of PT Sriboga Marugame Indonesia from 2012-2015. Prior to joining the Sriboga Group, Mr. Sasanto was an internal auditor for ADR Group of Companies (1989-1990) and Rodamas Holding Company (1990-1993).



Budi Setiawan, Independent Director

Indonesian Citizen, 54 years old.

Born in Sukabumi on March 21, 1964, Mr. Setiawan earned his Bachelor of Science degree in Design Architecture from Arizona State University, United States in 1988. Mr. Setiawan has been working for the Company since 1999 when he served as its Chief Development Officer until 2004. He became Commissioner from 2004-2008 and has been a Director since 2008. Prior to joining the Company, Mr. Setiawan worked at various entities such as PT Ratu Sayang (1989-1990), PT Bimantara Eka Sentosa (1990), PT Pakuwon Subentra Anggreini (1990-1993), PT Lippoland (1993-1996), and PT DTZ Debenindo (1996-1999).

There are no family relationships between members of the Board of Directors, members of the Board of Commissioners, and shareholders of the Company.

The appointment of all members of the Company's Board of Commissioners and Board of Directors conformed to the provisions of FSAR No. 33/2014.

The Company's Board of Directors satisfied the requirements set forth in Article 4 of FSAR No. 33/2014.

The appointment of the Independent Director conformed to the provisions of PT Bursa Efek Indonesia Regulation No. I-A regarding Registration of Shares and Equity Securities Other than Shares Issued by a Listed Company, Annex I of the Decision Letter of the Board of Directors of PT Bursa Efek Indonesia No. Kep-00001 BEI/01-2014, dated January 20, 2014.



4. Good Corporate Governance

The Company strives to improve the quality of GCG best practices implementation in a consistent and sustainable manner as a response to the changing business environment and to achieve sustainable business growth.

The Company developed structures and governance based on the GCG principles in accordance with prevailing laws and regulations and the Company's best practices. The Company consistently implements the GCG principles of transparency, accountability, responsibility, independence and fairness, as described below:

- Transparency is applied in the decision-making process and disclosures of material and relevant information about the Company. The Company continuously provides correct, accurate and timely information to all stakeholders. The Company believes that it has properly and appropriately implemented the principle of transparency to avoid any conflict of interest among concerned parties. The publication of financial information has proven significant effects to the Company's performance.
- Accountability refers to the clarity of function, implementation and accountability of each organ to allow effective management of the Company. All of the Company's governance organs are based on the accountability principle with clear and systematic function, structure, and accountability. It is demonstrated in the management of the Company, which segregates duties and responsibilities, and clearly defines the functions, rights, obligations and authorities of each governance organ.
- Responsibility refers to the compliance of business management with the laws and regulations and sound corporate principles. The Company's responsibility is proven through compliance with prevailing regulations, such as tax payments, industrial relations, protection of all employees through the implementation of occupational health and safety, and protection of the environment through the Company's sustainable Corporate Social Responsibility (CSR) programs.
- Independence refers to the management of the Company in a professional manner that is free of conflict of interest and any influence from any party whatsoever that run contrary to prevailing laws and regulations and sound corporate principles.
- Fairness refers to fairness and equality in fulfilling the rights of all shareholders based on sound corporate principles.

The Company's Values

The Company prioritizes the following four (4) values as the foundation in managing the organization, and in building relationships with customers, business partners and shareholders:

- Integrity - The Company maintains integrity in thoughts and deeds, and remains trustworthy, honorable and professional in all dealings with business partners, customers and suppliers.
- Excellence - The Company performs its work beyond the call of duty and performs more than what is expected by others. The Company strives for improvement and remains thorough in all matters. The Company performs its duties willingly and faces all challenges to achieve the highest standards.
- Business Growth - The Company will develop and benefit by being the best 'Casual Dining Restaurant.' The Company strives to improve its competencies and knowledge by sharing skills and learning together with its business partners to allow the Company to grow together, both at individual and organizational levels.
- Profit - The Company gives its best effort to generate profit for shareholders through monitoring and improvement of sales.

4.1. Scope of Work of the Board of Commissioners and Board of Directors

In accordance with the duties and authorities of the Company's Board of Commissioners and Board of Directors stipulated in the prevailing Articles of Association, the Board of Commissioners' main duties are to provide advice to the Board of Directors as needed and to supervise the management of the Company by the Board of Directors. The Board of Commissioners performs its duties and responsibilities independently, and shall not be involved in any decision-making related to operational activities, except in other matters stipulated in the Articles of Association and prevailing laws and regulations. In the previous year, the Board of Commissioners, including Independent Commissioner, conducted supervisory functions on the Board of Directors by holding monthly meetings.

The Board of Directors is responsible for taking all actions related to the management of the Company for the best interest of the Company and in accordance with the Company's aims and objectives stipulated in the Articles of Association. The Board is also responsible for representing the Company, whether in or outside the court of law, on all matters and events, subject to certain limitations stipulated in the laws and regulations, Articles of Association and Resolutions of the General Meeting of Shareholders ("GMS").

The duties and authorities of the Company's Board of Commissioners and Board of Directors are described in greater detail in the Articles of Association.

4.2. Joint Meetings of the Board of Commissioners and Board of Directors

In July 2017, the Board of Commissioners and Board of Directors held 5 (five) Joint Meetings, with the following level of attendance:

Table of Level of Attendance of the Board of Commissioners and Board of Directors in Joint Meetings

Name	Position	Number of Meeting	Attendance	Per centage of Attendance
Board of Commissioners				
Frederick Estrada Cadlaon	President Commissioner	5	5	100%
Eddy Mulyadi	Commissioner	5	5	100%



Board of Directors				
Stephen James McCarthy	President Director	5	4	80%
Budi Setiawan	Director	5	5	100%
Jeo Sasanto	Director	5	5	100%

4.3. Remuneration of the Board of Commissioners and Board of Directors

The Board of Commissioners and Board of Directors receive salary and benefits, as determined by the General Meeting of Shareholders, which are paid on a monthly basis every year. The Board of Commissioners and Board of Directors do not receive any commission for their attendance in the GMS.

Total salaries, benefits and *tantiem* (profit share) of the Board of Commissioners and the Board of Directors, for the period ending December 31, 2017, December 31, 2016 and December 31, 2015, amounted to Rp13,972 million, Rp13,026 million, and Rp11,844 million respectively.

Distribution of profit share (*tantiem*) to the Board of Commissioners and Board of Directors is carried out based on the resolution of the GMS, and is paid annually based on achievement of performance targets determined by the Company's Board of Commissioners and Board of Directors.

4.4. Corporate Secretary

Pursuant to the Decision Letter of the Board of Directors No. 004/SK-DIR/III/2018 dated March 15, 2018, the Company appointed Kurniadi Sulistyomo as the Company's Corporate Secretary. The Corporate Secretary's duties are in accordance with FSAR No. 35/2014.

The duties and responsibilities of the Company's Corporate Secretary are as follows:

1. Remain updated with the Capital Market developments, particularly prevailing laws and regulations in the Capital Market;
2. Provide input to the Company's Board of Directors and Board of Commissioners with respect to compliance with laws and regulations in the capital market;
3. Assist the Board of Directors and Board of Commissioners in the implementation of corporate governance, which includes:
 - a. disclosure of information to the public, including the availability of information on the Company's website;
 - b. timely submission of reports to the FSA;
 - c. organization and documentation of GMS;
 - d. organization and documentation of the Board of Directors and/or Board of Commissioners meetings; and
 - e. implementation of the company orientation program for the Board of Directors and/or Board of Commissioners.
4. Act as a liaison between the Company and its shareholders, FSA and other stakeholders.
5. Corporate Secretary and any other employees who perform corporate secretarial duties is obliged to secure the confidentiality of any document, data and information save for the conditions of compliance with, or regulated otherwise under, any laws and regulations.
6. Corporate Secretary and any other employees who perform corporate secretarial duties is prohibited from enjoying personal benefit, either directly or indirectly, that would cause adverse effects to the Company.
7. In order to develop knowledge and understanding in performing responsibilities, the Corporate Secretary shall participate in education or training programs.
8. Corporate Secretary shall directly report to the Board of Directors.
9. Any information delivered by the Corporate Secretary to the public shall be deemed as official information published by the Company.
10. To manage Joint Meetings of the Board of Directors and Board of Commissioners and to prepare Agenda, Minutes of Meeting, Policies, Resolutions and other information resulting from such Joint Meetings.
11. To assist the Board of Directors in resolving general matters of the Company.
12. To supervise the implementation of prevailing regulations in accordance with the principles of GCG.
13. To administer and maintain corporate documents of the Company.
14. To provide services in favour of the public or stakeholder concerning any information required by the investor relating to the Company, as follows:
 - a. Audited Financial Statement;
 - b. Annual Report;
 - c. Material Information;
 - d. Material Product or Innovation (any achievement, priority products, specific method, etc.); and
 - e. Any changes to the control system or material changes to the management.

Description of the Company's Corporate Secretary:

Address of the Corporate Secretary	Graha Mustika Ratu Building, 8 th Floor Jl. Jenderal Gatot Subroto Kav. 74-75, Menteng Dalam Sub-District, Tebet District, Jakarta
Phone	: +62 21 830 6789
Fax	: +62 21 830 6790
E-Mail address	: corsec@sarimelatikencana.co.id



Trainings for Corporate Secretary

The Company's Corporate Secretary attends both internal and external trainings, and workshops develop and update his competencies

Kurniadi Sulistyomo

- Indonesian Citizen
- 39 years old
- Professional experience:
 - 2003 – 2005 Associate Lawyer at Bastian Tedja Partnership
 - 2005 – 2010 Senior Associate Lawyer at Wahyu Nugroho Legal Practice
 - 2011 – 2012 Indonesian Legal Counsel at Federal International (2000) Ltd
 - 2012 – 2017 Head of Legal Counsel at PT Sugih Energy Tbk

4.5. Remuneration and Nomination Committee

The Nomination and Remuneration Committee functions in accordance with the requirements of FSAR No. 34/2014, undertaken by the Company's Board of Commissioners based on Circular Resolution of the Board of Commissioners in lieu of Board of Commissioners' Meeting dated March 15, 2018. The implementation guidelines of Nomination and Remuneration functions are stipulated by the Company's Board of Commissioners in the Company's Board of Commissioners Manual based on Circular Resolution of the Board of Commissioners in lieu of the Board of Commissioners Meeting dated March 15, 2018.

4.6. Audit Committee

The Company established an Audit Committee in accordance with the provisions of prevailing laws and regulations pursuant to the Decision Letter of the Board of Commissioners No. 005/SK-DIR/III/2018 on the Establishment of the Audit Committee of PT Sarimelati Kencana Tbk dated March 15, 2018, and Annex to the Resolution of the Board of Commissioners No. 005/SK-DIR/III/2018 dated March 15, 2018, on the Establishment of the Audit Committee Charter of PT Sarimelati Kencana Tbk issued on the same date, with the following composition:

Chairman	: Ito Warsito
Member	: Herryono Soetarko
Member	: R. Eulis Sartika

Herryono Soetarko

- Indonesian Citizen
- 59 years old
- Professional experience:
 - 1986 – 1987 J, Tanadi & Co (Registered Public Accountants)
 - 1988 – 2002 Andersen – Prasetyo Utomo (Registered Public Accountants)
 - 2002 – 2007 Ernst & Young – Prasetyo, Sarwoko & Sandjaja (Registered Public Accountants)
 - 2010 – Present PT Finansa Artha Persada/Consultant, Drs Sudin & Rekan (Registered Public Accountants)

R. Eulis Sartika

- Indonesian Citizen
- 55 years old
- Professional experience:
 - 1987 – 1992 Drs. Prasetyo, Utomo & Co (Arthur Andersen & Co)
 - 1992 – 1995 SGV & Co Philippines – Indonesian Government Accounting
 - 1995 – 1997 Part Time Consultant
 - 1996 – 1998 PT Reksadaya Bina Pratama
 - 1998 – 2001 PT Be Beautiful Utama
 - 2001 – 2002 ICRAF SEA (International Centre For Research In Agroforestry South East Asia)
 - 2000 – 2008 PT Galuh Rahayu
 - 2003 – 2010 Registered Public Accountant ILYA AVIANTI & Partners
 - 2008 – 2017 PT Hotel Panghegar
 - 2016 – Present Registered Public Accountant ROEBIANDINI & Partners

The Audit Committee established an Audit Committee Charter serving as a working guideline for the Audit Committee, which refers and conforms to FSAR No. 55. The Charter was approved and signed by the Company's Board of Commissioners on March 15, 2018. The term of office for the Audit Committee members shall be no longer than the term of office of the Board of Commissioners, as stipulated in the Articles of Association, and such members may be reappointed only for 1 (one) period thereafter. The Audit Committee's term of office commenced on March 15, 2018 and shall last until the closing of the third Annual GMS thereafter.



The duties and responsibilities of the Audit Committee, in accordance with the Audit Committee Charter that had been prepared and ratified by the Decision of the Company's Board of Commissioners, are as follows:

1. provide assurance regarding integrity of the Company's financial statements, and review the appropriateness of accounting policies, requirements, disclosures, projections and drafts of financial statements and other sensitive materials before such materials are published;
2. ensure compliance of the Company's activities with prevailing laws, regulations and standards, the Board of Directors and management may also consult with the Audit Committee in designing and establishing business conduct codes and guidelines;
3. provide independent opinion and recommendation to the Board of Commissioners with respect to the appointment, remuneration, scope of work, cost and independence requirements of external auditor, public accountant or other providers of assurance services;
4. review the performance of internal and external auditors, monitor annual audit plan of internal auditors and the follow-up action plan of the Board of Directors with respect to audit findings and recommendations;
5. review the conformity of the Company's risk strategies and profile with the implementation of risk management procedures and activities by the management;
6. review and provide recommendations related to the effectiveness and efficiency of the Company's internal control procedures and systems;
7. review and approve the policies, processes and frameworks to identify, review, analyze and manage/follow-up material complaints (including whistle blowing) and the respective resolutions;
8. review and give advice to the Board of Commissioners relating to potential conflicts of interest in the Company;
9. resolve disputes among management, external and internal auditors, if any;
10. maintain the confidentiality of all corporate documents and data; and
11. perform other relevant duties assigned by the Board of Commissioners.

However, the audit planning and implementation or the determination that the Company's financial statements and disclosures are complete, accurate and fairly presented shall not be the responsibility of the Audit Committee but the responsibility of the management or auditor.

Audit Committee Meeting

Audit Committee meetings are held at least once every month, with minimum attendance of two (2) members. Up to the issuance of this Prospectus, the Company's Audit Committee has not held any Audit Committee Meeting.

4.7. Internal Audit Unit

The Company established an Internal Audit Charter, which was approved by the Board of Commissioners and ratified by the Company's Board of Directors on March 15, 2018.

In accordance with FSAR No. 56/2015 and pursuant to the Resolution of the Company's Board of Directors No. 002/SK-DIR/III/2018 dated March 15, 2018 on the Establishment of Internal Audit Unit and Appointment of the Head of Internal Audit Unit of PT Sarimelati Kencana Tbk, the Company established an Internal Audit Unit and appointed Bondan Cahyo Yudho as the unit's Head.

The responsibilities of the Internal Audit Unit are as follows:

1. prepare and implement the annual internal audit plan;
2. test and evaluate the implementation of internal control and risk management system in accordance with Company's policies;
3. audit and review the efficiency and effectiveness of finance, accounting, operation, human resources, marketing, information technology and other activities;
4. provide objective recommendations for improvements and information on the audited activities to all levels of management;
5. prepare audit reports and submit such report to the President Director and Board of Commissioners;
6. monitor, analyze and report the implementation of follow-up actions for improvement as recommended;
7. cooperate with the Audit Committee.

4.8. Internal Control System

In monitoring the Company's operational activities and use of assets, every Company management and employee has respective functions, roles and tasks in improving quality and implementation of internal control system that are executed effectively and continuously. This includes supervision on operational activities of the Company's head office and each outlet across Indonesia.

The implementation of internal control is based on clear policies, regulations and procedures so that it improves implementing internal control functions, and minimize possible risks. the programs that are implemented by The Company related to internal control includes monitoring activities as well as strategic activities, which among others are:

- Formulation of Good Corporate Governance (GCG) guidelines;
- Implementation of monitoring/supervision functions by superiors in each Company division;
- Side by side implementation of tasks with external Public Auditors (IAF);
- Monitoring and implementing follow-up activities on audit findings.



The Company recognizes that internal control actions that have been taken do not necessarily guarantee the absence of risk of abuse or any other risk. The Company's management, however, maintains its commitment to always ensure and improve the Company's internal control system.

4.9. Corporate Social Responsibility (CSR)

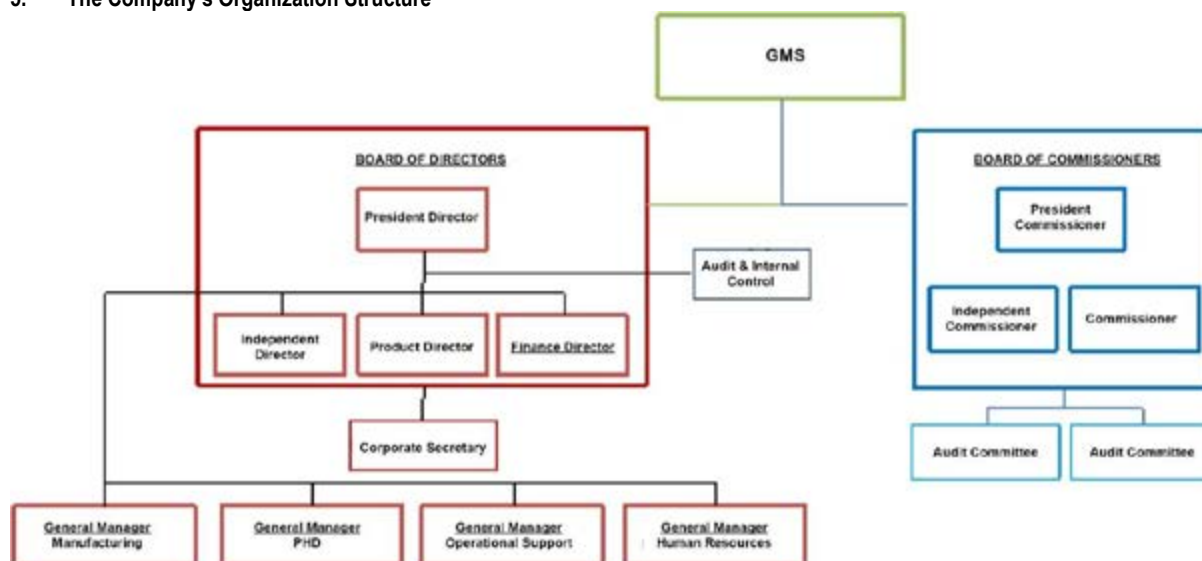
As an effective and strategic program for the Company's business activities, the CSR Program is key in promoting the welfare of employees and other stakeholders, including the families and communities. Presently, the Company's CSR programs include, among others, sending selected employees for religious pilgrimage (*Umrah*, *Haji*, or other religious pilgrimage), "Iftar" for disabled children, gatherings for orphans, distribution of pizzas to sponsors of orphans, aid and donation for victims of floods and Mount Agung's eruption, and distribution of more than 17,200 pairs of shoes to orphanages nationwide.

The farmer empowerment program also forms an integral part of the Company's successful CSR. This program assists local farmers and their families by assisting them to plant vegetables and sell their harvest to PHR and PHD. The result is a win-win situation for the farmers (and their families), PHR and PHD, community, and customers who consume fresh vegetables from the Company's products. The Company shall continue to support and encourage the management to expand the program to other communities.

Detailed description of the Company's CSR program is presented below:

- Pizza Hut Indonesia's *Berbagi Berkah* (Share Blessings) Program
The *Berbagi Berkah* program is included in the *Meriah* (Festive) Menu, wherein customers donate Rp3,000 to purchase shoes for orphans everytime they buy products included in the Festive Menu (minimum 1 product/transaction). This program is valid only for dine-in customers. The *Berbagi Berkah* Program, launched from May 8 - July 16, 2017, is registered with the Ministry of Social Affairs and the donated shoes were produced in June and distributed in September 2017. Customers can still participate in the program by buying Festive Menu products during their next dine-in purchase/transaction.
- Education on Nutrition
In recognition of the need to provide proper knowledge about nutrition to all its employees, the Company held trainings on nutrition for employees and their children aged 4 - 5 years old.
- Pizza Maker
In 2016, the Company social activity involved trainings for making pizza participated by 5,264 orphans.
- Vegetable Farmer Development
To guarantee quality and quantity of vegetable ingredients used on a daily basis according to the Company's standards, the Company conducted development programs, involving assistance and trainings, for vegetable farmers in West Java to improve their standard of living and ensure all vegetables used by the Company comply with Good Agricultural Practices and Good Handling Practices.
- Community Development
The Company responded to the explosion incident that affected the community around PHD Kranggan's outlet, wherein a total of 72 victims received best care treatment and transportation assistance to their homes. The Company also assisted the Garut flood victims in 2016.
- Religious Program
The Company annually organises:
 - lottery with the prize of holy land pilgrimage for employees;
 - distribution of Iftar donations during the month of Ramadhan to the underprivileged (orphans, poor and disabled). In 2016, the Company distributed donations to 4,960 children. As the highlight of the event, the Company held an Iftar celebration with 200 disabled children in Jakarta.

5. The Company's Organization Structure



Source: The Company

6. Human Resources

Human resources represent the Company's main assets and play a critical role in determining the success of the Company's business activities. In this regard, the Company deems it absolutely necessary to support the development and improvement of human resource quality to allow optimum human resource utilization.

As of December 31, 2017, the Company had a total of 7,837 employees, consisting of 4 expatriates, 6,404 permanent employees and 1,430 contract employees.

The following tables show the Company's employee composition as of 31 December 2017, 2016 and 2015:

Table of the Company's Employee Composition by Level of Education

Formal Education Level	December		
	2015	2016	2017
S2	6	7	9
S1	169	172	187
D3	32	33	33
High School and Equivalent/Non-Academic	9,602	7,946	7,608
Total	9,809	8,158	7,837

Table of the Company's Employee Composition by Position

Position	December		
	2015	2016	2017
GM & Dept Head	10	12	14
Manager	22	24	23
Operation Manager	697	755	752
Supervisor	118	120	121
Staff	8,786	7,063	6,728
Security	176	184	199
Total	9,809	8,158	7,837

Table of the Company's Employee Composition by Age Level

Age	December		
	2015	2016	2017
>50	73	100	144
41 – 50 Years	622	652	663
31 – 40 Years	1,740	1,823	1,925
21 – 30 Years	6,010	5,087	4,795
<21 years	1,364	496	310
Total	9,809	8,158	7,837



Table of the Company's Employee Composition by Status

Status	December		
	2015	2016	2017
Expatriate	3	3	3
Permanent	6,735	6,525	6,404
Contract	3,071	1,630	1,430
Total	9,809	8,158	7,837

Table of the Company's Employee Composition by Main Activities

Main Activities	December		
	2015	2016	2017
Head Office	262	270	286
Warehouse/Frozen	75	78	76
Factory	32	61	60
Call Center	65	60	66
Restaurant	9,375	7,689	7,349
Total	9,809	8,158	7,837

Table of the Company's Employee Composition by Area/Location

Area/Location	December		
	2015	2016	2017
The Company			
Jakarta	4,877	4,257	4,078
Java-Bali	2,622	2,093	2,035
Sumatera	1,431	1,046	941
Sulawesi	413	331	352
Kalimantan	336	324	325
Eastern Indonesia	130	107	106
Total	9,809	8,158	7,837

The Company does not employ any employee who has specific expertise in a certain field and whose absence will interrupt the Company's business/operational activities.

The Company has satisfied the Provincial/Regional minimum wage requirements for employees in accordance with prevailing regulations based on the Provincial/Regional Minimum Wage Decree issued by each respective local government.

As of the issuance date of this Prospectus, the Company has a labor union, established by its employees, named the Serikat Pekerja Mandiri PT Sarimelati Kencana, which has been registered with the registry of Manpower and Transmigration Department of South Jakarta based on Letter No. 1661/-1.828 dated April 8, 2005 and Registration Receipt No. 407/V/P/IV/2005 dated April 7, 2005, issued by the Head of Manpower and Transmigration Department of South Jakarta on the same date. The Company does not have any Collective Labor Agreement with its employees/labor union.

Foreign Employees

The Company currently employs 4 expatriates as described below:

No.	Name	Position	Citizenship	IMTA		KITAS	
				No.	Validity Period	No.	Validity Period
1.	Stephen James McCarthy	President Director	United States of America	KEP.83471/MEN/P/IMTA/2017	December 5, 2018	2C21JE5196AR	December 5, 2018
2.	Frederick Estrada Cadlaon	Director	Philippine	KEP.83351/MEN/B/IMTA/2017	December 4, 2018	2C11JE1737AR	December 4, 2018
3.	Abeyesundere Aruni Therese	Marketing Manager	Srilanka	KEP.62889/MEN/P/IMTA/2017	June 30, 2018	2C21JE0770AR	June 30, 2018
4.	Lady Dizon Sibuyo	Marketing Advisor	Philippine	KEP.41783/MEN/P/IMTA/2017	June 21, 2018	2C21JE7319-R	June 21, 2018

The Company does not employ any employee with specific expertise in certain field whose absence will cause in an interruption to the Company's business/operational activities.

Employee Welfare

The Company provides various welfare benefit programs and facilities for its employees and their families. These welfare facilities and programs are provided to all employees.



The facilities and programs are as follows:

- Manpower Social Security Agency (BPJS Ketenagakerjaan)
- Health Benefits (CAR Insurance and BPJS Kesehatan)
- Structural Position Allowance
- Religious Holiday Allowance (THR)
- Overtime Allowance
- Meal Allowance (benefit in-kind)
- Condolences Allowance
- Maternity Allowance
- Wedding Allowance
- Communal Recreation (Gathering, Outing)
- Training and Development Facilities
- Bonus (Performance Based)
- Religious Pilgrimage Award
- Annual Leaves

The Company's employee compensation, welfare facilities and programs refer to the Requirements and Regulations of the Manpower Department, including satisfaction of the prevailing minimum wage requirements.

Human Resources Management Policies

- a. One of the Company's most valuable assets is its Human Resources ("HR"). Consequently, the Company recognizes the strategic position that HR plays in the face of increasingly fierce competition in the future. The Company's HR development program starts with the employee recruitment process that observes the principles of equality and qualifications of each candidate sending an application for a job opening offered by the Company. An HR development program is also implemented through comprehensive education and trainings with the objective of sustainably improving HR competencies. The Company implemented various measures through education and trainings, including materials provided for the purpose of improving the organization's productivity and quality, skills development, leadership and work professionalism.
- b. **Manpower Planning**
Manpower planning is prepared at the end of each year by the respective work units, and proposed to the division and director through the HR. Evaluation on recruitment plan is conducted at the end of the next fiscal year.
- c. **Recruitment**
Recruitment is based on each division's manpower requirement planning through a tiered selection process or reference, complemented by competency and psychological tests.
- d. **Career Path**
The Company's career path is categorized into either Operation promotion or Restaurant Support Centre ("RSC") promotion.

Career path in Operations/Restaurant Line
Career path in RSC

Staff – Supervisor – Manager – General Manager - Director
Staff – Supervisor – Manager – General Manager - Director

Promotion in RSC is based on employee competencies, and how satisfactory such employees completed the tasks assigned to them. Other considerations include the number of service years as an indicator of loyalty to the Company.

Promotion in operation is different from RSC. Promotion in the operation department is governed by specific policies which stipulate a number of mandatory criteria as set out below:

- a. Education;
 - b. Service Year;
 - c. Appraisal Score;
 - d. Passed the psychological test;
 - e. Passed the written test; and
 - f. Passed the interview.
- e. **Employee Orientation**
All new employees are required to attend a 2-week orientation program. The orientation program begins with an introduction to colleagues in the work unit, department, division and inter-division. Subsequently, a new employee is introduced to the work tools, communication devices and Standard Operating Procedures (SOP) according to their position.
 - f. **Performance Evaluation**
Employee performance evaluation system uses different key performance indicators that are tailored according to each work unit. Performance evaluation is performed by an officer at one (1) or two (2) levels above the concerned employee. Performance evaluation is conducted once a year, specifically in November wherein November and October serve as the evaluation period.



g. **Trainings and Development**

Trainings for employees are tailored to the required skills. Management of employees to attend the training is performed by each unit.

Training and development are split into 2 categories: technical training and soft skill training.

Technical trainings are those directly related to daily work activities. If the Company is preparing a restaurant manager, the concerned employee is provided with a specific module for a restaurant manager candidate. The module applies equally to all Pizza Hut outlets worldwide. This is a mandatory requirement for employees who will become restaurant managers. The same applies for other positions, such as assistant restaurant manager and area manager. YUM! Pizza Hut Asia, as the franchisor in Indonesia, provides the modules.

Soft skill trainings are those that are not directly related to any technical work. There is, however, a certain way to prepare a candidate with high leadership skills. Corporate culture is a mandatory module for restaurant management.

Both HR and Training Department work together to ensure all outlet employees across Indonesia have standardized and equal abilities and skills.

Supervisors are responsible for ensuring all staff under their corresponding units attend training programs as scheduled. Supervisors are likewise responsible for evaluating trainings for their respective units.

h. **Healthcare, Manpower, Social Security and Other Benefits**

The Company provides healthcare, manpower social security and other benefits to all employees. Every employee is provided with BPJS Kesehatan and BPJS Ketenagakerjaan, Religious Holiday Allowance, and bonuses in the form of *Umroh* or *Hajj* (religious pilgrimage) for loyal and accomplished employees serving a minimum of 10 years. The Company also provides additional/voluntary donations to employees who might suffer from floods by providing first aid kits and medicine, food, beverages, decent clothes and other similar items. In the event of natural disasters or *force majeure* (such as flood and earthquake), the Company provides assistance through its Corporate Social Responsibility (CSR) team.

7. Legal Proceedings Faced by the Company, Board of Commissioners and Board of Directors

Up to the date of issuance of this Prospectus, the Company and each member of its Board of Directors and Board of Commissioners, were not involved in any proceedings or disputes outside of court and/or any civil, criminal proceedings and/or other disputes before any court of law and/or before any arbitrary bodies whether in or outside Indonesia, or any administrative disputes with the competent government authorities, including disputes relating to tax obligations or labor/industrial relation issues, or bankruptcy, of filing any petition for bankruptcy, or subject to any legal notice that may have significant and material effects to the role and/or continuity of the Company's business, or the continuity of the Company's Share Initial Public Offering process.

8. The Company's Business Activities and Prospects

8.1. Overview

An international restaurant chain and franchise from the USA, Pizza Hut was established by Dan Carney and Frank Carney in 1958. Pizza Hut has become famous for its Italian-American menu, including pizza, pasta and a variety of similar cuisine. It operates more than 16,000 outlets in over 100 countries.

In Indonesia, the Company owns the right to develop and operate Pizza Hut restaurants across the country based on an international franchise agreement with YUM! Pizza Hut Asia. The Company is currently the franchisee of Pizza Hut in Indonesia with the exception of the airport outlet. YUM! Pizza Hut Asia bestowed the Asia Franchisee of the Year award to the Company for the years 2007- 2009, 2011-2013 and again in 2017.

Established in 1987, the Company's Indonesian business engages in the consumer food service industry, particularly pizza and pasta through its franchise. After developing the Pizza Hut brand in Indonesia for two decades, Sriboga Group acquired the Company in 2004 and since then, the number of outlets rapidly increased. The Sriboga Group supports and guides the Company through Sriboga Raturaya (SRR) and other companies within the group. According to the 2016 Euromonitor Report, the Company had the largest pizza chain in Indonesia by value with a market share of 86.6%, with Pizza Hut Restaurants (PHR) and Pizza Hut Delivery (PHD) holding 97.0% and 64.6% respective market shares. As of December 31, 2017, the Company operates 237 PHR and 156 PHD outlets located in 28 provinces throughout Indonesia. In addition, the Company's own outlets reached a combined number of 397 branches, consisting of 236 PHR branches and 161 PHD branches as of February 2018. The Company's restaurants and outlets offer customers a wide range of high quality pizzas and complementary menus.

The Company offers an innovative and extensive array of menus that cater to Indonesian consumers, specifically targeting middle-class teenagers and families. Renowned for its original pan pizza and iconic cheesy bites, the Company has developed two different concepts through the PHR and PHD outlets which provide dine-in service, delivery service and an extensive network of online sales. Since the Company believes that these current sales concepts and channels provide flexibility for sustainable growth, it continues to innovate menu selection by adapting the cuisine according to the Indonesian palate, alongside continuous improvement of customer services.



In recognizing the importance of Halal certification for a food service company in a Muslim-majority country, the Company obtained its halal certificate from MUI in 1997. Until now, the Company maintains its halal certification with the commitment to continuously serve halal products for customer convenience, security and satisfaction.

For the periods ending December 31, 2015, 2016 and 2017, the Company reported net sales of Rp2,493,741 million, Rp2,695,314 million and Rp3,026,007 million respectively. During the same period, the Company successfully reported corresponding annual net profits of Rp61,377 million, Rp130,428 million and Rp141,324 million.

8.2. Competitive Strengths

In carrying out its business activities, the Company's competitive advantages shield it in the face of fierce competition in the local restaurant sector. Such competitive strengths are as follows:

1. The Company is a full service restaurant and delivery service with the largest franchise network in Indonesia

Since pizza was first introduced in Indonesia three decades ago, the Company believes that the Pizza Hut brand has achieved strong brand awareness among Indonesian consumers. Based on Euromonitor's 2016 report, Pizza Hut ranks first in the category of full-service pizza restaurant in Indonesia by value, with a market share of 97.0%. In the delivery service category, PHD ranks first in Indonesia by value, with a market share of 64.6%.

The Company offers dine-in service at PHR and delivery service at PHD. The variety of concepts provides consumers flexibility in ordering food while expanding the target consumers. Consumers who intend to spend time together with families or friends can visit the nearest PHR outlet while consumers who wish to avoid traffic congestion and require delivery services can place orders from PHD either through phone, website or mobile application. Offering the best delivery service with a 30-minute delivery to destination guarantee serves as one of PHD's key success factors in attracting consumers.

In addition to the support extended by its shareholders including PT Dani Prisma Mitra, the Company considers its ability to adapt to changes in customer interest and domestic competition landscape as a significant contributor to the success of its business strategies and the development of several existing menus. This trait effectively leads to increasing brand awareness among consumers.

2. Strong support from the franchisor

The franchisor, YUM! Pizza Hut Asia, sets relatively tight rules and policies as a prerequisite for the success of a franchise. The Company continuously maintains a good relationship with YUM! Pizza Hut Asia by strictly complying with its rules and policies, and achieving its prescribed targets. For these reasons, YUM! Pizza Hut Asia awarded the Company Asia Franchisee of the Year for a number of consecutive years.

Under its Development Agreement with YUM! Pizza Hut Asia, the Company aims to add 175 new outlets over a span of three years (2017-2019), with corresponding incentives from the franchisor.

YUM! Pizza Hut Asia supports the Company's success by providing, among others, (i) access to Pizza Hut Global's innovative products; (ii) access to global procurement, (iii) international marketing strategy, (iv) best practice applications, (v) periodical quality control and technical support, and (vi) various trainings. This brand of support improves the Company's management and employees' capability in running business operations and strategic development. It also maintains and strengthens the Company's market share. In 2017, the Company opened 10 Pizza Hut Restaurants (PHR) and 41 Pizza Hut Delivery (PHD) outlets in numerous cities across Indonesia.

3. Well-positioned to benefit from Indonesia's economic growth and shifts in demography and consumer preference

Although Indonesia's current Gross Domestic Product ("GDP") per capita registers less than other countries in Southeast Asia (such as Malaysia and Thailand) and Asia (China), the country has experienced significant consumption growth in the restaurant and leisure sectors. The Company remains optimistic that Indonesia's strong prospects for economic growth will drive the restaurant sector's progress, buoyed by steady consumer confidence among the middle class in major cities in Indonesia. This trend plays a major role in supporting the Company's future growth, combined with its focus on continuously improving quality of food and variety of menu that cater to its target consumers, particularly the middle class.

4. 393 restaurant-chain covering 76 cities and regencies, in 28 provinces in Indonesia

The Company's chain of restaurants, totalling 393 outlets, is spread across Indonesia's five major islands: from Banda Aceh at the northern tip of Sumatra to Abepura in Papua. This chain consists of 290 outlets in major cities (first-tier city), 61 outlets in satellite/medium cities (second-tier city) and 42 outlets in small cities (third-tier city). As of 31 December 2017, approximately 77% of the Company's outlets were located outside Java Island. The Company expects this extensive chain of restaurants to accommodate an expanding customer base and support the Company's future growth strategies.



The Company began focusing on opening outlets in new areas, specifically in second-tier and third-tier cities in Java Island where constituents do not have access to the Company's outlets despite their exposure to marketing promotions of the Company's products through advertisements on national TV. The new outlets that were recently inaugurated in such areas have performed exceptionally well in terms of sales growth. To further support this growth, the Company has allocated substantial funds to finance nationwide promotional activities. It is important to note that this growth is also supported by economic progress in those areas.

Concerning the location of new outlets, the Company formulated a set of specific policies and formed dedicated teams that determine: (i) the right type of outlet catering to a certain area's demand, (ii) the distance between one outlet to another, and (iii) the right logistics distribution channel for those outlets.

5. Proven ability to innovate and adapt with market preference for more than 30 years

The Company regularly introduces new menus that are both locally developed and adopted from Pizza Hut Global. This forms part of the Company's update strategy to prevent customers from becoming uninterested to existing menus. For example:

- In 2003, the Company introduced the stuffed crust menu - an innovation of pizza crust with cheese that remains highly popular up to today. In addition to cheese, the stuffed crust menu is continuously developed with various choices of toppings.
- The Company offers *affordable menu*. Introduced in 2005, Sensasi Delight, which consumers can enjoy from a low starting price of Rp39,000 today, serves as one of the innovations that remains popular among Indonesians.
- In 2006, the Company introduced cheesy bites pizza, another pizza crust innovation that has quickly become the consumers' favorite choice.
- Other favorites are the salad bar, which is available only at PHR, and lasagna, which is produced at the Company's commissary.

In addition to the featured menus, the Company's corporate internal policy is to introduce a new menu every 2 months, supported by effective and attractive marketing activities. The Company also tailored several menus to suit Indonesian consumers' preferences, like oriental chicken spaghetti, oriental chicken rice and many others. Designs of all company-owned Pizza Hut restaurants are created in-house to adhere to Indonesian consumer preferences and in accordance with the Company's general business strategies

6. Solid sales growth supported by sound financial fundamentals

Company sales grew 8.08% in 2016 and 12.31% in 2017, supported by the opening of 51 new outlets along with each outlet's increased sales. The sales increase among the Company's outlets came as a direct result of the introduction of new attractive menus, improved services at PHR and PHD outlets, additional sales channels particularly the mobile application launched in 2017, and cooperation with online aggregators. Furthermore, the Company has sound financial fundamentals as reflected in its current ratio of 0.85x and debt to equity ratio of 1.17x. The Company's food and beverage sales are generally made in cash or credit cards with less than one week disbursement cycle. Consequently, the Company has a very positive cash conversion cycle that supports its growth.

7. Key management team with extensive experience in the restaurant business in Indonesia

Possessing more than 15 years experience in the restaurant sector, the Company's core management team is highly dedicated and armed with in-depth knowledge of Pizza Hut and the Company's business activities. These major traits, along with their extensive skills and good relationships with business partners, suppliers and customers, will support the Company's future growth and development. Together with employees, the Company's core management team has successfully developed new products and more effective marketing programs on top of the aggressive establishment of new outlets.

Moreover, the Company employs highly committed and experienced professional workforce in various fields, including consumer service, operations, marketing, public relations and restaurant financial management. YUM! Pizza Hut Asia also provides support in the form of knowledge transfer to equip the Company's internal competencies.

Consequently, the core management team and employees' deep commitment and experience contribute positively to the Company's performance and growth while enabling the Company to offer and serve highly satisfactory Pizza Hut products.

8.3. Business Strategies

The Company's main strategy is to increase sales and profit, whether from PHR or PHD, through improved brand awareness and development of new restaurant outlets. In the future, the Company expects to maintain its business activities' growth momentum by implementing the following strategies:

1. Increase the number of restaurant outlets and improve the Company's position as a full service family restaurant both in existing and new areas

Based on the 2018 Euromonitor Report, the World Bank data indicated that one out of five Indonesians belongs to the middle class group. As of 2017, Indonesia had at least 52 million middle class population, which accounted for 43% of total household consumption. Considering such growth of the middle class population in Indonesia and the belief that Pizza Hut still has enormous potential for growth in this market segment, the Company intends to focus efforts to increase awareness in both existing and new markets.



The Company plans to add the number of PHR and PHD outlets in new areas and penetrate underdeveloped and promising areas, such as in the second-tier cities of Cilegon, Sukabumi, Serang and Cianjur. Pizza Hut's new outlets will use a combination of mall-based or free-standing outlets depending on the needs and opportunities in the area.

The Company's strategies with respect to maintenance of both existing and newly opened outlets are also tailored to the property price in the area. If it runs parallel to company strategies and price matches internal calculations, the Company will consider purchasing the parcels of land where free-standing outlets can be located. This also helps the Company avoid exposure to incremental increases in lease price. In addition to mall-based restaurants and free-standing outlets, the Company intends to explore new concepts in the form of stalls located in food courts and public transportation facilities.

2. Continuously increase the Company's sales growth by maintaining brand awareness and expanding customer base

The Company's strategies are as follows:

- Continuously develop the concepts of "Share Together" for PHR and "Trusted Delivery Service" for PHD.
- Constantly develop innovative products, including premium menus targeting upper class consumers and day part menus (e.g. happy hour) targeting more price sensitive consumers.
- Expand sales channels by optimizing cooperation with online food aggregators.
- Develop Customer Relationship Management ("CRM") and loyalty programs for PHR and PHD.
- Increase marketing activities through continuous promotions in the form of advertisements in print media, broadcast media (such as radio and TV), and social media (such as Facebook, Twitter, and Instagram) and other media with national and local coverage.
- Combine menus to be implemented in all business concepts for synergy.

3. Increase the capacity of in-house production facility (commissary), factory, DC and integrated vertical facilities

In line with expansion plans for new PHR and PHD outlets, the Company subsequently needs to increase the respective capacities of its commissary facilities, DCs and factories. This is particularly crucial for sausage-producing factories that already reached maximum capacity but remain insufficient to meet the high demand from PHR and PHD. The Company also plans to develop new commissary facilities for dough ball, which will supply all PHD outlets nationwide. In addition, the Company will continue to improve and develop its operational systems.

The Company will undertake the following steps, among others:

- Relocate and improve the dough ball commissary facilities
- Expand and increase the number of sausage factories, which have currently reached maximum capacity.
- Increase the number of pasta (lasagna) factories
- Expand Dry DCs in Greater Jakarta.
- Increase the number of other upstream factories for various products such as cheese, pasta and ice cream.

The logistics distribution system also plays an important role in promoting the efficiency and sustainability of the Company's business activities. Therefore, the Company uses internal logistics and distribution facilities to the fullest extent possible. Furthermore, the Company also plans to upgrade its existing commissary facilities and factories to increase operational and financial efficiency.

4. Optimize financing

The Company's strategies to achieve growth through new restaurants and outlets require strong financing support, in the form of both equity and debt financing. The Company's management remains committed to constantly seek new low cost and optimum financing sources to generate satisfactory returns for investors. An Initial Public Offering on the capital market and debt financing from domestic and international banks form part of these strategies. The Company also maintains a healthy level of ratio and proportion of equity financing and debt financing. In addition, it will endeavor to utilize treasury products to generate positive results in its financial management.

5. Support operational development of the restaurant system to improve customer satisfaction and operational performance

The Company affirms its faith in the operational excellence of all outlets to improve customer satisfaction. Outlet profitability also serves as a key element in the Company's business. The Company introduced a software that streamlines restaurant operations and will continue to develop the program to further improve customer satisfaction and operational performance.

The Company management commits to continuously develop and optimise Information Technology to support its daily business activities covering raw material procurement, storage, distribution and logistics, inventory internal control, digital POS system and cash management systems as well as back office business process. At present, the Company is evaluating the feasibility of using a new system tailored to the needs of its outlets. This system is expected to support online orders through application, website, Customer Service Center and digital POS system.



6. Continue to develop the Company's organizational capabilities

An effective organizational structure and support system is critical to ensure long-term stability and sustainable development. The Company plans to continuously upgrade its back office system, involving the areas of human resources planning and payroll. In addition, the Company maintains training facilities that host employee skill development, employee motivation and leadership trainings designed to improve efficiencies and competencies of employees in all outlets.

The Company will continue to improve its training programs to support an aggressive expansion plan that requires increasing the number of outlets. The Company provides opportunities for employees belonging to managerial level and above to attend YUM! Colleges short courses which consist of learning sessions for various departments, including marketing and sales, operations, supply chain management, HRD, finance and business development.

These initiatives will support the Company in maintaining the quality and competency of its employees to meet growth demands.

8.4. Restaurant/Outlet Format

The Pizza Hut concepts implemented by the Company are described as follows:

Description	Pizza Hut Restaurant	Pizza Hut Delivery
Year of Operation by the Company	1987	2007
Customer Profile	Young adults and family, A to B- customers	Young adults and family, A to C+ customers
Price Range	Rp57,000	Rp45,000
No. of Outlets (as of 31 December 2017)	237	156
Outlet Location	• Mall: 44.9% • Free-standing: 44.9% • Inline: 10.2%	• Mall: 1.3% • Free-standing: - • Inline: 98.7%
Average outlet area	250 m ²	100 m ²
Average seating capacity	125	16
No. of selections of menu offered	128 selections including desserts and drinks	57 selections including desserts and drinks
Featured products	Meat Lover Pizza, Salad Bar, Creamy Fettuccine, Stuffed Crust, Cheesy Bites	Big Box, My Box, Stuffed Crust, Cheesy Bites

Sales growth generated by each of the Company's business segments from years ending December 31, 2015 to 2017 are presented as follows:

Net sales	Years ended December 31,					
	2015 (In Rupiah)	%	2016 (In Rupiah)	%	2017 (In Rupiah)	%
Food	2,109,606,938,288	84.60%	2,288,543,227,488	84.91%	2,604,879,695,297	86.05%
Beverages	423,894,749,757	17.00%	415,236,929,560	15.41%	428,190,390,784	14.15%
Sub - total	2,533,501,688,045		2,703,780,157,048		3,033,070,086,081	
Sales Discount	(39,760,162,669)	-1.59%	(8,465,880,846)	-0.31%	(6,063,371,736)	-0.20%
TOTAL NET SALES	2,493,741,525,376	100.00%	2,695,314,276,202	100.00%	3,027,006,714,345	100.00%

Note: the percentage presented above refers to the percentage to total net sales for each respective period.

8.4.1 Pizza Hut Restaurant



Pizza Hut Indonesia grew into a chain of 14 restaurants during its first five years. By 1994, the Company successfully more than doubled its restaurants into 34 outlets. By the time Sriboga Group acquired the Company in 2004, the Company operated a total of 93 PHR outlets. As of December 31, 2017, PHR's 237 outlets were spread in over 50 major cities across Indonesia. In addition to malls, PHR outlets are also situated in shophouses and free-standing formats. PHR always strives to provide easy access for restaurant customers by preventing the need to walk far and avoiding complicated access and parking issues. PHR can conveniently be accessed by customers wishing to dine in, take away or, in certain PHR outlets, request delivery service. Customers can also order food and beverages from PHR using food online aggregators' delivery services.

Pizza Hut is famous for its innovative fresh pizza menu. Its pizza dough is made fresh daily at the restaurant, directly baked upon order and presented warm straight from the oven to the customers' tables. In addition to offering high quality pizzas, Pizza Hut Indonesia also offers a wide array of menus with affordable prices. For price-sensitive customers, Pizza Hut Indonesia offers the "Sensasi Delight", a package containing selections of pizza/pasta/rice, appetizer & beverages at affordable prices. For customers who intend to sample other featured products, Pizza Hut offers extensive ala cart items and it regularly introduces new products.



Pizza Hut Indonesia positions itself as a casual dining restaurant that provides a comfortable and clean environment to connect family and friends, and offers the best services under the “Sharing Together” concept. Pizza Hut Indonesia mainly targets families, particularly those under the SEC B- to A categories. As a pizza chain that has served well for 34 years, Pizza Hut’s brand image is very strong in Indonesia as evidenced by its strong market share among pizza restaurants, notably reaching 97.0% in the 2016 Euromonitor Report.



Picture 1. Pizza Hut Indonesia Outlet

The menu selections offered by PHR are, among others, as follows:

1. Pizza with the following choices of crust: *pan*, *cheesy bites*, *stuffed crust* with *cheese* or *sausage* and *crown crust*. Pizza toppings can be selected according to each customer’s palate, such as super supreme, pizza tuna, deluxe cheese and “create your own” pizza with various selections of high quality toppings.
2. Salad bar: “All you can take” selection of vegetables and fruits with various choices of sauce and soup.
3. Pasta: various selections of pasta, including spaghetti, fettuccine, fusilli and lasagna, which are customized to the Indonesian customers’ taste.
4. Appetizer: chicken wing, garlic bread, bruschetta, sausage, potato wedges, and others.
5. Rice: various flavors and toppings for customers who prefer rice.
6. Dessert: ice cream with fruits and chocolates, plus children can create their own ice cream with the choice of toppings provided.

8.4.2 Pizza Hut Delivery



Established in 2007, Pizza Hut Delivery (“PHD”) is the first restaurant in Indonesia focusing on delivery services. It answered the need for fast food delivery service amid the worsening traffic congestion and increasing number of women entering the workforce. By opening PHD, the Company proactively and defensively created a barrier for possible entry of competitors. PHD, which focuses on delivery, was designed to specifically capture a segment that has not been utilized to its maximum potential by dine-in restaurants.

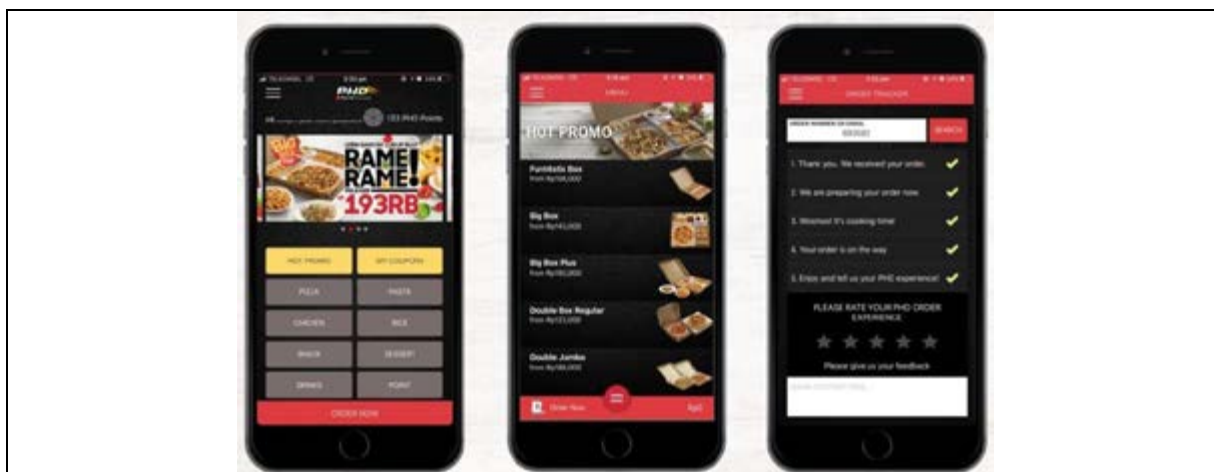
At its onset, the delivery restaurant required a certain degree of acceptance by customers who were unaccustomed to the new delivery concept. During its first three years, PHD had only nine outlets. As customers became more accustomed to the concept and customer needs changed, PHD began to grow more aggressively. From 23 outlets in 2010, it successfully more than tripled its size within two years, reaching 76 outlets in 2012. It has since become the Company’s growth driver and as of December 31, 2017, PHD’s market share reported by Euromonitor registered 64.6%, with a total of 156 outlets.

PHD positions itself as the best interactive pizza delivery service, serving high-quality pizzas delivered hot from the oven and right on time. PHD’s target consumers are men and women ages 18-40 years old, particularly those under A to C+ category. In support of the Trusted Delivery Service concept, PHD’s popular service guarantees to meet a customer’s order within 30 minutes, otherwise, customers will receive free pizza voucher. PHD continues to build its image as a modern delivery restaurant by providing fast and reliable services through website and mobile applications.

At present, PHD delivery services are accessible through:

1. Call center 1500600, which has been operating nationwide for more than 7 years and is available at all PHD outlets, and 1500 008, which has been operating for more than 5 years.
2. Online order through the website: www.phd.co.id. This online order was developed in 2011 as a means to place orders efficiently and for customers to avail of attractive promotions.
3. PHD Indonesia mobile application, introduced in 2014, enables customers to place their orders through mobile application, which provides an additional easy and handy option.

4. Online aggregator foodservice (such as Go-Food and Grab-Bike).



Picture 2. PHD Indonesia's Mobile-app

The menu offered by PHD is basically similar to Pizza Hut Indonesia, with minor tweaks to make sure PHD remains true to its concept of delivery service and speed. Majority of PHD outlets are free-standing outlets, located in main streets or close to residential areas.



Picture 3. PHD Outlet

The menu selections offered by PHD include the following:

1. Package Funtastic Box, Big Box, Double Box, Jumbo Fiesta and My Box
2. Pizza: traditional pizza with cheesy bites or stuffed crust with more than 10 topping selections.
3. Pasta: various selections of pasta, including spaghetti, fettuccine, fusilli and lasagna, which are customized to the Indonesian taste.
4. Snacks: salad, chicken wing, puff pastry soup and others.
5. Rice with various flavors and toppings to meet the needs of Indonesian consumers.
6. Desserts and beverages: soft drinks and several PHD signature style beverages, plus desserts such as pannacotta and pastry chocolate.

8.5. Pizza Hut Franchise

The IFA agreement stipulates the terms and conditions including renewal or extension of agreement and circumstances that may result in the termination of agreement or dissolution of the Company's rights prior to the agreed expiration date. At present, each outlet has its own IFA valid for a term of 10 years and may be extended for each 10-year period thereafter with conditions that need to be satisfied. Under the agreement, the Company is required to comply with certain brand standards stipulated by YUM! Pizza Hut Asia in connection with the franchise business.

The Company is required to pay a monthly franchise fee equivalent to 6% of sales (net after tax) for PHR and PHD to the franchisor. The Company also needs to pay an initial fee for each new restaurant outlet and renewal fee (for outlets that will be upgraded after ten years of operation) for each extended restaurant outlet. Both initial (fees for newly opened outlets) and renewal fees are subject to review based on the effective US CPI index every April 1st, and will remain valid until March 31st of the following year. The applicable tariffs until March 31, 2018, for initial fee and renewal fee of PHR outlets are USD50,100 and USD25,050 respectively. Whereas for PHD outlets, the applicable initial fee and renewal fee are USD25,100 and USD12,550 respectively.

8.6. Location and Number of Restaurants/Outlets

The Company continues to increase the number of PHR and PHD outlets particularly in areas with good economic condition and population density. The Company's outlets and restaurants are located across 28 provinces in Indonesia. Aside from competing with other pizza restaurants, the Company also contends with local and international restaurants that are engaged in the food service and delivery service sectors. The Company believes that the right location serves as the key to compete effectively.

Majority of PHR outlets are located in shopping malls or residential areas with high traffic, whereas the majority of PHD outlets are located at strategic shophouses around residential areas, shopping malls and office complexes. The growth of PHR and PHD outlets operated by the Company are presented below:

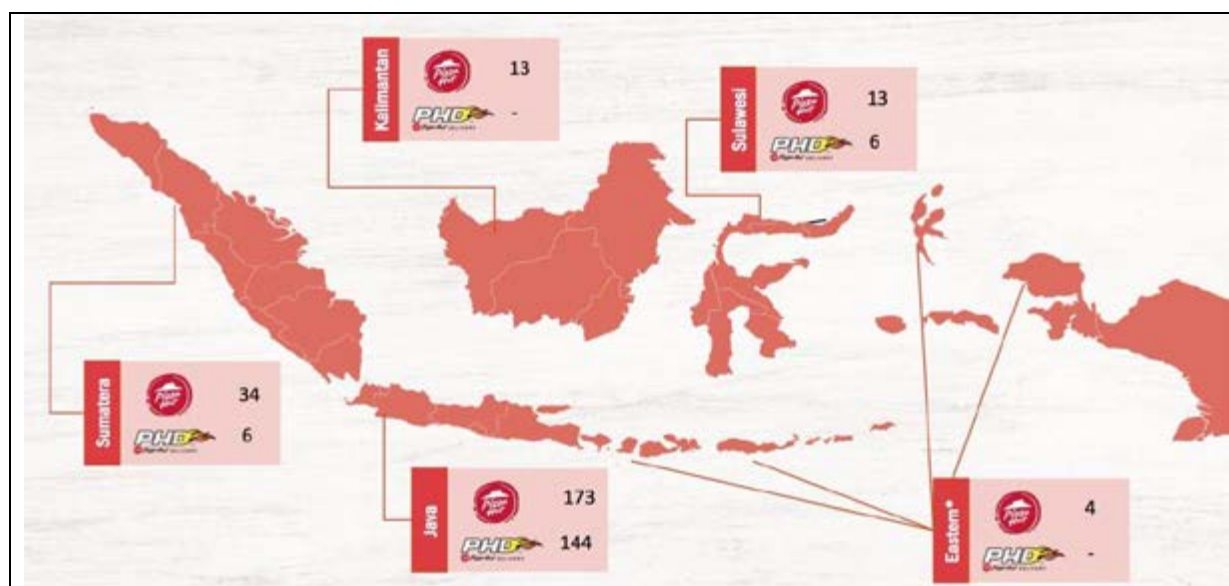
Total outlets	2015	2016	2017
PHR	229	227	237
PHD	93	115	156
TOTAL	322	342	393

The following table represents the sales growth of outlets grouped according to geographical location from December 31, 2015 to 2017.

Net sales	Years ended December 31,					
	2015 (In Rupiah)	%	2016 (In Rupiah)	%	2017 (In Rupiah)	%
Jakarta	1,168,655,817,671	46.86%	1,218,819,156,903	45.22%	1,327,415,514,631	43.85%
Java-Bali	695,709,925,916	27.90%	772,501,109,362	28.66%	876,789,282,157	28.97%
Sumatra	328,013,589,691	13.15%	348,941,785,046	12.95%	398,943,470,906	13.18%
Sulawesi	139,399,509,323	5.59%	157,777,704,422	5.85%	195,401,975,622	6.46%
Kalimantan	135,872,320,375	5.45%	156,787,869,955	5.82%	173,227,451,158	5.72%
Eastern Region	26,090,362,400	1.05%	40,486,650,514	1.50%	55,229,019,871	1.82%
TOTAL NET SALES	2,493,741,525,376	100.00%	2,695,314,276,202	100.00%	3,027,006,714,345	100.00%

Note: the percentage presented above refers to the percentage to total net sales for each respective period.

Presented below are the locations of the Company's restaurants and outlets in Indonesia as of December 31, 2017:



Picture 4. Location of Company's outlets

8.7. Business Process

Almost all of PHR's menu production/cooking/presentation processes are conducted in the respective outlets. For PHD, certain products, such as dough balls, are produced centrally by the Company which distributes to each PHD outlet. Moreover, the Company also produces lasagna, cannelloni, puff pastry and some of the sausages that will be supplied to PHR and PHD. The Company classifies its food production facilities into two categories: factory and commissary. A factory hosts a production center with higher capacity compared to a commissary.

Dough ball production begins at the raw material warehouse which supplies the main ingredient, particularly flour which has been screened by the quality control department. The combined flour, yeast, water and other raw materials are poured into a mixer until fully incorporated. From the mixer, the batter that has become dough is separated and using machine or manually, shaped into balls. The dough ball is then stored in a chiller at a specific temperature to keep the fermentation of yeast from ruining the dough. The dough balls are sent to each PHD outlet using the Company's refrigerator trucks. Afterwards, the kitchen staffs at each PHD outlet prepare the dough balls into pizza with various toppings depending on customers' orders. The Company's production generally does not produce waste.



Picture 5. The Company's Factories and Commissaries

The sausage production process also begins from the raw material warehouse. The raw materials are combined into a mixer until fully incorporated, then inserted into thin plastic packaging that serves as mold that shape them into sausages. At this stage, the sausages go through a scanning machine to check for possible contaminant/metals in the sausages. Once scanned, the sausages are baked in the oven/smoke house, and then the plastic packagings are removed and discarded. Lastly, the sausages are refrigerated and packed.

Packed frozen sausages, lasagna, cannelloni and puff pastry produced by the factories are sent to the central warehouse (logistics) for delivery to all PHR and PHD outlets.

Presented below are detailed information regarding the Company's factories and commissaries:

No.	Facility	Location	Description
1	Pasta Factory	Pulogadung, Jakarta	To support Pizza Hut and PHD outlets across Indonesia
2	Sausages Factory	Bandung, West Java,	To support Pizza Hut and PHD outlets across Indonesia
3	Dough Ball Factory	Pulogadung, Jakarta	To support PHD outlets in Greater Jakarta area
4	Dough Ball Factory	Bandung, West Java,	To support PHD outlets in West Java
5	Dough ball commissary	Semarang, Central Java	To support PHD outlets in Central Java
6	Dough ball commissary	Surabaya, East Java	To support PHD outlets in East Java
7	Dough ball commissary	Denpasar, Bali	To support PHD outlets in Bali
8	Dough ball commissary	Makassar, South Sulawesi	To support PHD outlets in South Sulawesi
9	Dough ball commissary	Medan, North Sumatra	To support PHD outlets in North Sumatra

The following table shows more detailed information on the capacity of The Company's product:

No.	Product	2015		2016		2017	
		Capacity (ton)	Utilization	Capacity (ton)	Utilization	Capacity (ton)	Utilization
1	Dough ball	4,060	33%	5,800	26%	6,380	32%
2	Pasta	756	43%	756	62%	756	73%
3	Sausage	1,050	27%	1,050	89%	1,050	97%

8.7.1 Logistics distribution and inventory management

The Company implemented a system to manage frozen inventory with the objective of efficient space utilization and regular product deliveries to maintain customer satisfaction. The Company has two (2) types of Distribution Centers ("DC"): dry DC and frozen DC, both serving all restaurant outlets across Indonesia. The Company has a total of twenty (20) DCs, consisting of five (5) dry warehouses broken down into two (2) in Jakarta and each in Medan, Surabaya and Makassar. It has fifteen (15) frozen warehouses, each in the service areas of Jakarta, Bandung, Semarang, Surabaya, Batam, Medan, Pekanbaru, Padang, Palembang, Banjarmasin, Balikpapan, Pontianak, Denpasar, Makassar and Manado.

The Company's main frozen DC in Jakarta receives imported goods and those from local suppliers, including those from its sausage factories for distribution to each satellite DC. For its frozen DC in Jakarta, the Company leases warehouses from third parties. On the other hand, the Company owns and manages distribution fleets, consisting of fourteen (14) refrigerator trucks servicing Jakarta and a total of thirty (30) trucks for all DCs. The Company manages the Jakarta-based dry DCs, consisting of two (2) warehouses and thirteen (13) trucks. For areas outside Jakarta, raw materials are sent to three (3) satellite DCs specifically Medan, Surabaya and Makassar where they will be subsequently delivered to each outlet within the service coverage. Leased trucks with large capacities or containers send raw materials to outlets outside those DCs' service coverage areas.

Detailed information regarding the Company's DCs is as follows:

No.	Facility	Location	Capacity	Description
1	Frozen DC	Bantar Gebang, Bekasi.	6,000 m ³	To store and distribute frozen raw materials
2	Dry DC	Ancol & Rorotan, Jakarta	11,100 m ³	To store and distribute dry raw materials
3	Satellite	Batam, Medan, Pekanbaru, Padang, Palembang, Bandung, Semarang, Surabaya, Balikpapan, Banjarmasin, Pontianak, Denpasar, Makassar, Manado	2,090 m ³	To store and distribute frozen raw materials
	Frozen DC			



No.	Facility	Location	Capacity	Description
4	Satellite	Medan, Surabaya and Makassar	8,824 m ³	To store and distribute dry raw materials
	Dry DC			

The Company also has delivery services for PHR and PHD. The service process is described below:

Distribution from PHR outlet to customer

The process begins as soon as a customer calls a PHR outlet and the order taker takes down the customer's address and menu ordered. Afterwards, the order taker informs the customer of the expected delivery time, with maximum of sixty (60) minutes. Products are immediately prepared and delivered using the respective PHR outlet's delivery motorcycle. The Company currently owns all PHR motorcycles.

Distribution from PHD outlet to customer

The process begins when a customer contacts the Company through a call center/website/mobile application and provides an address. After the customer orders the menu and informs the payment method, the order is automatically processed by system and sent to the outlet nearest the customer's location. Products are immediately prepared and delivered using the respective PHD outlet's delivery motorcycle within 30 minutes after the order is placed. The Company currently also owns all PHD motorcycles.

8.7.2 Raw Materials and Suppliers

The purchasing department plays a key role in procuring and purchasing products and raw materials required by the Company. These purchased materials, which are used in all PHR and PHD outlets, factories and commissaries, must go through a number of testing processes such as: quality, product specification, Halal requirements and other requirements set by the Quality Assurance Division, Research & Development Division and Halal certification issued by MUI.

In controlling raw materials to ensure that these are safe and purchased at competitive prices, the purchasing department performs a number of vendor selection processes and price bidding. Then the department signs a price contract to control food cost and supply on a periodical basis throughout the year.

There are several imported products purchased based on standards required by Yum! (Pizza Hut Asia) such as cheese, meat and tomato sauce. Likewise, other main raw materials are purchased locally based on the selection process of Yum Stars Audit and contract bidding.

The Purchasing department also acquires equipment, packaging boxes, chemicals, uniforms and other items based on specifications determined by Yum! (Pizza Hut Asia) and the Internal Quality Assurance and Development department.

The Company will disqualify or suspend suppliers who conduct any violation that may injure or jeopardize the Company, such as delivering defective products or non-standard products that may harm customers. In carrying out daily operational activities, the Company upholds integrity in accordance with its core values.

8.7.3 Product and Service Quality Control

The Company strictly maintains the quality and safety of products to sustain its market share. The Company's product quality control begins with the selection of raw materials which are first analyzed to determine if these satisfy the requirements and standards set by the Company and Yum! Brands, and further conform to applicable standards in Indonesia. After entering the production process, products are re-tested on a periodical basis to ensure consistent quality and safety.

The Company's Quality Control team, which is tasked to specifically ensure quality of products, undergo special training to ensure the products consistently meet the agreed quality standards.

8.7.4 Opening of new outlets

Opening of new outlets passes through a series of phases consisting of market development, store development and ultimately asset management. These developments are interconnected and synergized to achieve maximum development.

The initial steps in market development begin with site selection, which considers various aspects of the business potential based on population size, profession, business center, future demographic development and the availability and adequacy of logistic routes. The next step is represented by evaluation of marketing, operational, financial and technical aspects, which need to be prepared in a detailed and organised manner. The Company conducts site selection if it deems the location feasible to open a new business. Then the preparation stage ensues by planning the type of restaurant to be built. For certain locations, the Company enters into a lease-based agreement with the landowner/building owner for a period that typically ranges from 5 - 10 years. For free-standing or shop house structures, payment is typically made in the form of a 5-year advance payment. Payment term for shopping centers is 20% advance payment with the remaining 80% to be paid in 48 monthly installments.



Afterwards, the Company determines the restaurant layout, infrastructure facility, interior design plans and others. After the planning stage is completed, the next stages call for project scheduling, execution process and work commencement on-site/location. Simultaneously, applications for licenses from local and central governments are filed. Upon completion of on-site work, the Company performs supervision and evaluation to ensure the results meet initial plans and existing standards. Once these are verified, the outlet is ready for operation to serve consumers.

All of the Company's outlets are equipped with production facilities, including raw material storage for the outlet's needs, kitchen and related equipment, cold storage and refrigeration equipment, sitting area for consumers and other facilities. Since 1993, the Company has been focusing on opening free-standing outlets. These are simply outlets that are not housed in any office building or mall but instead act as a stand-alone building. With the free-standing format, the Company can afford larger seating capacities and parking spaces, plus greater flexibility in terms of operational hours and logistics.

8.8. The Company Management

As the Company President Director, Stephen James McCarthy leads the core management team. With more than 45 years of experience handling Pizza Hut in Hawaii, Taiwan and Indonesia, Stephen is often regarded as "the Teacher" whose expertise, skills and leadership are recognized by YUM! and other international franchises. Under Stephen's helm dating back to 2002, the Company has achieved success for all outlets located from Banda Aceh all the way to Abepura in Papua, managed in accordance with the Company's core values: Profitability, Excellence, Integrity and Organizational Growth.

Jeo Sasanto, who has been with the company since 1993, was appointed Pizza Hut General Manager in 2016. Supported by Marketing Manager Wawa Soewanto and the entire operations team, Jeo managed to improve same store sales, transaction growth and brand awareness through a series of innovative marketing programs, introduction of new menus featuring extensive varieties, and training programs for employees aimed at improving their effectiveness and service quality that benefit customers.

Andrias Candra and Abeyesundere Aruni Therese serve as the General Manager and Marketing Manager respectively for the PHD brand. With extensive experience, deep dedication and strong determination, they both steered PHD to excel in the "Delivery" segment and rise above competitors. Both its slogan of 'Delivery Expert with guaranteed 30 minutes arrival' and breakthrough MY BOX menu captivating individual customers serve as prime examples of PHD's innovations. Technology also plays an integral part of the Company's marketing program facilitating millennial consumers to order from PHD with ease. Operational efficiency likewise contributes to PHD success.

Budi Setiawan has been Chief of the Company's Development Department since 1999. Budi's department focuses on developing the number of PHR and PHD outlets across Indonesia. The Development Department's internal team maps the number of PHR and PHD outlets in each trade area, searches for feasible locations, designs every PHR and PHD outlet, and supervises each outlet construction and maintenance upon commencement of operations. In 2017, the Development team managed to build 51 PHR and PHD outlets, a great achievement considering that Pizza Hut Indonesia earned the distinction of being the only franchisee in the world with the most number of outlets constructed and opened in that year.

The Company's success is proven by these awards received from YUM! Pizza Hut Asia:

- Franchisee of the Year - 2007, 2008, 2009, 2011, 2013 and 2017
- Pizza Hut Asia Finance Growth Hero 2017 awardee
- Marketing Excellence - 2007 and 2008
- Product Excellence - 2007
- Development Excellence - 2007, 2008, 2009, 2010, 2011, 2012 and 2013
- Restaurant Excellence - 2007, 2008, 2009, 2010, 2011, 2012 and 2013
- Design Excellence - 2010, 2011 and 2013
- Innovation Excellence - 2010 and 2012
- Growth Award 2011
- Delivery Hope Award Highest Collection 2014
- Asia Franchise – Win on Value Award for 2014, 2015 and 2016
- Asia Franchise – Development Powerhouse Award 2014
- Technology Driver 2017
- Pizza Hut Asia Finance Growth Hero Award 2017

8.9. Research and Business Development

The Company conducts research and business development by appointing external parties. It also has a Market Planning and Real Estate team dedicated to market research and business development. The Company engages Euromonitor International to perform market research on the domestic and regional food service business on a periodical basis. Reports from Euromonitor International allow the Company to access information regarding latest trends, case studies of similar restaurants abroad that may be implemented in Indonesia, level of competition, and general overview of market conditions.



The Company unceasingly prepares strategies for internal growth. Dedicated teams focus on the opening of new outlets, determining the number of PHR and PHD outlets that may be absorbed by each city or trade area across Indonesia, identifying the location of restaurant outlets, designing the restaurant and selecting third party contractors. In making such decisions, the teams regularly communicate with the Company's senior management that respectively leads PHR, PHD and other business functions. Therefore, other departments can prepare matters relating to the operational readiness of such new outlets, such as the logistics of food ingredients to be used and the number of employees that must be hired.

The role of the human resource team stands of equal importance in the process of opening a new restaurant outlet . They prepare employees for all levels covering kitchen staff, servers and outlet manager. Considering the difficulties in hiring skilled, honest and highly motivated employees nowadays, the opportunity for good career paths benefiting internal employees is critical to support the Company's business growth and development strategy.

Furthermore, the Company has a dedicated crew, supported by experienced chefs, responsible for creating innovative new menus.

The following table shows research and business development costs incurred by the Company in the last 3 (three) years and its percentage to net sales.

In Rupiah

No	Expense	2015		2016		2017	
		Rp	% Net Sales	Rp	% Net Sales	Rp	% Net Sales
1	Test Panel	213,824,590	0.009%	172,230,442	0.006%	208,696,208	0.007%
2	Market Survey	411,428,708	0.016%	149,978,704	0.006%	180,264,846	0.006%
3	Site Survey	281,721,192	0.011%	247,677,579	0.009%	430,710,193	0.014%
	Total	906,974,490	0.036%	569,886,725	0.021%	819,671,247	0.027%

Source: The Company

8.10. Marketing Activities

Marketing strategy serves as one of the key elements in the Company's business activities. Focusing on key aspects of consumer behavior and economic conditions, the Company's marketing strategies are aimed at increasing brand awareness and sales on a national and local scale.

1. Marketing campaigns are carried out in television, radio, print and digital media on a national scale.
2. Activities at outlets require additional support in a local scale.
3. Promotion in local scale is necessary.

The Company conducts marketing activities such as market surveys, placement of banners and billboards, and development of packages for certain periods and hours such as during the fasting months and time between lunch and dinner. Banners and streamers are aesthetically positioned at restaurants and outlets while billboards ads are carefully chosen in consideration of their strategic locations. PHR and PHD have separate marketing divisions which are responsible for the development and success of marketing strategies. These divisions regularly perform researches on customers, market conditions and competitor data while implementing marketing strategies and analyzing necessary changes. The marketing division also actively markets the Company's products through social media, exhibitions and other similar events.



Picture 6. Example of PHR's Promotional Activities



Picture 7. Example of PHD's Promotional Activities



8.11. Business Prospects

The Company's fundamental principles regarding future development remain unchanged as it continues to focus on 3H: Head, Heart and Hand. Its human resources, imbued with a strong sense of identity, act as the main driver for the Company's growth. Employees are encouraged to challenge themselves, make decisions and take initiatives in their respective roles. To maintain Pizza Hut's service excellence, the Company only hires employees who take pride in their work and are wholeheartedly willing to serve customers. Since the Company strongly believes in leading by example, internal trainings and promotions are widely emphasized. Majority of the Company's managers started their career in Pizza Hut as junior staff and accumulated enough experience to guide their successors.

With respect to specific vision and strategies, the Company plans to expand its network of outlets into cities of West Java, Central Java, East Java, Sumatra, Kalimantan, Eastern Indonesia and other significant locations. This expansion strategy provides customers with better access. Advertising investment in mass media notably for the core brand will continue in order to maintain top of mind branding among existing and potential customers. The expansion of PHR outlets supports faster development of PHD, particularly since PHR outlets function on a supporting basis while PHD expands the Company's coverage in concerned areas by filling market gaps. Together with PHD's ongoing improvement of services targeting the young urban adult segment, the Company will continue to dedicate its resources in increased use of social media as a tool to encourage deep brand loyalty among customers.

8.12. Overview of Environmental Impact Analysis

All outlets complied with their respective environmental obligations in accordance with prevailing laws and regulations described in Chapter VIII Sub-Chapter 1.

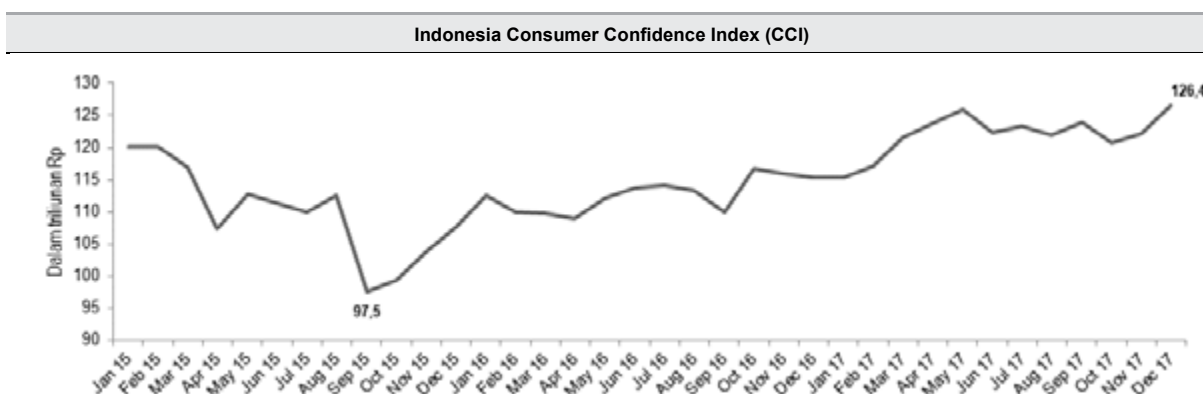
8.13. Industry Overview

Information regarding the Company's industry based on the industry report prepared by Euromonitor, which was release in March 2018 is presented below.

MACROECONOMIC CONDITION IN INDONESIA

Strong Household Consumption and Favorable Policy Reforms Drive Economic Growth

The Indonesian economy has recorded strong growth since overcoming the Asian financial crisis in the late 1990s. Its economy has been shaped by favorable government policies, the country's rich natural resources and its young and growing labor force. It is now the largest economy in Southeast Asia, and the world's 10th largest economy in terms of purchasing power parity, according to the World Bank. During the review period between 2012 and 2016, annual real GDP growth has fluctuated between 4% and 6%, making it one of the fastest growing large emerging market economies with GDP reaching IDR12,406.8 trillion in 2016. According to International Monetary Fund (IMF), strong domestic demand and solid economic policies were the key drivers of growth during the historic period. The government remained committed to policy reforms to improve the investment climate for private investors to boost growth, with numerous policy reforms announced since September 2015. Notable areas of reform include a shift towards deregulation, higher public infrastructure spending, and shortened negative investment list.



Source: Bank Indonesia

Along with the economic growth, Indonesian consumers have enjoyed increasing wealth. During the review period, GDP per capita grew at a CAGR of 8.1%, and consumer disposable income grew at a CAGR of 10.1%. As a result, Indonesia has seen a rapidly growing middle class population. According to the World Bank, one in every five Indonesians now belongs to the middle class group. As of the end of 2017, Indonesia has at least 52 million middle class population and they account for 43% of total household consumption. A growing middle class will boost consumer spending on products and services, including consumer foodservice. In 2017, private consumption continued to strengthen due to increase in people's purchasing power in a relatively low inflation and stronger Rupiah environment. The consumer confidence index from Bank Indonesia shows that consumer confidence is at its highest point in December 2017 over the period of 2013 to 2017.

The outlook for the economy remains positive, supported by a stable global economy and stronger domestic demand as reforms continue and gradually start paying dividends. The IMF expected real GDP growth to reach 5.3% in 2018 before climbing to 5.5% in 2019.

Indonesia's Gross Domestic Product (GDP) at Current Price, 2014-2021



Source: Badan Pusat Statistik (BPS), International Monetary Fund (IMF)

Note: F: Forecast by IMF

Large and Young Urban Population to Bolster Domestic Demand

Indonesia's population stood at 258.7 million in 2016, making it the world's fourth largest country by population. Between 2012 and 2016, its population grew steadily at a CAGR of 1.3%. With a median age of 28.3 years old in 2016, Indonesia has a demographic advantage of having a young workforce and a large pool of aspiring consumers. In comparison, neighboring countries such as Singapore (42.2 years old), Malaysia (29.0 years old), and Thailand (38.3 years old) have higher median population age.

Urbanization is an ongoing phenomenon in Indonesia, where the urban population growth exceeds that the rural population growth. Between 2012 and 2016, urban population grew at 2.6% annually while rural population contracted at 0.4%. According to World Bank, by 2025, 68% of Indonesia's population will live in the cities, up from around 55% (or 142.2 million urban population) in 2016. Urbanization is expected to boost Indonesia's economic growth through private consumption due to formal employment, better labor productivity, higher income level, and propensity to spend. In 2016, rural disposable income per capita stood at IDR21.3 million, which is around 40% lower than the urban population's.

Rising Worker Income Entails Rising Labor Cost for Businesses

During the review period, labor costs have been on the rise across all provinces with varying speed. Average net wage grew at a CAGR that ranges from 6.7% (Maluku) to 16.4% (Banten) across the provinces. One of the factors that contributed to this is the rising minimum wages. Indonesia has a minimum wage legislation, whereby minimum wages are revised annually. Since late 2012, annual wage negotiations have triggered massive labor protests and resulted in historic wage increases. In 2015, the government introduced a new minimum wage regulation called the Government Regulation No. 78 of 2015. Under this new regulation, the Governors of Indonesian provinces will have the authority to decide the minimum wage, and the calculation of minimum wage will take into account the current fiscal year's inflation and GDP growth. Hence, technically, minimum wage changes will track nominal national economic growth. Nonetheless, as wages continued to increase in Indonesia, it is a reflection of rising standard of living and steady GDP growth.

The fastest increase in average net wage during the review period is observed in DKI Jakarta and Java – Bali Area (excl. Jakarta). For example, average net wage in DKI Jakarta and Bali saw a CAGR of 15.8% and 14.1% respectively between 2012 and 2016. On the other hand, average net wage increase in Sumatra Island and Eastern Indonesia appears to be more moderate, at single digit. Even though significant increase in labor costs during the review period has caused operating cost of businesses to rise, businesses perceived it in a relatively positive light as they expect more consumers spending in the near future.

Disposable Income Per Capita – Rising Fast but with Much Room to Grow

Although Indonesia has made significant gains in poverty reduction since the late 1990s, its disposable income per capita is one of the lowest among the benchmark economies. This can be attributed to the uneven economic development and large population base, resulting in large number of Indonesians who are still in the low income group. In 2016, more than 27 million Indonesians (10.7% of total population) still live below the poverty line, and approximately another 40% of the have income that hover marginally above the national poverty line. Comparing against other Asian countries, it shows that there is still much potential for growth.

Indonesia's disposable income per capita is the closest to the Philippines. Given the current growth trajectory, it will overtake Philippines soon. Indonesia's disposable income per capita grew at 8.8% CAGR in constant exchange rate terms between 2012 and 2016. However, there is still a significant gap between Indonesia and the more mature ASEAN economies such as Thailand and Malaysia.

Comparison of Disposable Income Per Capita, Historic (2012 – 2016)						
Unit: US\$	2012	2013	2014	2015	2016	CAGR 2012-2016
China	3,590.1	3,969.3	4,325.9	4,704.4	5,110.3	9.2%
India	964.6	1,074.4	1,136.3	1,234.4	1,376.7	9.3%
Indonesia	1,537.4	1,695.9	1,866.3	2,012.2	2,153.5	8.8%
Malaysia	4,253.7	4,544.4	4,929.8	5,253.3	5,587.1	7.1%
Philippine	1,744.9	1,852.2	1,971.9	2,079.4	2,217.6	6.2%
Singapore	25,514.4	26,356.7	26,979.0	27,973.7	27,608.4	2.0%
Thailand	2,892.7	2,942.7	3,031.1	3,047.0	3,144.0	2.1%

Source: Euromonitor International Passport - Economies and Consumers, 2017 Edition

Note: Applied Constant 2016 USD Exchange Rate

CONSUMER FOODSERVICE INDUSTRY IN INDONESIA

Regional and Global Comparison

Indonesia Outperforms Regional and Global Growth in Local Currency Terms

In 2016, Indonesia accounted for 3.0% of the total consumer food service market for Asia Pacific. This is close to the country's regional share in terms of GDP (3.8%). Considering that Indonesia has the fourth most populous country in the world, there is still much potential for the consumer foodservice market to grow further.

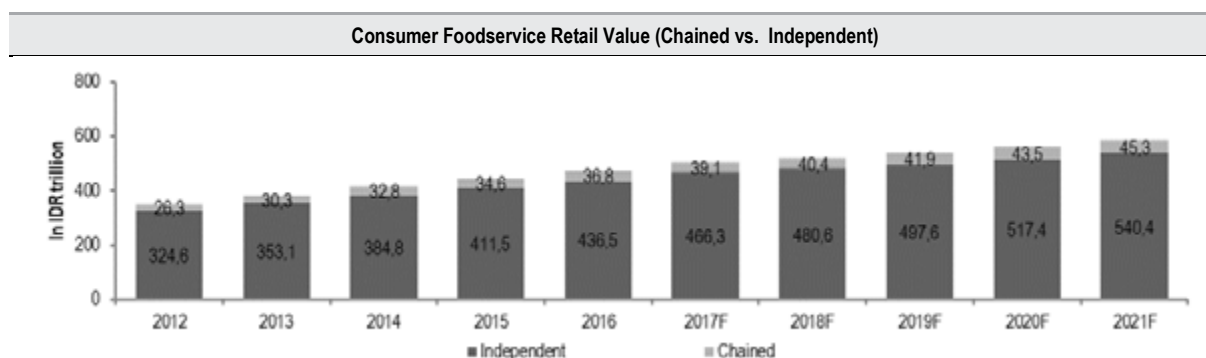
The consumer foodservice industry in Indonesia has grown moderately during the review period, owing to the country's stable economic growth and rising disposable income. More foodservice outlets have opened in the cities and consumers are dining out more, as reflected in the rising per capita expenditure on food. The industry grew at a CAGR of 7.8% from 2012 to 2016 in local currency terms, which is higher than the regional and global level industry growth. However, when measured in US dollars, it shows a contractionary trend. This can be attributed to the depreciation of Indonesian rupiah against US dollars during the review period. It is expected that consumer spending on food would increase steadily in the next few years as income level rises. During the forecast period, the consumer foodservice market in Indonesia is expected to grow at a faster CAGR of 8.6%.

Market Structure of Consumer Foodservice Industry in Indonesia

Independent Operators Dominate Consumer Foodservice

Indonesia's consumer foodservice market is fragmented, with a large number of operators. Independent players dominate consumer foodservice, with a value share of 92.2% and an outlet share of 93.0% in 2016. However, there are exceptions such as the chained full-service restaurant and chained pizza consumer foodservice categories which accounted for 83.1% and 72.3% of the total foodservice value respectively in 2016.

In general, the significance of chained outlets in the industry has been increasing, as the number of chained outlets grew at a faster pace than that for independent outlets during the review period. Chained outlets have the advantage of better economies of scale, and established brands enjoy higher consumer trust in the quality of their food and service. Hence, they are able to open new outlets and grow their market share more quickly than independent players.



Source: Euromonitor International Passport - Economies and Consumers, 2017 Edition

Note: F – Forecasted with Constant 2016 Prices

Market Overview of Chained Consumer Foodservice Industry in Indonesia

Strong Historical Growth but to Moderate in the Near Future

Chained consumer foodservice grew strongly in current value terms during the review period, registering a CAGR of 8.7%, reaching IDR36,798.9 billion in 2016. The two largest segments in chained consumer foodservice are fast food and full-service restaurants, which accounted for 48.3% and 32.6% of chained consumer food service retail value sales in 2016 respectively. The dominance of these two segments can be attributed to the presence of a number of large chained brands with a large number of outlets. Both chained full-service restaurant and chained fast food categories have benefitted from the rising trend of consumers eating out. Owing to the respectable performance of these two categories, during the review period, the chained consumer foodservice as a whole grew healthily. However, due to factors such as market saturation in Jakarta, logistical obstacles in regional expansion, etc., growth rates of most of the consumer foodservice categories in the next few years are expected to moderate.



Chained 100% Home Delivery/Takeaway Category Leading the Rest

The 100% home delivery/takeaway category registered the fastest CAGR of 21.8% in current value terms from 2012 to 2016. This is largely due to their growth from a small base as a result of rapid outlet expansion and adoption of food delivery services. Due to the rapid urbanisation, population concentration has increased in urban areas. However, the existing road infrastructure is insufficient to accommodate such influx of people, thus resulting in bad traffic condition and long travelling time. Given that more consumers are leading busier lifestyles, there is an increased adoption of food delivery services and takeaway to save time.

In addition, third party food delivery applications such as Go-Food and GrabFood facilitate the increasing consumption via the delivery format. These applications enter the market when consumers have become accustomed to making online bookings through mobile applications. A prominent example is Go-Jek, a popular ride-hailing platform in Indonesia where consumers can book their transportation. Third party food delivery applications leveraged on similar concepts as the popular ride-hailing platforms, and provided consumers with wide variety of food choices. The resulting one-stop shop experience that these mobile applications offer were well received by locals. The 100% home delivery/takeaway category is still considered a relatively small segment in the chained consumer foodservice industry. Considering the on-going urbanisation, growing income, as well as rising appreciation for convenience, this category is expected to be a bright spot in the near future, growing at a CAGR of 16.5% from 2017 to 2021 in constant prices terms.

Shrinking Chained Street Stalls/Kiosks Category

During the review period, the chained street stalls/kiosks category was the only one that is contracting. The category has suffered from competition from chained fast food and full-service restaurants, which are perceived to have better hygiene standards and offer a more comfortable dining environment. As consumers' income level increases, their expectations on food and hygiene standards increased too. Furthermore, Indonesian consumers, particularly the middle class and above are getting more health conscious. Food offered by chained street stalls/kiosks are generally perceived to be junk food or unhealthy snacks, and many are not considered as proper meals. On the other hand, independent street stalls/kiosks typically offer local delicacies such as ketoprak, siomay, bakso, etc. that are perceived to be healthier.

The Indonesian government has supported the development of regional culinary tourism as a means to improve regional incomes, attracting not only domestic tourists, but also foreign visitors. Local government would like to promote the unique regional delicacies or dishes to domestic tourists as there is a growing trend of domestic tourists travelling to various regions seeking to experience authentic local cuisines. Such trend has benefitted the independent street stall/kiosks operators and affected sales of the chained street stalls/kiosks operators. Hence, the chained street stall/kiosks category is not only losing customers who can now afford higher quality meals, but also the flow of revenue from tourism. In the forecast period, it is expected that this category will continue on its negative growth trajectory both in value terms and in number of outlets.

Market Size of Chained Consumer Foodservice by Retail Value – Indonesia, 2012-2021						
Unit: IDR billion (Current Prices)	2012	2013	2014	2015	2016	CAGR 2012 – 2016
Chained Consumer Foodservice	26,342.6	30,261.8	32,849.3	34,625.0	36,798.9	8.7%
- 100% Home Delivery/Takeaway	453.1	586.0	675.5	804.8	995.7	21.8%
- Full-service Restaurants	8,671.8	9,936.6	10,875.7	11,378.3	12,005.2	8.5%
- Fast Food	12,796.5	14,814.0	15,753.7	16,656.0	17,788.3	8.6%
- Street stalls/kiosks	2,050.6	2,077.7	2,129.6	2,045.4	1,953.4	-1.2%
- Others (collective)	2,370.6	2,847.4	3,414.8	3,740.4	4,056.3	14.4%
- Pizza Consumer Foodservice *	2,039.2	2,449.4	2,655.5	2,852.0	3,109.9	11.1%
Unit: IDR billion (Constant 2016 Prices)	2017	2018	2019	2020	2021	CAGR 2017 – 2021
Chained Consumer Foodservice	39,074.8	40,611.4	42,323.1	44,228.0	46,337.7	4.4%
- 100% Home Delivery/Takeaway	1,132.1	1,301.9	1,510.2	1,767.0	2,085.0	16.5%
- Full-service Restaurants	12,752.7	13,354.0	13,992.6	14,673.1	15,404.6	4.8%
- Fast Food	18,882.4	19,472.2	20,138.5	20,884.5	21,699.4	3.5%
- Street stalls/kiosks	1,911.7	1,835.2	1,769.1	1,712.5	1,664.6	-3.4%
- Others (collective)	4,396.0	4,648.0	4,912.7	5,190.9	5,484.1	5.7%
- Pizza Consumer Foodservice *	3,461.0	3,863.7	4,341.0	4,909.1	5,588.5	12.7%

Source: Euromonitor International Passport - Economies and Consumers, 2017 Edition

* Pizza consumer foodservice consists of two sub-categories (pizza full-service restaurants and pizza 100% home delivery/takeaway). These sub-sectors are already included in the total full-service restaurants and total 100% home delivery/takeaway categories.

Regional Analysis of Chained Consumer Foodservice Industry in Indonesia

Uneven Regional Development Led to Market Concentration in Greater Jakarta and Java Region

Indonesia is a nation that constitutes of a number of islands. Due to the challenges that such geographic condition poses, regional development has been uneven, resulting in various stages of market readiness. The greater Jakarta and Java Bali region have proved to be the hubs for chained consumer foodservice. These two regions accounted for at least 70% of total retail value of chained consumer foodservice in Indonesia, with some categories such as chained fast food, chained 100% home delivery/takeaway, chained cafés and bars categories approaching 90%.

Greater Jakarta Area – The Hotspot for Chained Consumer Foodservice

The greater Jakarta area is an important region in Indonesia for chained consumer foodservice, accounting for 50.1% of chained consumer foodservice retail value and 44.5% of outlet count in 2016. Due to its level of economic development, population density, international familiarity, and relative ease of doing business, the greater Jakarta area has been regarded as a popular hotspot for most chained consumer foodservice operators. Most chained foodservice operators would establish their national base in this region.

Its high urbanisation rate have fuelled the need for convenience, thus categories such as 100% home delivery/takeaway and fast food had performed well during the review period, achieving high CAGR of 20.3% and 9.1% from 2012 to 2016 respectively. The population living in this region are more exposed and receptive to international cultures and trends. The chained cafés and bars category is another high performer during the review period, growing at 14.7% annually as consumers embrace Western cultures of coffee drinking and using cafés as venues for meetings and other forms of social gatherings. The growing disposable income of the greater Jakarta region has also led to an increased frequency of dining out in restaurants. Hence, the size of the chained full-service restaurants category is the second largest sub-category of chained consumer foodservice in greater Jakarta area, trailing chained fast food. The greater Jakarta area is expected to grow at a slower rate due to higher market saturation and larger base size.

Chained Consumer Foodservice Retail Value – Greater Jakarta Area (in IDR billion)



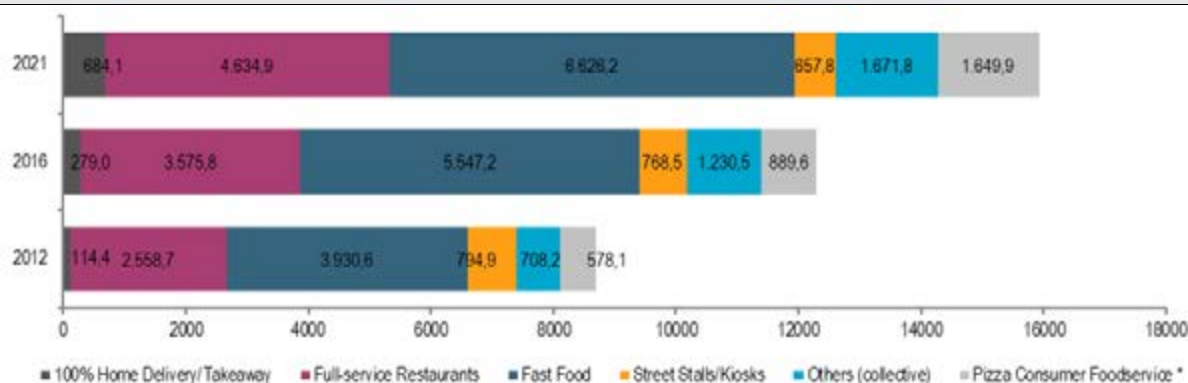
Source: Euromonitor International Passport - Economics and Consumers, 2017 Edition

Note: F – Forecasted with Constant 2016 Prices

Java Bali Area (Excluding Jakarta)– The Focus Area for Expansion in the Short to Medium Run

Representing 31.0% of chained consumer foodservice retail value and 33.8% of outlet count in 2016, the Java Bali area is regarded as an underserved market for chained consumer foodservice. Similarly to the greater Jakarta region, urbanisation in bigger cities such as Bandung, Malang, Yogyakarta, Semarang, Surabaya and Bali has contributed much to the high growth of the chained 100% home delivery/takeaway category during the review period, at a slightly higher CAGR of 25.0%. In fact, other than chained fast food, other categories have been growing faster than the greater Jakarta region, indicating the region's future growth potential for foodservice chains. Given the size of the region's population, popularity as a tourism spot, and relatively high economic development stage, chained consumer foodservice operators are expected to invest heavily in further penetrating this region in the forecast period, resulting in higher growth than the greater Jakarta area in some categories.

Chained Consumer Foodservice Retail Value – Java Bali Area (Excluding Jabodetabek) (in IDR billion)

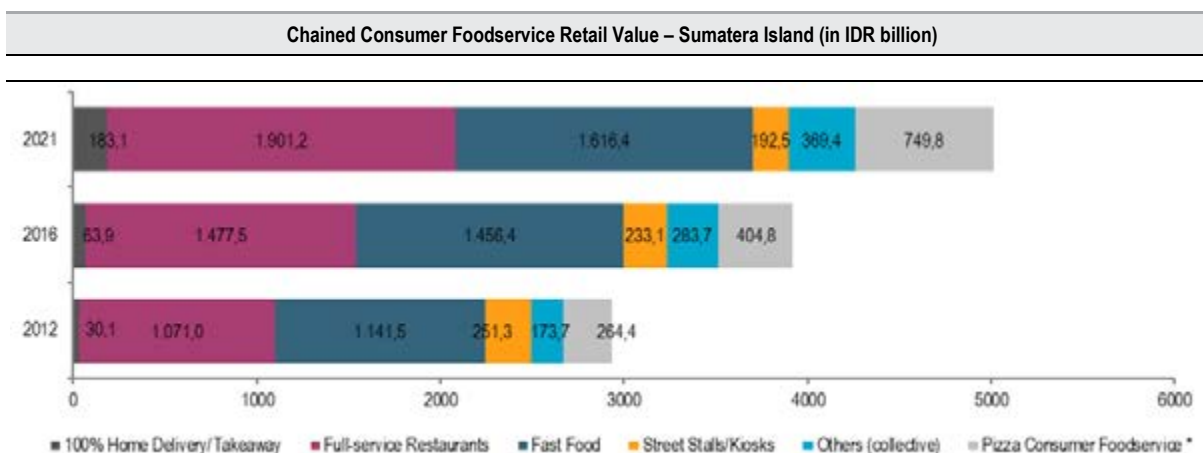


Source: Euromonitor International Passport - Economics and Consumers, 2017 Edition

Note: F – Forecasted with Constant 2016 Prices

Sumatera Island – Limited Potential Due to Prevalence of Independent Foodservice Players

The Sumatera Island contributes a significant share towards the Indonesia economy and has a sizeable population. However, due to the prevalence of independent consumer foodservice players in this region, the bulk of consumers' spending on food when they dine out, flows to the independent players. The preference of the local consumers for Indonesian cuisines contributed to this outcome. Furthermore, the propensity of eating out for households in this region is lower as there is a strong culture of home cooking. Besides the local characteristics and preferences described above, the growth of the chained consumer foodservice is believed to have been weighed down by the relatively slow economic growth of the region, caused by low commodity prices in recent years. As such the chained consumer foodservice industry of the Sumatera region only accounted for 9.6% of the retail value and 12.1% of the outlet count of Indonesia's chained consumer foodservice industry in 2016.



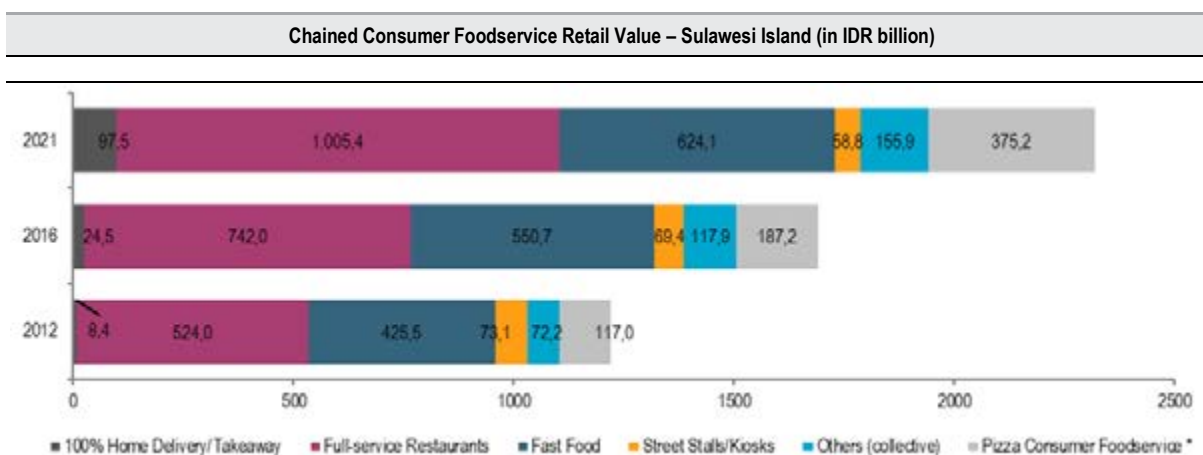
Source: Euromonitor International Passport - Economies and Consumers, 2017 Edition

Note: F – Forecasted with Constant 2016 Prices

Sulawesi Island – Opportunities Mainly in the Cities

During the review period, Sulawesi has been showing signs of great potential for the chained consumer food service industry. For instance, it has achieved the highest regional economic growth in Indonesia in recent years. Based on data from BPS, on average the region grew at about 7.2% annually from 2014 to 2017, with the mining industry, manufacturing industry, and electricity and gas industry driving growth. For several years Sulawesi has been regarded as the business hub for Eastern Indonesia. Due to strong economic performance, a few categories such as 100% home delivery/takeaway and full-service restaurants have recorded high CAGR of 30.6% and 9.1% from 2012 to 2016 respectively. The lacking infrastructure of the region, smaller population size and lower population density had limited the appeal and feasibility of outlet expansion for the chained fast food operators.

With continuous economic and infrastructure development such as the construction of the Makassar New Port, the Sulawesi region is expected to achieve higher than average growth for the chained consumer foodservice industry as a whole, growing at a CAGR of 4.8% from 2017 to 2021 in real value terms. However, improvements on regional connectivity requires time, not to mention the high presence of independent consumer foodservice providers in this region. Thus short term to medium term growth potential is expected to remain in more developed cities such as Palangkaraya and Makassar.

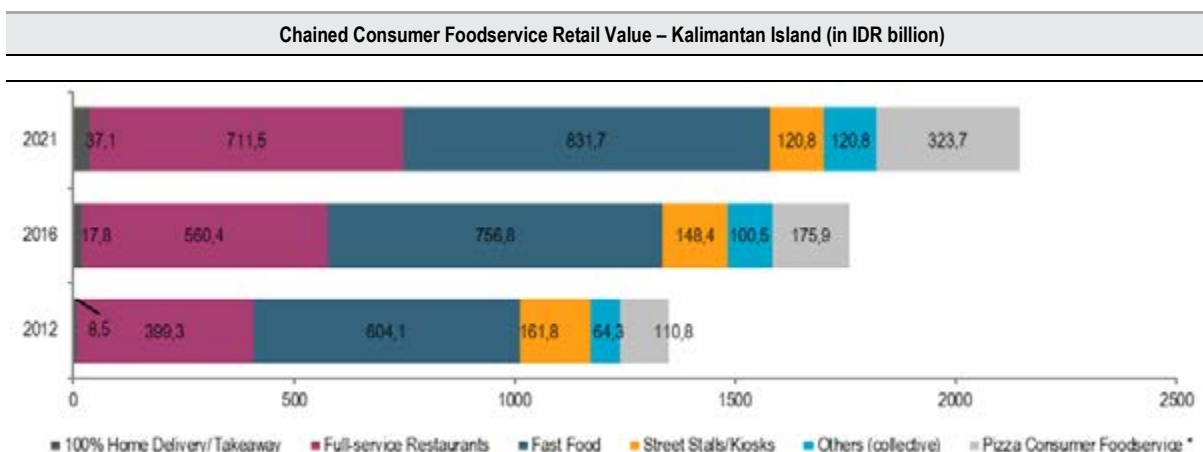


Source: Euromonitor International Passport - Economies and Consumers, 2017 Edition

Note: F – Forecasted with Constant 2016 Prices

Kalimantan Island – Weak Prospect Due to Subpar Economic Performance and Poor Connectivity

The chained consumer foodservice industry's penetration in Kalimantan has been minimal, as the region only accounts for 4.3% of the total retail value and 5.5% of total outlet count. Multiple factors have contributed to the current situation and one of them is the subpar economic performance of the region caused by high reliance on commodity exports such as oil and gas products. Based on data from BPS, Kalimantan had recorded the slowest regional economic growth in the past three years, growing at a rate of 2.3% annually on average from 2014 to 2017. As such, consumers' expenditure on food and growth in frequency of dining out were affected. However, the chained full-service restaurant category had performed well. The dine-in concept of these chains proved popular in this region, and demand was growing during the review period. This applies to the chained pizza full-service restaurant sub-category as well. Due to the limited number of chained full-service restaurants in Kalimantan, the rise in demand and acceptance contributed to relatively higher growth rates in this category.



Source: Euromonitor International Passport - Economies and Consumers, 2017 Edition

Note: F – Forecasted with Constant 2016 Prices

Eastern Indonesia – The Last Frontier for Expansion in the Long Run for Established Brands

The Eastern Indonesia region is the least penetrated region for chained consumer foodservice operators as it only accounted for 1.0% of total retail value and 1.0% of total outlet count. Chained consumer foodservice operators face multiple challenges when considering to expand into this region. Due to the poor infrastructure in this region, sourcing for raw materials becomes an issue, driving ingredient prices up. Furthermore, per capita spending on food in this region is one of the lowest and its population size and density are rather low as well, rendering it to be a difficult market to enter. That said, for major brands that are able to navigate through the challenges that the market presents, the region's growth is not necessarily poor. As a whole, the chained consumer foodservice industry grew slightly below average from 2012 to 2016. However, the chained 100% home delivery/takeaway, chained full-service restaurants, and chained pizza consumer foodservice sub-categories achieved higher than average growth during the same period. It is likely that much of this is due to the small base size of the market.

A number of established chained consumer foodservice operators are eyeing to further expand into this relatively untapped region. Hence, future growth is expected to be coming from the improved accessibility to the various chains serving previously unserved demand. It should also be noted that consumer income in this region is still low, and infrastructure development in Eastern Indonesia is slowly taking place. Hence, the region is expected to truly take off after the forecast period, while remaining to be rather small scale in the short to medium term.



Source: Euromonitor International Passport - Economies and Consumers, 2017 Edition

Note: F – Forecasted with Constant 2016 Prices



Developments in Chained Pizza Consumer Foodservice Category

Chained Pizza Full-Service Restaurant a Sizeable Segment Amongst Others

Chained pizza full-service restaurant is a significant segment with 17.6% value share of chained full-service restaurants, as well as 18.9% of outlets in 2016. This puts the pizza sub-category third in the broader chained full-service restaurant category, behind Asian full-service restaurant and North American full-service restaurant. The popularity of chained pizza full-service restaurants can be attributed to consumers' growing acceptance of Western cuisine and the relatively affordable prices of pizza meals especially under the circumstances of sharing.

Chained Pizza Full-Service Restaurant to Maintain Its Pace of Growth Moving Towards Maturity

During the review period, chained full-service restaurants recorded a healthy CAGR of 8.5% in current value terms. Its growth can be attributed to expansion of chained outlets, which is supported by steady population growth and the rising number of urban consumers eating out. Pizza Hut is the dominant player in this segment. During the review period, Pizza Hut undertook aggressive outlet expansion as it moved into smaller cities in Java as well as outside of Java. It invested in mass media advertising campaigns, particularly television advertising, to promote its latest offerings. It also launched breakfast menus, which are available only in handful of outlets, mainly in standalone locations, with outlets opening as early as 6am. Having been in the Indonesian market for more than three decades, although chained pizza full-service restaurant has not reached maturity, it is a familiar dining concept in Indonesia. As major players such as Pizza Hut continues to expand and innovate, growth for this sub-category is expected to be relatively stable in the coming years.

Table 4 Market Size of Chained Full-service Restaurants by Retail Value – Indonesia, 2012-2021

Unit: IDR billion (Current Prices)	2012	2013	2014	2015	2016	CAGR 2012 – 2016
- Full-service Restaurants	8,671.8	9,936.6	10,875.7	11,378.3	12,005.2	8.5%
- Pizza	1,586.1	1,863.4	1,980.0	2,047.2	2,114.3	7.4%
- Asian	3,821.1	4,336.9	4,935.0	5,063.0	5,280.7	8.4%
- European	322.3	341.6	372.1	391.1	411.2	6.3%
- North American	1,685.1	1,948.9	2,005.0	2,088.7	2,214.0	7.1%
- Others (collectively)	1,257.2	1,445.8	1,583.6	1,788.3	1,985.0	12.1%

Source: Euromonitor International Passport - Economics and Consumers, 2017 Edition

Strong Demand for Pizza in Asia

Pizza consumer foodservice in Asia has shown strong growth in recent years. With increased acceptability of Western cuisines as well as rising income level, the demand for pizza is on an upward trend in Asia. Asia Pacific as a whole was growing faster than global growth from 2012 to 2016. It can be seen from the table below that China, India, and other Southeast Asia countries have recorded moderate to high growth during the same period. To cater to the growing demand a few pizza chains have been listed in some of the Asian stock exchange lately. They include Shakey's Pizza in Philippines as well as Domino's Pizza in India.

Regional and Global Market Size of Pizza Consumer Foodservice, Historic (2012 – 2016)

	Unit:	2012	2013	2014	2015	2016	CAGR 2012-2016
World	USD million	134,849.00	138,994.10	140,245.10	129,900.00	130,904.00	-0.70%
Asia Pacific	USD million	8,722.30	9,184.00	9,832.50	10,010.40	10,379.80	4.40%
China	CNY million	13,342.60	15,909.90	18,975.70	21,016.90	22,456.70	13.90%
India	INR million	33,767.70	40,498.20	47,900.30	60,434.40	71,015.50	20.40%
Malaysia	MYR million	714	749.9	768.7	837.8	848	4.40%
Philippines	PHP million	414,930.30	437,841.20	469,361.90	502,186.10	535,982.10	6.60%
Indonesia	IDR billion	4,000.00	4,515.50	4,929.90	5,297.20	5,757.50	9.50%

Source: Euromonitor International Passport - Economics and Consumers, 2017 Edition

Background of Domino's Pizza Listing in India

Domino's Pizza, an American pizza restaurant chain, has expanded rapidly overseas. Currently it operates 14,400 stores in more than 85 countries around the world. India is one of the fastest growing countries for the brand, as it overtook the UK to become the chain's largest market outside the US in December 2014. Jubilant FoodWorks Limited, an Indian company based in Noida, Uttar Pradesh, holds the master franchise for Domino's Pizza in India, Nepal, Sri Lanka and Bangladesh. Since the first Domino's Pizza opened in New Delhi in 1996, its store network has grown to 1,125 stores in 264 Indian cities as of July 2017. Domino's Indian franchises have adapted to local consumer preferences emphasizing vegetarian options and boosting spiciness. It also popularized the 30-minute doorstep delivery assurance, catering to consumers' demand for convenience.

On 18th January 2010, Jubilant Foodworks opened an IPO for subscription at an issue price of INR135 to INR145. The IPO was oversubscribed 30.68 times, as on the final day of the issue on 20th January 2010. It received bids for 60.16 crore shares as against 1.96 crore shares on offer.

Pizza has gained popularity among Indian consumers, driven by a surge in consumerism, growth in income, increase in women employment, shift in lifestyle and eating patterns, and greater accessibility of chained outlets. The Indian pizza consumer foodservice market is dominated by Jubilant Food Works and Yum! Brands who own Domino's and Pizza Hut respectively. Franchisors of these chains plan to significantly expand their presence across smaller cities because they have recognized a tremendous growth opportunity in these areas as middle class population is growing appreciation for pizza. Similar to Indonesia, India has a large base of young consumers that will drive the future growth of pizza consumer foodservice.



Shakey's Pizza Listing in Philippines

Shakey's Pizza Asia Ventures Inc., the master franchisee for Shakey's in the Philippines, is the market leader in both chained pizza full-service restaurant and chained full-service restaurant in the Philippines. Having started its first store in Metro Manila in 1975, the company now operates nationwide with a network of 189 stores, comprising of 114 company-owned stores and 75 franchised stores, and its store network has continued to grow. Its target market consists of middle and high income consumers that prefer full dining restaurants over fast-food outlets. In December 2016, the company listed its shares at PHP11.26 per share, which was priced at the top end of the indicative range. With this IPO price, it could raise as much as PHP3.96 billion in proceeds from the sale of 351.9 million common shares. The IPO was well-received, as investors were familiar with the brand and are optimistic about the future growth of the pizza industry in the country.

The company is optimistic of its growth potential, given the popularity of pizza in the Philippines and the country's growing economy. With the proceeds from its IPO, the company has expanded aggressively, adding 24 new outlets in 2017, with plans to open 20 more in 2018. Moreover, it plans to expand its outlet network to the range of 250 to 300 in the next three to five years.

Consumer Trends in Indonesia

Consumers are Embracing Healthier Diet

The growing health consciousness among Indonesian consumers, particularly in the middle to higher income group is one of the recent developments in the consumer foodservice industry. Consumers increasingly take into consideration the food ingredients and cooking methods when they decide which cuisine type or consumer foodservice outlet to go for. For example, some consumers may favour Japanese dishes that use healthy ingredients, such as fish and tofu over Western cuisines that tend to be on the oily side. This trend not only is applicable to food, but also beverages. The phenomenal growth of the chained juice/smoothie bars subcategory is a testament to that, as it grew at a CAGR of 59.7% from 2012 to 2016 in current value terms.

Convenience is Increasingly Being Appreciated by Consumers

As consumers' lifestyle changes and income level rises due to urbanization and continuous economic development, convenience has become more attainable and appreciated by consumers. Consumers are eating out more often rather than cooking at home. Home cooking has traditionally been practiced by mothers in households. However, as women employment is on the rise, a new generation of young families are resorting to other options as they bring much convenience and save time. Female employment rate grew from 48.8% 2012 to 50.0% in 2016, resulting in a CAGR of 2.1% for employed female in the country during the same period. In addition, the growing demand for convenience is being capitalized by third party food delivery applications in recent years. Despite the fact that consumers are required to pay a fee when they order food via the applications, this sales format flourished in recent years, indicating the growing willingness to pay for convenience in Indonesia.

Online Platforms and Social Media are Key Sources of Information

According to the International Telecommunication Union (ITU), the percentage of individuals using the Internet in Indonesia has increased from 14.5% in 2012 to 25.4% in 2016. As the country consists of thousands of islands, fixed broadband network infrastructure development has been costly and slow. However, there is also a rapid adoption of smartphones in the country, and consumers are able to gain access to the Internet through their connected mobile devices. This has fueled the growth of social media usage in the country. Consumers now frequently share about their dining experiences with their friends and families on social media platforms such as Facebook and Instagram. Food review websites have also gained popularity as consumers will seek out reviews of the foodservice outlets before deciding whether to patronize them.

As a result of this trend, consumers' expectations for foodservice operators have risen. This is especially applicable to chained consumer foodservice operators where high degree of consistency is expected. This also holds the foodservice operators more accountable in terms of service standards, dining environment, food quality, and other aspects. At the same, this presents an increasingly important platform for operators to engage with their consumers, in particularly fast food chains due to the younger consumer base. A number of prominent fast food players in Indonesia such as KFC, HokBen, J Co Donuts & Coffee, Sour Sally, Burger King and Krispy Kreme have created their own Facebook, Instagram and Twitter accounts as part of their regular marketing strategies. Other than announcements of new menu items, outlet locations, consumers could also find promotions, discounts and deals on social media platforms.

Consumers are Value Seeking in Nature

Despite the growth in income levels, the vast majority of consumers remain price sensitive. Promotions and special deals are regularly introduced by foodservice operators to generate buzz and to induce consumer patronage. Social media platforms are becoming avenues to satisfy such value seeking behavior due to its real-time nature.

Consumers are Placing Increasing Importance on Experience when Dining

As standard of living improves in the country, dining is serving less of the purpose of satisfying hunger and gaining nutrition. The experience that is part of the dining process is becoming more important to consumers. This trend is supported by the change of consumer lifestyle. There is a growing trend of consumers seeking out interesting eateries online to dine with their friends and families. Hence, the ambience of the venue, service level, interior decoration, presentation of food, etc. have become more important to consumers. Due to intensifying competition, foodservice operators have been investing much in this area. For instance, providing babies' corners as well as playgrounds for children with various educational games, offering interactive video games for consumers to play while waiting for their orders to be served, and holding 'watching together' events for televised live football matches, etc.



Market Drivers

Rising Disposable Income Enabling Higher Consumer Spending on Food

Indonesian consumers are generally dining out more often, due to higher disposable income and a gradual shift in lifestyle, especially among urban consumers. Indonesia has one of the world's fastest growing middle class consumer segments who are willing to spend more on discretionary items, such as dining out, travel and other leisure activities, in order to enjoy a better quality of life. The culture of dining out is also changing, as consumers become more affluent, sophisticated and busier. In the past, it used to be mainly reserved for special occasions. In recent years, dining out has become more common for various purposes, such as social gathering, family bonding, informal business meetings, etc.

Urbanization play a vital role in this trend. As women are increasingly participating in the workforce, dining out or ordering takeaways are convenient alternatives to the busy urban dwellers. This is particularly prominent among the new generation of young households in Indonesia. Overall, the rise in per capita spend on food accompanied by the higher frequency of eating out are expected to boost both foodservice transactions and value of chained consumer foodservice industry.

Menu Innovation and Diversification by Chained Foodservice Operators

The chained consumer foodservice industry has been boosted by a proliferation of new menu offerings during the review period, as operators adopt a menu diversification strategy to spark consumer interest in an intensely competitive market. This is especially so in the chained fast food category where some brands have even diversified their menu from their core products. For example, in 2016 McDonald's developed its new non-burger menu, including a roasted sesame tori rice bowl. Furthermore, chained café brand, Starbucks introduced non-coffee drinks under the name Starbucks Teavana during the year; and D'Cost Seafood launched a non-seafood menu during 2016, including items such as fried chicken fillet in Oriental and Mongolian sauces. Consumers are becoming more cosmopolitan and willing to try out new food items. In an increasingly competitive business environment, where consumers now have more food choices than ever before, menu innovations by the various chained foodservice operators will allow the chains to stay relevant and to sustain their appeal to the consumers in the coming years.

Aggressive Marketing Campaigns Fuel Foodservice Consumption

Other than introducing new menu items to spark consumer interest to patronize foodservice chains, operators are frequently announcing discounts and promotional deals to induce consumer spending. Social media platforms have been utilized for such purposes. Furthermore, some chained cafés and full-service restaurants such as Starbucks, Hard Rock Café, and Pizza Hut have co-branded with credit card issuers, offering discounts and deals for customers using the relevant credit cards to settle their bills. Due to the value seeking nature of the Indonesia consumers, and the shifting lifestyle trend, such strategies have been effective for the industry as a whole. As competition level rises, chained foodservice operators are expected to continue the above practices, thus, boosting the industry's growth.

Expansion of Chained Foodservice Distribution Network

As the foodservice market landscape in the big cities are getting increasingly crowded, chained foodservice operators are eyeing for the 3rd and 4th tier cities as their next expansion targets. Operators' profit margins in the major cities have been eroding as market saturation rises and operating costs in the major cities, such as rental and labour have been on the rise. As such, there is a trend of established brands seeking to expand into the lower tier cities with standalone outlets rather than in shopping malls. The need for well-known brands to be situated in a high consumer traffic volume area is lower as they are able to leverage on their existing brand equity to attract consumers to their outlet. Moreover, with the rise of third party food delivery applications, major foodservice operators find this as a sound expansion model for their brands.

The Java island (excluding Jakarta) is deemed to be the key focus for outlet expansion in the next few years. Due to its size and growing consumer buying power, chained foodservice operators still think that it remains an underserved region. However, as government initiatives to improve the country's infrastructure such as the Sea Toll Road program materializes, healthy growth can be expected from the Eastern Indonesia region in the long run. The expansion of outlets is expected to capture underserved demand mostly in the less developed region, thereby boosting industry growth. That being said, some chained consumer foodservice types are expected to benefit more than others. For instance, chained fast food, cafés and bars stand to benefit the most, as ease of access and convenience are key contributors of consumption for these categories.

Market Constraints

Underdeveloped Infrastructure Inhibit Outlet Expansion

Poor infrastructure has been a key constraint for the consumer foodservice chains to expand into certain regions of Indonesia. The country constitutes of thousands of islands. Despite increased government spending on infrastructure development, Indonesia's infrastructure development remains uneven across the country. The World Bank estimates that the country would need USD500 billion in investments over the next five years to close the existing infrastructure gap. Poor connectivity in the Eastern region of the country has led to high raw materials prices and complex logistical challenges, creating major obstacles for foodservice chains to venture into the region. Thus, as long as the infrastructure gap still exist, limited growth can be expected in the Eastern region.



Rising Consumer Health Consciousness a Growth Constraint to Some Categories

Along with the country's improving standard of living, consumers are found to be increasingly health conscious. This could be an impediment to categories such as chained fast food, pizza consumer foodservice, 100% home delivery/takeaway, and street stalls/kiosks as these categories generally are associated with junk food and unhealthy eating. It is expected that a growing segment of the middle to upper income group would reduce their patronage frequency in the above foodservice categories in the forecast period.

Barriers of Entry

High Competition Level in Major Cities as a Result of Logistics Challenges in Other Regions

Major cities such as Jakarta, Bandung, Surabaya, etc. in Java tend to be the start-up bases for new entrants largely because of the logistics challenges they face in other regions, and the attractiveness of the market. Examples of such challenges include lack of access to suppliers and shortage of transport infrastructure. This has resulted in intense competition not only among chained foodservice operators, but also among the independent players in the major cities.

A competitive edge of foodservice chains is that they enjoy economies of scale once they reaches a certain scale. However, the presence of strong incumbents in the industry made it difficult for new entrants to build up a sizeable customer base. For example, Pizza Hut is synonymous to pizza in Indonesia, occupying top-of-mind space of consumers when it comes to pizza consumption. The same applies to other major chains such as KFC, McDonald's, and Starbucks, who are well known for their respective categories. New entrants will need to invest substantial amount of resources on marketing and branding to entice initial trials by the local consumers. Hence, this presents a huge barrier for new entrants that do not have strong financial backing.

Many new entrants resort to aggressive price discounts and promotional deals in hope to gain market share. However, this strategy against the backdrop of increasing operating cost in the major cities has eventually led to their demise. Furthermore, such strategy does little to help new entrants cultivate brand loyalty as it fuels the value seeking behavior of the consumers. Consumers are likely to stop returning when the promotions stop.

Compatibility With Local Palate

Another major barrier is the compatibility of the new entrant's food with the local palate. Indonesia is a diverse country with more than 300 ethnic groups and taste preference could differ much from one region to another. Therefore, this could be a barrier when new entrants intend to expand outside of the major cities. Although consumers are increasingly putting more emphasis on experiences and convenience. Ultimately, the primary condition for a successful foodservice provider is that the food needs to be taste good to consumers. Developing a locally relevant food menu is a continuous process that requires investment of time and other resources. This is a major challenge that the incumbents have a higher chance in overcoming as they have invested much resources in research and development to create new menu items and to refine existing ones to reach where they are now.

Competitive Landscape

Chained Consumer Foodservice Dominated by International Brands

The chained consumer foodservice industry is dominated by major international brands. The top three players in the chained consumer foodservice have remained unchanged in the review period, with their market position cemented through high adaptation to local demand, extensive outlet network, aggressive marketing and well-established brands. They are PT Fast Food Indonesia Tbk (master franchisee for KFC), PT Rekso Nasional Food (master franchisee for McDonald's), and PT Sarimelati Kencana (master franchisee for Pizza Hut).

Consistent with the overall market size trend, the top two players are from the chained fast food category. On the other hand, the third and fourth (PT Mitra Adi Perkasa Tbk) top players are leaders in their respective categories, while PT Eka Bogainti (brand owner of HokBen) is the only local company in the top five. The top five companies accounted for 36.7% of chained consumer foodservice industry value in 2016, up from 34.4% in 2012. This indicates that large players have managed to consolidate their market position over the years. As such, the smaller players will find it increasingly difficult to compete with these major players.

Leading Players Maintain Market Positions through Continuous Innovation, Aggressive Marketing and Strategic Outlet Expansion

A common observation from the leading companies in the chained consumer foodservice industry is that their brands are continuously innovating. This not only applies to product innovation, but business model as well. PT Fast Food Indonesia Tbk is the master franchisee for the KFC brand in Indonesia. The success of its recently-launched sub-brand, KFC Box contributed to its strong performance. KFC Box outlets are designed to have smaller selling space compared to the regular KFC outlets and they sell menu items at slightly lower prices. Furthermore, KFC had launched several new menu items in 2016, including Hot & Cheesy Chicken, Creme Cheesy Float, Fun Fries KFC and Happy Sundae to spark consumers' interest in the much familiar brand. During 2016, there were several new product launches by McDonald's as well, including Beef Teriyaki Tamago Burger, Roasted Sesame Tori Rice Bowl and several desserts. Pizza Hut had new launches in 2016 too, such as Frankfurter Jalapeno Pizza, Chicken Royale and Berry Breeze.



Managed by PT Sarimelati Kencana is the Pizza Hut brand in Indonesia. For many years, Pizza Hut had been synonymous to the pizza food category due to its first-mover advantage and aggressive above the line advertising. The association of the brand with pizza was regularly reinforced by TV commercials, radio broadcast, and newspaper advertisements. Similarly, McDonald's and KFC are strongly associated with burgers and fried chicken respectively.

Having a wide network of outlets is another common trait observed from the leading companies. For instance, KFC, KFC Coffee, dan KFC Box has over 650 outlets, McDonald's and McCafé has over 200 outlets, and Pizza Hut and Pizza Hut Delivery has over 390 outlets across Indonesia in 2017. Most if not all of the outlets of these major brands are in the country are currently owned by the master franchisees. This allows for higher control for service consistency across all the outlets. Furthermore, these brands are eyeing to expand further into smaller cities and less developed regions in Indonesia such as the Eastern region. In the slightly more developed cities, establishing standalone outlets and relocation of existing ones to more strategic locations seem to be the preferred expansion format to these major brands. The wide network of outlets brings economies of scale to the brands, while the extensive outlet network at strategic locations allows the brands to capture the growing consumer expenditure on food more effectively.

Ranking of Leading Chained Consumer Foodservice Providers in Indonesia by Retail Value, 2012 - 2016					
Unit: Ranking	2012	2013	2014	2015	2016
PT Fast Food Indonesia Tbk	1	1	1	1	1
PT Rekso Nasional Food	3	3	2	2	2
PT Sarimelati Kencana	2	2	3	3	3
PT Mitra Adi Perkasa Tbk	5	5	4	4	4
PT Eka Bogainti	8	8	8	5	5

Source: Euromonitor International Passport - Economies and Consumers, 2017 Edition

Highly Consolidated Chained Pizza Consumer Foodservice Industry

The chained pizza consumer foodservice market is highly consolidated with only a few brands. The lion's share of the market is captured by Pizza Hut and Pizza Hut Delivery, which are managed by PT Sarimelati Kencana. There is a significant gap between the market position of Pizza Hut and other brands such as Domino's Pizza by PT Dom Pizza Indonesia, Papa Ron's by PT Eatertainment Indonesia and PizzaExpress by PT Mitra Adi Perkasa Tbk. The ranking of the top four leading players have remained unchanged during the review period, indicating the strong grasp on the market that the market leader currently has.

Ranking of Leading Chained Pizza Consumer Foodservice Providers in Indonesia by Retail Value, 2012 - 2016					
Unit: Ranking	2012	2013	2014	2015	2016
PT Sarimelati Kencana	1	1	1	1	1
PT Dom Pizza Indonesia	2	2	2	2	2
PT Eatertainment Indonesia	3	3	3	3	3
PT Mitra Adi Perkasa Tbk	4	4	4	4	4

Source: Euromonitor International Passport - Economies and Consumers, 2017 Edition

Company SWOT Analysis

Strengths

After being introduced for more than 30 years, Pizza Hut has successfully built high brand awareness and brand equity among Indonesian consumers, sustaining its first mover advantage and command a significant market share to date. As the leading brand in the market with an extensive network of outlets, the brand not only enjoys economies of scale in terms of raw material sourcing, but also for expansion purposes. In particular, the strong presence of Pizza Hut restaurants throughout Indonesia provides a strong foundation for the expansion of other concepts such as PHD, Kitchen by Pizza Hut, etc. to the 3rd and 4th tier cities in the future. PT Sarimelati Kencana has a nimble management team with strong shareholder support. The management team is forward looking and is regularly introducing innovative initiatives to cater to the evolving consumer needs. Together with the support of the company's shareholders, the management team is able to respond to market movements swiftly.

The vertical integration strategy implemented by PT Sarimelati Kencana is another competitive edge of the company. For example, the Company owns in-house commissaries and factories for dough, sausages, and pasta. Through its affiliate, PT Sriboga Flour Mill, the Company also has significant control over flour production. In addition, the Company also has a competitive advantage in terms of logistics compared to its competitors as the Company has in-house capabilities to execute its logistic activities. PT Sarimelati Kencana owns several distribution centers equipped with dry warehouses and frozen warehouses, and delivery trucks that can be deployed to various regions across Indonesia. By implementing its vertical integration strategy, the Company is able to have higher control over cost, quality standards and consistencies of its main raw materials. Moreover, having higher control over the speed, and flexibility of a key ingredient's production line could help the company to better deal with sudden shocks and emergency situations.

Weaknesses

The company acknowledge the insufficiency of their current IT system as one of its weaknesses, particularly in areas of procurement and inventory management. The company has grown much to reach where it stands currently. While its IT systems have served the company well in the past, they are due for an upgrade. The company is working towards a better integrated procurement system to improve organizational efficiency. In addition, as a result of continuous menu innovations and diversifications, Pizza Hut's menu has become too extensive and require more efficiency.



The company's expansion plan is currently limited by the number of management personnel that it can produce. In anticipation of bottle neck, the Company organizes accelerated management training programs known as "Fast Track" to overcome this issue. At present, the Company has more than 1,000 group 3 (group 3 refers to "crew trainers") with education level of High school and above. They will be trained by the accelerated training programs and are expected to ultimately become Managers. In addition, Indonesia's current demography provides extensive pool talent to recruit and train employees. Although finding and training managers pose a significant challenge, the Company believes that such challenge can be managed by continuously investing additional resources. PT Sarimelati Kencana Tbk plans to add approximately 100 qualified members to the Company's operational management team per year in order to support the Company's future growth.

Opportunities

As major cities are becoming more crowded, PT Sarimelati Kencana sees opportunities for expansion in underpenetrated 2nd, 3rd, and 4th tier cities in Indonesia. Fostering an IT driver business model and culture is another focus area for the company. In order to remain relevant in the industry, SMK intends to further improve on its mobile application and digital point-of-sales systems. Furthermore, the company sees potential in venturing into other foodservice concepts such as cafeteria/ food court/ kiosks in companies, educational institutions, or even public transportation stations.

Threats

The pro-business stance of President Joko Widodo has resulted in a period of stable economic growth with the introduction of relatively sound policies and regulations. However, regulatory changes in the country can be unpredictable at times, and could potentially be major threats to PT Sarimelati Kencana.

Another threat observed by PT Sarimelati Kencana comes from the intensifying competition in the chained consumer foodservice industry due to the attractiveness of the Indonesian market. Many new entrants with strong financial support from large multinational companies, venture capital funds are entering the market with the willingness to incur significant financial losses at initial stage to acquire market share. Such practice is unhealthy for the development of the industry as a whole and could affect the company in the long run.

THE COMPANY'S MANAGEMENT HEREBY REPRESENTS THAT THERE ARE NO SIGNIFICANT TRENDS IN PRODUCTION, SALES, INVENTORIES, EXPENSES AND SALES PRICE SINCE THE LAST FISCAL YEAR THAT MAY AFFECT THE COMPANY'S BUSINESS ACTIVITIES AND FINANCIAL PROSPECTS, OTHER THAN THE RISK FACTORS THAT ARE BEYOND THE COMPANY'S CONTROLS AS DISCLOSED IN THE RISK FACTORS CHAPTER.

EVERY TREND, UNCERTAINTY, DEMAND, COMMITMENT, OR EVENT THAT ARE KNOWN TO POTENTIALLY HAVE SIGNIFICANT IMPACT ON NET SALES OR REVENUE, OPERATING INCOME, PROFITABILITY, LIQUIDITY OR SOURCE OF CAPITAL, OR ANY EVENT, WHICH MAY CAUSE THE REPORTED FINANCIAL INFORMATION TO BECOME UNRELIABLE INDICATION OF FUTURE OPERATING RESULTS OR FINANCIAL CONDITION, HAVE BEEN DISCLOSED AS RISK FACTORS BEYOND THE COMPANY'S CONTROL, AS DISCLOSED IN THE CHAPTER ON RISK FACTORS.



IX. EQUITY

The following table presents the Company's equity based on the Company's statements of financial position as of December 31, 2017, 2016, and 2015.

The following table presents the equity of the Company, which figures are derived from the Company's financial statements and supplementary information as of December 31, 2017, 2016, and 2015. The Company's financial statements as of December 31, 2017, 2016, and 2015, and for the years then ended, have been audited by the Registered Public Accountant Purwantono, Sungkoro & Surja, an independent auditors', which expressed an unmodified opinion on the fairness of the Company's financial statements in its independent auditors' report dated April 9, 2018, which was signed by Agung Purwanto (Public Accountant Registration No. AP.0687). The Registered Public Accountant Purwantono, Sungkoro & Surja's independent auditors' report includes Other Matter paragraph regarding the purpose of issuance of the audited financial statements.

EQUITY	December 31,		
	2015	2016	2017
Capital stock - Par Value of Rp100 per share on December 31, 2017 and Rp1,000,000 per share on December 31, 2016 and 2015			
Authorized - 9,000,000,000 Shares on December 31, 2017 and 20,000 share on December 31, 2016 and 2015			
Subscribed and fully paid - 2,417,500,000 shares on December 31, 2017 and 5,750 share on December 31, 2016 and 2015.	5,750,000,000	5,750,000,000	241,750,000,000
Retained Earnings			
Appropriated for general reserve	1,150,000,000	1,150,000,000	1,150,000,000
Unappropriated	292,094,725,163	354,522,554,412	173,846,527,703
Remeasurement of employee benefits liabilities - net of deferred tax	(11,733,534,189)	(22,841,740,509)	(47,050,369,750)
TOTAL EQUITY	287,261,190,974	338,580,813,903	369,696,157,953

Up to the date of issuance of this Prospectus, there are no changes to the Company's capital structure and shareholding composition.

Presented below is the Company's proforma equity as of the date of publication of this prospectus after taking into account the effect of this Share Initial Public Offering:

TABLE OF PROFORMA EQUITY AS OF DECEMBER 31, 2017

Share Initial Public Offering of 604,375,000 ordinary registered shares having a nominal value of Rp100 per Share at an Offer Price of Rp1,100 per Share, and reclassification of shares paid in advance to issued and paid-up capital in the amount of Rp60.437.500.000 .

Assuming the changes to the Company's equity as a result of the Share Initial Public Offering to the Public had occurred on December 31, 2017, the Company's proforma capital structure as of such date shall be as follows:

Description and Information	Statement of Equity based on the statement of financial position as of December 31, 2017	(In millions of Rupiah, except for number of shares and Offer Price)	
		Changes in equity subsequent to December 31, 2017, assuming that the following had occurred on such date: 604,375,000 (six hundred four thousand three hundred seventy five thousand) ordinary shares with nominal value Rp100,- per share and offer price Rp1,100,- per share	Proforma Equity as of December 31, 2017, subsequent to the Share Initial Public Offering
Issued and Paid-Up Capital	241,750,000,000	302,187,500,000	543,937,500,000
Retained Earnings			
Appropriated for general reserve	1,150,000,000	-	1,150,000,000
Unappropriated	173,846,527,703	-	173,846,527,703
Remeasurement of employee benefits liabilities - Net of deferred tax	(40,050,369,750)	-	(40,050,369,750)
Total Equity	369,696,157,953	302,187,500,000	678,883,657,953



X. DIVIDEND POLICY

In accordance with prevailing laws and regulations in Indonesia and the Company's Articles of Association, the Company's net profit may be distributed as dividends to Shareholders after the statutory reserves required by law have been established. Dividend distribution must be approved by the Shareholders through an Annual GMS resolution based on the Company's recommendations.

The Company's management plans to establish a policy to distribute cash dividends up to a maximum sum of 50% (fifty percent) of the Company's net profit for the year, beginning from the 2018 fiscal year, wherein the Company will provide proportional returns to Shareholders with due consideration to the Company's future growth. The Company plans to distribute dividends at least once a year unless determined otherwise by the GMS. The Company's Board of Directors shall distribute dividends upon approval by shareholders during the GMS. Dividend distribution shall be carried out with due consideration to the Company's financial condition and health.

Holders of new shares from the Share Initial Public Offering shall have the same and equal rights in all respects with the Company's existing shareholders, including the rights to receive dividends.

There are no negative covenant that may inhibit the company to distribute dividend to the shareholders as it has been agreed to be waived by such parties.

The following table shows the Dividend payout history of the Company in the last 3 years.

Fiscal Year	Dividend Paid (in Rupiah)
2017	322,000,000,000
2016	68,000,000,000
2015	29,000,000,000



XI. TAXATION

Tax Applicable to Shareholders

Income Tax on dividends shall be imposed in accordance with prevailing laws and regulations. Pursuant to Article 4 paragraph 3 point (f) of Law No. 7 of 1983 concerning Income Tax as last amended by Law No. 36 of 2008 on Income Tax, dividend or distribution of profit received or earned by Limited Liability Companies as Domestic Taxpayers, Co-operatives, State Owned or Regional State Owned Enterprises as a result of their equity investment in any business entity established and domiciled in Indonesia are not subject to Income Tax, provided that all of the following requirements are satisfied:

- Dividends are paid out from retained earnings; and
- In case the recipient of a dividend is a Limited Liability Company or a State or Regional Government-owned Enterprise, its ownership in the enterprise paying the dividend must not be less than 25% of the total fully paid-up capital.

Furthermore, pursuant to the Regulation of the Minister of Finance of the Republic of Indonesia No. 234/PMK-03/2009 dated December 29, 2009 concerning Certain Investment Sectors Generating Income for Pension Funds Exempted as Object of Income Tax, the income received or accrued by Pension Funds incorporated under the approval of the Minister of Finance of the Republic of Indonesia is not included as an Income Tax Object, provided that such income is received or accrued from capital investment, among others, in the form of dividends from shares in Limited Liability Companies listed in the IDX.

In the case of dividends paid to Domestic Taxpayers (including Permanent Establishments) that do not meet the criteria of Article 4 paragraph 3 letter (f), wherein the percentage of share ownership is less than 25%, such dividend payment shall be a Tax Object of Withholding Income Tax Article 23 of 15% from the gross amount as stipulated in Article 23 paragraph (1) of Law No. 7 of 1983 concerning Income Tax as last amended by Law No. 36 of 2008. Furthermore, in accordance with the provisions of Article 23 paragraph (1a), if the Taxpayer receiving or earning such dividend income does not have a Tax Registration Number (NPWP), the withholding tax tariff shall be 100% higher than the initial tariff or 30% of the gross income.

The amount of tariff imposed to dividend income received or earned by individual Domestic Taxpayers based on provisions of Article 17 paragraph (2c) of Law No. 36 of 2008 concerning Income Tax shall be subject to as much as 10% (ten per cent). The tariff set is determined based on the provisions of Article 17 paragraph (2d), and further governed by Government Regulation No. 19 of 2009 concerning Income Tax on Dividends Received or Earned by Individual Domestic Taxpayers.

Furthermore, distribution of dividends to Foreign Taxpayers based on the provisions of Article 26 paragraph (1) of Law No. 7 of 1983 concerning Income Tax as last amended by Law No. 38 of 2008 stipulates that dividends paid to Foreign Taxpayers shall be subject to an income tax of 20% of cash paid (in the event of cash dividends) or 20% of the par value (in the event of share dividends) or a lower tariff in the event that such dividend payments are made to citizens of a country that has signed the Double Tax Avoidance Agreement (*Perjanjian Penghindaran Pajak Berganda, "P3B"*) with Indonesia, by satisfying the requirements set forth in the Director General of Taxes Regulation No. PER-61/PJ/2009 concerning the Implementation Procedures of Double Tax Avoidance Agreement, as amended by PER-10/PJ/2017.

In order to implement tariff in accordance with P3B, therefore in accordance with the Director General of Taxes Regulation No. PER-61/PJ/2009 concerning the Implementation Procedures of Double Tax Avoidance Agreement, as amended by PER-10/PJ/2017, Foreign Taxpayers are required to submit the Certificate of Domicile of Non-Resident for Indonesia Withholding Tax, namely:

1. Form-DGT 1 or;
2. Form-DGT 2 for banks and Foreign Taxpayers receiving or earning income from a custodian in connection with income from transfer of shares or bonds traded or reported on the capital market in Indonesia other than interest and dividend, and Foreign Taxpayers in the form of pension funds which incorporations are in accordance with the laws and regulations in the partner country and are tax subjects in the partner country;
3. The COD from generally issued by the partner countries in the event that the Competent Authority of the partner countries declines to sign the Form DGT-1/DGT-2, provided that:
 - The COD form is issued in English;
 - In the form of the original document or certified true copy authorized by the Tax Office where one of the Tax Collectors/Withholders is registered as a Taxpayer;
 - The COD Form at the minimum states information regarding the name of the Foreign Taxpayer, issue date, and the fiscal year in which the Certificate of Residence is valid; and
 - The name and signature are included, or any sign equal to a signature of the authorized officers, as customary in the P3B partner country or the jurisdiction of P3B partner country.



In addition to the requirements to present Form-DGT1 or Form-DGT2 or COD Form of the Partner Countries, then, according to the Director General of Taxes Regulation No. PER-62/PJ/2009 regarding the Prevention of Misuse of Double Tax Avoidance Agreement, as amended by PER-10/PJ/2017 dated June 19, 2017. Foreign Taxpayers are required to satisfy the requirements as the Beneficial Owners of the economic benefits from the income, subject to the following conditions:

- For Individual Taxpayers: not acting as an Agent or Nominee; or
- For Corporate Taxpayers: not acting as an Agent, Nominee or Conduit, which shall meet the following requirements:
 1. Has the control to use or benefit from the funds, assets, or rights that generate income from Indonesia;
 2. No more than 50% of the corporate's income is used to meet liabilities to other parties;
 3. Bears the risk of its assets, capital or liabilities; and
 4. Has no written or unwritten obligations to forward a portion or all of income received from Indonesia to other parties.

The Income tax on transfer of shares transactions on the IDX is governed by Government Regulation No. 14 of 1997 concerning Amendment to Government Regulation No. 41 of 1994 concerning Income Tax on Proceeds from Sale of Shares Transaction at the Stock Exchange and the Circular Letter of the Directorate General of Taxes No. SE-06/PJ.4/1997 dated 20 June 1997, concerning the Withholding of Income Tax on Proceeds from Sale of Shares Transaction at the Stock Exchange, the following provisions shall apply:

1. On any income received or earned by any Individual Taxpayer or Corporate Taxpayer from the sale of shares listed in the Stock Exchange, a final income tax will be imposed at 0.1% of the gross value of the transaction. Payment of the related Income Tax payable is to be made as a deduction by the Stock Exchange through the Stock Brokers at the time of payment of the sale transaction of shares;
2. Founding shareholders shall be charged with an additional final Income Tax of 0.5% of the total value of the Company's shares at the time of the Share Initial Public Offering;
3. Payment of additional Income Tax shall be conducted by the Issuer on behalf of each founding shareholder by no later than 1 month after such shares are traded on the Stock Exchange. However, if the founding shareholders decline to opt for the method to pay additional final Income Tax of 0.5%, the calculation of such Income Tax on profit from sale of founding shareholders' shares shall be based on the Income Tax rate generally applicable in accordance with Article 17 of Income Tax Law No. 7 of 1983 concerning Income Tax as last amended by Law No. 36 of 2008.

Fulfillment of the Company's Tax Obligations

As a Taxpayer, the Company is generally subject to the Tax Obligation arising from Income Tax ("WHT"), Value Added Tax ("VAT"), Restaurant Tax (PB1) and Land and Building Tax (*Pajak Bumi dan Bangunan*, "PBB"). The Company has fulfilled all of its tax obligations in accordance with prevailing tax laws and regulations.

PROSPECTIVE BUYERS OF THE SHARES IN THIS SHARE INITIAL PUBLIC OFFERING ARE ADVISED TO CONSULT THEIR RESPECTIVE TAX CONSULTANTS REGARDING TAX CONSEQUENCES THAT MAY ARISE FROM THE PURCHASE, OWNERSHIP OR SALE OF SHARES ACQUIRED IN THIS SHARE INITIAL PUBLIC OFFERING.

The Company's tax obligations for the 2016 fiscal year with respect to WHT Art. 21, WHT Art. 23, WHT Art. 26, WHT Art. 4(2), WHT Art. 29, PB1 and VAT have been fulfilled by the Company. All of the Company's tax obligations for the fiscal year 2016 have been paid and reported to the relevant institutions.

The Company's transactions with related parties must observe the provisions of Article 18 paragraph 3 and 4 of Law No. 7 of 1983 as last amended by Law No. 36 of 2008 concerning Income Tax and Director General of Taxes Regulation No. 43 of 2010 as amended by the Director General of Taxes Regulation No. 32 of 2011 concerning the Implementation of Arm's Length Principles in Transaction between Taxpayer and Related Parties.



XII. SECURITIES UNDERWRITING

1. Description of Securities Underwriting

In accordance with the terms and conditions stipulated in the Securities Underwriting Agreement, the Joint Lead Underwriters and the Underwriters which names are stated below shall severally agree to offer and sell the Company's Offering Shares to the public in accordance with their respective underwriting portion in full commitment and commit themselves to purchase the remaining unsubscribed shares at the Offer Price at the closing date of the Public Offering Period. The Securities Underwriting Agreement shall annul any similar agreement, whether written or oral, that may have previously existed and will exist in the future between the Company and the Underwriters.

Furthermore, the Joint Lead Underwriters participating in the Company's Securities Underwriting have agreed to carry out their duties in accordance with Regulation No. IX.A.7.

The party acting as the Allotment Manager in this Public Offering shall be PT CLSA Sekuritas Indonesia.

Whereas the underwriting composition, portion, and percentage of members of the Underwriter syndicate in the Company's Public Offering are as follows:

No.	Underwriter	Underwriting Portion		
		Total Shares	Amount (Rp)	Percentage (%)
Joint Lead Underwriter:				
1	PT CLSA Sekuritas Indonesia	268,838,200	295,722,020,000	44.48%
2	PT CGS-CIMB Sekuritas Indonesia	209,096,400	230,006,040,000	34.60%
3	PT Mandiri Sekuritas	119,483,700	131,432,070,000	19.77%
	Subtotal	597,418,300	657,160,130,000	98.85%
Underwriters:				
1	PT Artha Sekuritas Indonesia	430,000	473,000,000	0.07%
2	PT BNI Sekuritas	4,673,700	5,141,070,000	0.77%
3	PT Indosurya Bersinar Sekuritas	265,000	291,500,000	0.04%
4	PT KGI Sekuritas Indonesia	36,000	39,600,000	0.01%
5	PT Kresna Sekuritas	340,000	374,000,000	0.06%
6	PT Magenta Kapital Sekuritas Indonesia	150,000	165,000,000	0.02%
7	PT NH Korindo Sekuritas Indonesia	46,000	50,600,000	0.01%
8	PT Panca Global Sekuritas	200,000	220,000,000	0.03%
9	PT Valbury Sekuritas Indonesia	816,000	897,600,000	0.13%
	Subtotal	6,956,700	7,652,370,000	1.15%
	Total	604,375,000	664,812,500,000	100.00%

2. Determination of the Offer Price on the Primary Market

The Offer Price of the Offering Shares shall be determined based on the agreement and negotiation between the Company and the Joint Lead Underwriters.

Pursuant to the Preliminary Offering (bookbuilding) results, most demands received by the Joint Lead Underwriters are within the range of Rp1,100 to Rp1,350 per Share. The determination of the Offer Price of Rp1,100 has duly considered the results of bookbuilding carried out by the Joint Lead Underwriters by polling investors in the domestic and international market and various factors such as:

- Market condition at the time of the bookbuilding;
- Investor demands;
- The Company's financial performance;
- Data and information concerning the Company, the Company's performance, brief history, business prospects and information on the consumer food service industry in Indonesia;
- Assessment on the Board of Directors and management, the Company's operations or performance, both in the past and in the future, and future business prospects and revenue prospects;
- Status of the Company's latest development;
- The above factors in relation to the determination of market value and various valuation methods for several companies engaged in similar sector as the Company;
- Valuation based on comparison of P/E ratios of several comparable public companies listed on the regional stock exchanges; and
- Performance of shares of similar companies in the secondary market, which shares are listed on regional stock exchange.



XIII. CAPITAL MARKET SUPPORTING INSTITUTIONS AND PROFESSIONALS

The Capital Market Supporting Institutions and Professionals participating in this Share Initial Public Offering are as follows:

Public Accountant	:	Public Accounting Firm Purwantono, Sungkoro & Surja Bursa Efek Indonesia Building Tower 2, 7 th Floor Jl. Jend Sudirman Kav 52-53 Jakarta 12190
	Name of Partner	: Agung Purwanto
	STTD No.	: AP-70/PM.22/2018
	STTD Date	: February 5, 2018
	Association Membership	: Institute of Certified Public Accountant (IAPI)
	No. IAPI Membership	: 1569
	Framework	: Public Accountant Professional Standards (SPAP)
	Engagement Letter	: 0293/PSS/10/2017, October 12, 2017

The main duties of a public accountant in the Public Offering is to conduct audit based on the auditing standards stipulated by IAPI. The standards require the public accountant to plan and perform an audit in order to obtain a reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessments on the accounting principles used and the significant estimates prepared by the management and assessments on the overall presentation of the Financial Statements.

Legal Advisor	:	Assegaf Hamzah & Partners Capital Place, Level 36 & 37 Jalan Jenderal Gatot Subroto Kav. 18 Jakarta 12710
	No. STTD	: 343/PM/STTD-KH/2000 dated December 29, 2000, under the name of Ahmad Fikri Assegaf, S.H., LL.M
	Association Membership	: Association of Capital Market Legal Consultants (<i>Himpunan Konsultan Hukum Pasar Modal</i> , "HKHPM") No. 200101
	Framework	: Professional Standards of the Association of Capital Market Legal Consultants Annex to the Decree of Association of Capital Market Legal Consultants No. KEP.01/HKHPM/2005 dated 18 February 2005 as amended by Decree of Association of Capital Market Legal Consultant No. KEP.04/HKHPM/XI/2012 dated December 6, 2012, as amended by Decree of Association of Capital Market Legal Consultant No. 01/KEPHKHPM/II/2014 dated February 4, 2014, and the Decree of Association of Capital Market Legal Consultant No. 02/KEP-HKHPM/V/2017 dated May 30, 2017
	Engagement Letter	: No. 1071/02/51/07/17 dated July 5, 2017

The main duties and responsibilities of the Legal Advisor pursuant to this Share Initial Public Offering is to perform independent legal due diligence in accordance with the norms or Professional Standards and code of ethics of legal advisor and provide the legal due diligence report on the facts related to the Company provided by the Company to the Legal Advisor. The results of such legal aspect inspections and review referred to above shall be presented in the Legal Due Diligence Report, which shall serve as information about the Company and the basis and inseparable part of the Legal Opinion conveyed in an objective and independent manner.



Notary : **Aulia Taufani, S.H, M.Kn.**
 Menara Sudirman 18th Floor
 Jl. Jend Sudirman Kav 60.
 Jakarta 12190
 Phone: +6221 5204778
 Fax: +6221 5204779

No. STTD : STTD.N-5/PM.22/2018 dated February 27, 2018, under the name of Aulia Taufani, S.H.
 No. Association : Indonesian Notary Association ("Ikatan Notaris Indonesia", "INI") No. 0060219710719 dated March 5, 2012.
 Framework : Law No. 30 of 2004 concerning Notary Office as last amended by the Law No. 2 of 2014 concerning the Amendment to the Law No. 30 of 2004.
 Engagement Letter : Letter of IPO Scope of Work dated March 14, 2018

The Notary's scope of work as a supporting professional in this Share Initial Public Offering includes, among others, the preparation of notarial deeds related to the Share Initial Public Offering, such as the Amendment to the Company's Articles of Association, the Securities Underwriting Agreement and the Securities Administration Management Agreement.

Securities Administration Bureau : **PT Datindo Entrycom**
 Jl. Hayam Wuruk No. 28
 Jakarta 10120
 Phone: +62 21 350 8077
 Fax: +62 21 350 8078

Association Membership : Member of the Indonesian Securities Administration Bureau Association (*Asosiasi Biro Administrasi Efek Indonesia*, "ABI")
 Framework : Decree of Bapepam Chairman No. KEP 16/PM/1991 dated April 19, 1991
 Engagement Letter : No.DE//2018-0356 dated January 10, 2018

The scope of work of the SAB in this Share Initial Public Offering in accordance with the prevailing Professional Standards and Capital Market Regulations, include, among others, receiving share subscriptions in the form of Share Subscription Register ("**SSR**") and Share Subscription Forms ("**SSF**") that are supported with the documents required for the share subscription and approved by the Underwriters as subscriptions proposed for share allotment and undertake the administration of share subscriptions in accordance with the application available at the SAB. Together with the Joint Lead Underwriters, the SAB shall have the right to reject share subscriptions that fail to satisfy the applicable subscription requirements. In the event that the subscriptions exceed total Offering Shares, the SAB shall conduct the allotment process in accordance with the allotment formula set by the Allotment Manager, print the Share Allotment Confirmation Form ("**ACF**") and prepare the allotment report. The SAB is also responsible for issuing the Collective Share Certificate, if required, and prepare the Share Initial Public Offering Report in accordance with the prevailing regulations.

The Capital Market Supporting Institutions and Professionals participating in this Share Initial Public Offering hereby state that they are not Affiliated to the Company, whether directly or indirectly, as defined in the Capital Market Law.



XIV. KEY PROVISIONS OF THE ARTICLES OF ASSOCIATIONS AND OTHER KEY PROVISIONS RELATING TO THE SHAREHOLDERS

The Company's Articles of Association set forth in this Prospectus shall be the Company's most recent Articles of Association based on the Deed of Shareholders Resolution on Amendment of Articles of Association No. 11 dated March 9, 2018, drawn up before Aulia Taufani, S.H., M.Kn., a Notary in Jakarta. The Company's Articles of Association referred to above have conformed to the Regulation No. IX.J.1, FSAR No. 32/2014, FSAR No. 33/2014 and the Company Law.

Key Provisions of the Articles of Association:

AIMS AND OBJECTIVES AND BUSINESS ACTIVITIES

Article 3

1. The aims and objectives of the Company are to engage in the following business fields:
 - a. Restaurant;
 - b. Catering;
 - c. Warehousing;
 - d. Distribution; and
 - e. Food and Food Processing Industry (including bread and cakes).
2. To achieve the aims the objectives referred to above, the Company may carry out the following business activities:
 - a. **Restaurant**, includes food service business located in semi-permanent or permanent buildings, which sells and serves food and beverages to the public at its place of business, whether or not such business is equipped with the equipment or tools for the preparation and storage processes;
 - b. **Catering**, includes food service on the basis of agreements with customers at the location determined by the customer for a specified event, and includes ready-to-eat food service business to cater orders from offices, for celebrations, parties, seminars, meetings, and others. Generally includes ready-to-eat food delivered to the office, party, seminar, meeting, and others, including the waiters to serve the guests/participants of seminars or meetings or during the party or seminar.
 - c. **Warehousing**, includes the business to store goods before such goods are sent to the final destination with commercial purposes. Such activities include storage of food ingredients;
 - d. **Distribution**, includes distribution services for wholesale trade of other food and beverages, including but not limited to, food ingredients for restaurant business; and
 - e. **Food and Food Processing Industry**, includes:
 1. Ready-to-eat food (processed, flavored, and cooked) that is processed as preserved or frozen food, which is generally packaged and labeled to be sold. Also includes meat or poultry dishes industry, fish dishes industry, ready-to-eat vegetable dishes industry, canned boiled dishes industry, and food in air-tight containers and other ready-to-eat dishes industry. Its activities include, but not limited to, the production of beef lasagna, cannelloni, frozen pizza, and other similar products;
 2. Meat and poultry preservation and processing industry by way of canning, smoking, salting, freezing, sweetening, and others. Its activities include, but not limited to, the production of various sausages and other similar products; and
 3. Bread and cake product industry and frozen bread industry. Its activities include, but not limited to, the production of dough ball, puff pastry, croissant, and other similar products;
3. To achieve the aforementioned aims and objectives, and to support the Company's main business activities referred to above, the Company may carry out the following supporting activities:
 - a. Export and import of raw materials, meat, cheese, and other ingredients related to production and distribution; and
 - b. deliver or distribute the relevant industrial products to restaurant outlets.

CAPITAL

Article 4

1. The Company's Authorized Capital amounted to Rp900,000,000,000 (nine hundred billion Rupiah), comprising of 9,000,000,000 (nine billion) shares, each having a nominal value of Rp100 (one hundred Rupiah).
2. Of such authorized capital, 26.86% (twenty six point eighty six per cent) or a total of 2,417,500,000 (two billion four hundred seventeen million five hundred thousand) shares, or a total nominal value of Rp241,750,000,000 (two hundred forty one billion seven hundred fifty million Rupiah) have been issued and fully paid up to the Company by the Shareholders, which names and nominal value of shares are mentioned in the closing section of this Deed.
3. Shares in portfolio shall be issued in accordance with the Company's capital requirements, at the time and in the manner, price and terms determined by the Board of Directors based on the resolution of the General Meeting of Shareholders, by way of private placement, with due considerations of the provisions of this Articles of Association, the Law on Limited Liability Companies, the prevailing laws and regulations in the Capital Market, including, among others, the regulation governing the raise of additional capital without preemptive rights, and the regulations of the Stock Exchange where the Company's shares are listed. The quorum and resolution of the General Meeting of Shareholders to approve the issuance of shares in portfolio shall meet the requirements set forth in Article 11 paragraph 2 letter a of this Articles of Association.



4. Each share subsequently issued from portfolio shall be paid in full.
Payment of shares in the form other than cash, whether in the form of tangible or intangible article(s), shall comply with the following provisions:
 - a. The article(s) to be made as capital contribution(s) shall be announced to the public in conjunction with the summon to convene the General Meeting of Shareholders concerning such contribution;
 - b. The article(s) to be made as capital contribution(s) shall be appraised by an Appraiser registered with the Financial Services Authority and shall be free of any encumbrance in any way whatsoever;
 - c. Subject the approval from the General Meeting of Shareholders at the quorum as stipulated in Article 11 paragraph 8 of this Articles of Association;
 - d. In the event that the article(s) to be deposited as capital contribution(s) is(are) in the form of the Company's shares listed on the Stock Exchange, such shares shall be valued at the fair market value; and
 - e. In the event that the capital contributions shall be derived from the Company's retained earnings, capital paid in excess of par value, net profit, and/or other components of own capital, then the said retained earnings, capital paid in excess of par value, the Company's net profit, and/or other components of own capital shall be first reported in the last Annual Financial Statements audited by an Accountant registered with the Financial Services Authority with unqualified opinion.
5. The General Meeting of Shareholders convening to approve the issuance of shares in portfolio by way of private placement or share issuance without preemptive rights shall determine the maximum number of shares in portfolio to be issued and delegate the authority to grant power to the Board of Commissioners to declare the actual number of shares issued in such private placement or share issuance without preemptive rights. The quorum and resolution of the General Meeting of Shareholders to approve the issuance of shares in portfolio shall meet the requirements set forth in Article 11 paragraph 2 letter a of this Articles of Association.
6. In the event that the Company issues Equity Securities:
 - a. Every increase of capital by issuance of Equity Securities conducted by way of subscription shall be conducted by issuing Preemptive Rights to the shareholders whose names are registered in the Company's shareholder register on the date determined by the General Meeting of Shareholders adopting the resolution to approve the issuance of such Equity Securities, in the amount equal to the number of shares registered under the name of each shareholder in the Company's shareholder register on such date.
 - b. Issuance of Equity Securities without granting the Preemptive Rights to the Shareholders may be carried out in the event that such issuance is:
 1. Designated to the Company's employees;
 2. Designated to the holders of bonds or other Securities convertible to shares issued with the approval of the General Meeting of Shareholders;
 3. Effected in the course of reorganisation and/or restructuring that has been approved by the GMS; and/or
 4. Conducted in accordance with the regulations in the Capital Market allowing capital raise without preemptive rights.
 - c. The Preemptive Rights must be tradable and transferable to other parties, with due considerations to the provisions of this Articles of Association and the prevailing laws and regulations in the Capital Market;
 - d. Equity securities to be issued by the Company that are not subscribed by the Preemptive Right Holders shall be allocated to all shareholders subscribing for additional Equity Securities, on the condition that in the event that the total Equity Securities subscribed exceed the total Equity Securities to be issued, such unsubscribed Equity Securities shall be allocated in proportion to the total Preemptive Rights exercised by each shareholder subscribing for additional Equity Securities;
 - e. In the event that there are remaining Equity Securities that are not subscribed by the shareholders referred to in point d above, then, in the event that a standby buyer is available, the aforementioned Equity Securities shall be allocated to the Party acting as the standby buyer at equal price and terms.
7. The issuance of shares from portfolio for the holders of Securities convertible to shares or Securities containing the right to acquire shares, may be carried out by the Board of Directors based on the resolutions of the Company's General Meeting of Shareholders approving the issuance of such Securities.
8. Additional paid-in capital shall be effective upon payment and the shares issued shall have equal rights with other shares under the same class issued by the Company, without prejudice to the Company's obligations to report to the Minister of Law and Human Rights of the Republic of Indonesia;
9. The increase of the Company's authorized capital may be conducted solely based on the resolution of the General Meeting of Shareholders. The amendment to the Articles of Association with regard to the change in authorized capital shall require the approval from the Minister of Law and Human Rights of the Republic of Indonesia.
10. The increase of authorized capital resulting in the issued and paid-up capital to be less than 25% (twenty five per cent) of the authorized Capital may be conducted provided that:
 - a. Approval from the General Meeting of Shareholders to increase the Authorized Capital has been obtained;
 - b. Approval from the Minister of Law and Human Rights of the Republic of Indonesia has been obtained;



- c. The increase in issued and paid-up capital to become at least 25% (twenty five per cent) of the authorized capital shall be conducted by no later than 6 (six) months subsequent to the approval from the Minister of Law and Human Rights of the Republic of Indonesia referred to in paragraph 10 letter b of this Article;
 - d. In the event that the increase in Paid-up Capital as defined in paragraph 10 letter c of this Article is not fully satisfied, the Company shall re-amend its Articles of Association so that the Paid-up capital shall be at least 25% (twenty five per cent) of the authorized capital within a period of 2 (two) months subsequent to the failure to satisfy the period stipulated in paragraph 10 letter c of this Article;
 - e. The approval of the General Meeting of Shareholders referred to in paragraph 10 letter a of this Article shall include the approval to amend the Articles of Association referred to in paragraph 10 letter d of this Article.
11. The amendment of Articles of Association with regard to the increase of Authorized Capital shall become effective after the payment of shares resulting in the paid-up capital to become at least 25% (twenty five per cent) of the authorized capital takes place, and such shares shall bear equal rights as other shares issued by the Company, without prejudice to the Company's obligation to apply for the approval on the amendment of Articles of Association from the Minister of Law and Human Rights of the Republic of Indonesia and/or its successors thereof upon such increase of paid-up capital.

SHARES

Article 5

1. All shares issued by the Company are registered shares.
2. The Company may issue shares with or without nominal value.
3. Issuance of shares without nominal value must be conducted in accordance with the prevailing laws and regulations in the Capital Market.
4. The Company shall only acknowledge 1 (one) legal entity as the owner of 1 (one) share.
5. In the event that a share, for any reason whatsoever, is owned jointly by several persons, then those who jointly own such share shall appoint in writing, one person among themselves or another person as their joint representative and only the name being authorized or appointed as representative shall be authorized to exercise the rights vested by law over such share.
6. As long as the provisions in paragraph 5 of this Article are not satisfied, the shareholders shall not have the right to cast their votes in a GMS, and dividend payments for such shares shall be suspended.
7. Every Shareholder shall comply with this Articles of Association and all resolutions validly adopted in the GMS and the prevailing laws and regulations.
8. The regulations of the Stock Exchange where the Company's shares are listed shall apply to the shares listed on the Stock Exchange.
9. In the event that the Company's Shares are not administered in the Collective Depository of the Depository and Settlement Institution, the Company shall be obligated to provide the shareholders with the share ownership evidence in the form of a share certificate or a collective share certificate;
10. A collective share certificate may be issued as a share ownership evidence of 2 (two) or more shares owned by a shareholder.
11. A share certificate shall, at the minimum, state the followings:
 - a. The name and address of the shareholders;
 - b. The serial number of the share certificate;
 - c. The nominal value of the share;
 - d. The issuance date of the collective share certificate;
12. A collective share certificate shall, at the minimum, state the followings:
 - a. The name and address of the shareholders;
 - b. The serial number of the collective share certificate;
 - c. The number of share certificate and number of shares;
 - d. The nominal value of the share;
 - e. The issuance date of the collective share certificate;
13. The share certificate and collective share certificate must be signed by the President Director or 2 (two) other members of the Board of Directors.
14. In the event of fraction of nominal value of shares, the holder of such fraction of nominal value of shares shall not be granted with individual voting rights, except if the holder of such fraction of nominal value of shares, whether individually or jointly with the holders of other fraction of nominal value of shares with the same share classification, hold a nominal value that is equal to 1 (one) nominal value of shares under such classification.
15. The holders of such fraction of nominal value of shares shall appoint one person among themselves or another person as their joint representative, and only such representative shall have the right to exercise the rights vested by law over such shares.
16. The Board of Directors, or the proxy appointed by the Board of Directors, shall be obligated to maintain the shareholder register, which shall include the serial numbers of share certificates, the number of shares owned, the names and addresses of the shareholders, and other information that is required by the prevailing laws and regulations to be included in the Shareholder Register, and the Special Register, which shall contain information regarding the share ownership of members of the Board of



Directors and Board of Commissioners and their respective families in the Company and/or other companies, and the share acquisition date and other information that is required by the prevailing laws and regulations to be included in the Special Register. The Company's Board of Directors may appoint and authorize the Securities Administration Bureau to maintain and keep, and undertake the registration of shares in the Shareholder Register and the Special Register. Every registration in the Shareholder Register shall be conducted in accordance with this Articles of Association, the laws and regulations in the capital market, and the regulations of the Stock Exchange where the Company's shares are listed.

All shares issued by the Company may be encumbered in accordance with the provisions of the prevailing laws and regulations regarding encumbrance of shares, the laws and regulations in the Capital Market, and other prevailing laws and regulations.

There are no restrictions over the rights of foreign shareholders to have or exercise their voting rights.

COLLECTIVE DEPOSITORY

Article 7

1. Shares administered in a Collective Depository under the Securities Depository and Settlement Institution shall be registered in the Company's Shareholder Register under the name of the Securities Depository and Settlement Institution for the benefit of the account holders at the Securities Depository and Settlement Institution.
2. Shares administered in a Collective Depository under a Custodian Bank or a Securities Company that are registered in the Securities Account at the Securities Depository and Settlement Institution shall be registered under the name of the respective Custodian Bank or Securities Company for the benefit of the holders of Securities Account in the respective Custodian Bank or Securities Company.
3. In the event that the shares administered in the Collective Depository under a Custodian Bank constitute a part of a Mutual Fund Securities Portfolio in the form of a collective investment contract and are not included in the Collective Depository at the Securities Depository and Settlement Institution, the Company shall register such shares in the Shareholder Register under the name of the Custodian Bank for the benefit of the unit holder of the said Mutual Fund in the form of collective investment contract.
4. The Company is obligated to issue certificates or written confirmations to the Securities Depository and Settlement Institution or to the Custodian Bank referred to in paragraph 1 of this Article or the Custodian Bank referred to in paragraph 3 of this Article as evidence of registration in the Company's Shareholder Register.
5. The Company is obligated to transfer the shares administered in the Collective Depository that are registered under the name of the Securities Depository and Settlement Institution or the Custodian Bank for Mutual Funds in the form of Collective Investment Contract in the Company's Shareholders Register to the name of the Parties appointed by the respective Securities Depository and Settlement Institution or Custodian Bank; Request for transfer shall be submitted by the Securities Depository and Settlement Institution or the Custodian Bank to the Company or the Securities Administration Bureau appointed by the Company.
6. The Securities Depository and Settlement Institution, Custodian Bank, or Securities Company shall issue written confirmations to the account holders as evidence of registration in the Securities account or ownership of shares under Collective Depository.
7. With respect to the Collective Depository, each share of the same type and class issued by the Company shall be equal and exchangeable between one another.
8. The Company shall reject the registration of a share in the Collective Depository in the event that the share certificate is lost or destroyed, unless the Party requesting the transfer referred to above is able to provide sufficient evidence and/or guarantee that the Party is the lawful owner of the lost/destroyed share certificate and that the share certificate is truly lost or destroyed.
9. The Company shall reject the registration of the shares in the Collective Depository if the shares are encumbered, forfeited based on a court order, or forfeited for the purpose of a criminal investigation.
10. The account holders whose Securities are registered in the Collective Depository shall be entitled to attend and/or cast votes in the Company's General Meeting of Shareholders, in accordance with the number of shares owned in their respective accounts.
11. The securities account holders entitled to cast votes in the General Meeting of Shareholders shall be the parties whose names are registered as the securities account holders at the Depository and Settlement Institution, Custodian Banks, or the Securities Companies by no later than 1 (one) business day prior to the summon to the General Meeting of Shareholders. The Securities Depository and Settlement Institution, Custodian Banks, or Securities Companies shall submit the list of names of securities account holders to the Company during the period stipulated in the prevailing regulations in the Capital Market, to be registered in the Shareholder Register specifically provided by the General Meeting of Shareholders within a period stipulated in the prevailing laws and regulations in the capital market.
12. Investment Managers shall be entitled to be present and cast votes in the General Meeting of Shareholders by virtue of the Company's shares administered in the Collective Depository at the Custodian Bank, which constitute a part of the Mutual Funds portfolio in the form of Collective Investment Contract and are not administered in the Collective Depository at the Securities Depository and Settlement Institution, provided that the respective Custodian Bank delivers the name of the Investment Managers by no later than 1 (one) business day prior to the summon to the General Meeting of Shareholders.



13. The Company shall deliver dividends, bonus shares, or other shareholding-related entitlements with respect to the shares administered in the Collective Depository to the Securities Depository and Settlement Institution, and subsequently the Securities Depository and Settlement Institution shall deliver dividends, bonus shares or other entitlements to the Custodian Bank and Securities Company for the benefit of each of the account holder at the aforementioned Custodian Banks and Securities Companies.
14. The Company shall deliver to the Custodian Bank the dividends, bonus shares, or other shareholding-related entitlements with respect to the shares administered in the Collective Depository at the Custodian Bank, which constitute a part of the Mutual Funds portfolio in the form of Collective Investment Contracts that are not included in the shares administered in the Collective Depository at the Securities Depository and Settlement Institution.
15. The deadline to determine whether the holders of Securities accounts are entitled to receive dividends, bonus shares or other shareholding-related entitlements with respect to the ownership of shares administered in the Collective Depository shall be determined by the General Meeting of Shareholders, provided that the Custodian Banks and Securities Companies shall submit the list of Securities Account holders and the number of the Company's shares owned by the respective Securities account holder to the Securities Depository and Settlement Institution, by no later than the date stipulated as the basis to determine the shareholders entitled to receive dividends, bonus shares or other entitlements, to be further furnished to the Company by no later than 1 (one) business day following the date stipulated as the basis to determine the shareholders entitled to receive dividends or other aforementioned entitlements.

TRANSFER OF RIGHT OVER SHARES

Article 8

1. In the event of a change of ownership of shares, the original owner initially registered in the Shareholders Register shall be considered as the owner of such shares until the name of the new owner of the shares is registered in the Company's Shareholders Register, without prejudice to the approvals of the competent authorities and the prevailing laws and regulations and the regulations of the Capital Market and the Stock Exchange in Indonesia where the Company's shares are listed.
2. All transfers of right over shares shall be proven by a document signed by or on behalf of the Party(ies) transferring the right over shares and by or on behalf of the Party(ies) accepting the transfer of right over the respective shares. The transfer of share documents shall comply with the prevailing regulations of the Capital Market in Indonesia where the Company's shares are listed, without prejudice to the provisions of the prevailing laws and regulations.
3. The forms and procedures to transfer right over shares traded in the Capital Market shall comply with the laws and regulations in the Capital Market.
4. The Board of Directors may refuse to register a transfer of shares in the Company's Shareholder Register if the procedures required in this Articles of Association are not satisfied, or if any of the requirements in the license granted to the Company by the competent authorities or any other requirements stipulated by the competent authorities are not satisfied.
5.
 - a. In the event that the Board of Directors denies the registration of the aforementioned transfer of right over shares, the Board of Directors shall deliver a notification of denial to the persons intending to effect the transfer within 30 (thirty) calendar days following the receipt of the request for such registration by the Board of Directors.
 - b. With respect to the Company's shares that are listed on the Stock Exchange, any refusal to register any transfer of right over shares shall be made in accordance with the prevailing regulations of the Stock Exchange in Indonesia where the Company's shares are listed.
6.
 - a. Any person receiving a transfer of right over shares due to the death of a shareholder or due to any other reason which causes the ownership of the shares to change by law, may apply a written request to be registered as the shareholder of the said shares by submitting the evidence of the person's right to receive the transfer, as may be required from time to time by the Board of Directors.
 - b. Registration shall be made solely if the Board of Directors deems such evidence of right acceptable, without prejudice to the provisions of the Articles of Association and with due considerations to the prevailing laws and regulations, and the prevailing regulations in the Stock Exchange in Indonesia where the Company's shares are listed.
8. Transfer of Right over Shares that are administered in the Collective Depository shall be effected by transfer from one Securities account to another Securities account at the Securities Depository and Settlement Institution, Custodian Banks, and Securities Companies.
9. All restrictions, prohibitions and provisions in the Articles of Association that govern the right to transfer of right over shares and the registration of such transfer of right over shares shall apply, *mutatis mutandis*, to all transfer of rights according to paragraph 6 letter a of this Article.

GENERAL MEETING OF SHAREHOLDERS

Article 9

1. General Meeting of Shareholders, hereinafter referred to as the "GMS" shall consist of:
 - a. Annual GMS;
 - b. Other GMS, which shall be referred to as Extraordinary GMS in this Articles of Association.



2. The term GMS in this Articles of Association shall mean both the Annual GMS and Extraordinary GMS, unless expressly stated otherwise.
3. The Annual GMS shall convene within a period no later than 6 (six) months after the closing of the fiscal year.
4. In an Annual GMS:
 - a. The Board of Directors shall present the annual report reviewed by the Board of Commissioners, which shall include, at the minimum, the financial statements, report of the Board of Commissioners' supervisory duties, and other matters required by the prevailing laws and regulations.
 - b. The GMS shall adopt the resolution to approve the annual report, including the ratification of the annual financial statements.
 - c. The GMS shall adopt the resolution to determine the appropriation of the Company's net income from prior fiscal year and/or the Company's unappropriated retained earnings, provided that the Company has positive retained earnings.
 - d. If necessary, the GMS shall adopt the resolution regarding the discharge and appointment of members of the Company's Board of Directors and/or Board of Commissioners.
 - e. The GMS shall adopt the resolution to determine the salaries, benefits, profit share and/or bonus of the members of the Board of Directors and the honorarium, benefits, profit share and/or bonus of the members of the Board of Commissioners.
 - f. The GMS shall adopt the resolution to appoint the public accountant to audit the Company's books and records and/or the delegation of such authority to appoint the public accountant to the Board of Commissioners.
 - g. The GMS shall adopt the resolution of other GMS agenda that has been duly proposed in accordance with the provisions of this Articles of Association and the prevailing laws and regulations, including the laws and regulations in the Capital Market.
5. The approval of the annual report and the ratification of the financial statements by the Annual GMS shall constitute the full release and discharge of the members of the Board of Directors and the members of the Board of Commissioners for the management and supervision undertaken during the previous fiscal year, to the extent that such actions are reflected in the Annual Report and the Financial Statements, with the exception of criminal acts of embezzlement, fraud and other criminal acts.
6. An Extraordinary GMS may convene from time to time according to the needs to discuss and resolve meeting agenda, with the exception of the meeting agenda referred to in paragraph 4 letter a and letter b, with due considerations to the laws and regulations and the Articles of Association.
7.
 - a. 1 (one) shareholder or more who jointly represents 1/10 (one tenth) or more of the total shares with voting rights may request for the GMS to convene.
 - b. The request for the GMS to convene shall be submitted to the Board of Directors by registered mail and by stating the reasons thereof.
 - c. The request for the GMS to convene shall:
 1. Be made in good faith;
 2. Be made in consideration the Company's interests;
 3. Be a meeting agenda that require the resolutions of the GMS.
 4. Be supported by reasons and materials related to the matters requiring the resolutions of the GMS; and
 5. not be contrary to the prevailing laws and regulations and the Company's Articles of Association.
 - d. The Board of Directors shall announce the GMS to the shareholders by no later than 15 (fifteen) days commencing on the date of request for the GMS to convene is received by the Board of Directors. In the event that the Board of Directors does not issue an announcement of the GMS, the Board of Directors shall be obligated to announce that:
 1. There has been a request from the shareholder for the GMS to convene as referred to in paragraph 7 letter a of this Article;
 2. The reason(s) for not convening a GMS.
 - e. In the event that the Board of Directors fails to announce the GMS, the shareholders may re-apply the request for the GMS to convene to the Board of Commissioners.
 - f. The Board of Commissioners shall announce the GMS to the shareholders by no later than 15 (fifteen) days commencing on the date of request for the GMS to convene is received by the Board of Commissioners. In the event that the Board of Commissioners does not issue an announcement of the GMS, the Board of Commissioners shall be obligated to announce that:
 1. There has been a request from the shareholder for the GMS to convene as referred to in paragraph 7 letter a of this Article;
 2. The reason(s) for not convening a GMS.

In the event that the Board of Commissioners does not issue the announcement of GMS referred to in paragraph 7 letter d and f of this Article, the Shareholders referred to in paragraph 7 letter a of this Article may file the request for the GMS to convene to the head of district court which jurisdiction encompasses the Company's place of domicile, to issue a ruling granting the permission for the GMS to convene.



**VENUE, NOTICE, ANNOUNCEMENT, SUMMON AND
TIMING OF THE
GENERAL MEETING OF SHAREHOLDERS
Article 10**

1. Without prejudice to other provisions of the Company's Articles of Association, a GMS must be convened within the jurisdiction of the Republic of Indonesia and may convene at:
 - a. the Company's place of domicile;
 - b. The location where the Company carries out its main business activities;
 - c. the capital of the province of the Company's place of domicile or where the Company's main business activities take place; or
 - d. the province which is the place of domicile of the Stock Exchange where the Company's shares are listed.
2.
 - a. The Announcement of GMS shall be made by no later than 14 (fourteen) days prior to the summon to the GMS, excluding the date of the announcement and the date of the summon.
 - b. The announcement of GMS referred to in paragraph 2 letter a of this Article shall, at the minimum, contain:
 1. Provisions concerning the Shareholders eligible to attend the GMS;
 2. Provisions concerning shareholders eligible to propose meeting agenda;
 3. the date that the GMS shall convene;
 4. the date of the GMS; and
 5. other matters required by the prevailing laws and regulations, including the laws and regulations in the capital market.The provisions of paragraph 2 shall be without prejudice to the prevailing laws and regulations, including the laws and regulations in the capital market.
 - c. In the event of a GMS convening upon request of the shareholders, in addition to the matters referred to in paragraph 2 letter b of this Article, the announcement of the GMS shall include the information that the Company is holding the GMS upon request of the shareholders.
 - d. Announcement of GMS to shareholders for companies which shares are listed on the Stock Exchange shall at least be made in:
 1. 1 (one) newspaper published in the Indonesian language with national circulation;
 2. The Stock Exchange' website; and
 3. The Company's Website, in the Indonesian and foreign language, provided that the foreign language used shall be the English language, at the minimum.
 - e. The announcement of GMS in the foreign language referred to in paragraph 2 letter d of this Article shall include the same information as the information stated on the announcement made in the Indonesian Language.
 - f. In the event of any difference in interpretation of information announced in the foreign language and that announced in the Indonesian Language as referred to in paragraph 2 letter e of this Article, the information in the Indonesian Language shall be used as a reference.
 - g. Proof of the GMS announcement referred to in paragraph 2 letter d of this Article shall be submitted to the Financial Services Authority by no later than 2 (two) business days subsequent to the GMS Announcement.
 - h. In the event of a GMS convening upon request of the shareholders, the submission of proof of the GMS announcement shall be supported by a copy of letter of request for the GMS to convene as referred to in Article 9 paragraph 7 letter b.
3. The shareholders may propose the agenda of a GMS if:
 - a. Such agenda is proposed in writing to the Board of Directors by 1 (one) shareholder or more, which represents 1/20 (one twentieth) or more of the total shares with voting rights; and
 - b. Such proposal is received by no later than 7 (seven) days prior to the issuance of summon to the relevant GMS.
4. The meeting agenda proposal referred to in paragraph 3 of this Article shall be proposed in good faith, with due considerations to the Company's interest, supported with the reasons and materials of the proposed meeting agenda and shall not be contrary to the laws and regulations.
5. The proposal of agenda from the shareholders referred to in paragraph 3 of this Article shall be an agenda that require the resolution of the GMS.
6. The Company shall be obligated to state the meeting agenda proposed by the shareholders referred to in paragraph 3 to paragraph 5 in the meeting agenda stated in the summon to the General Meeting of Shareholders.
7. The Company shall first notify the meeting agenda to the Financial Services Authority by no later than 5 (five) business days prior to the announcement of the GMS, without considering the GMS announcement date. The meeting agenda referred to above must be clearly disclosed in detail.
8. In the event of changes to the meeting agenda, the Company shall be obligated to submit such change of meeting agenda to the Financial Services Authority by no later than the summon to the GMS.
9. The provisions of paragraph 7 and 8 of this Article shall apply, *mutatis mutandis*, for notice of a GMS convening pursuant to the court ruling obtained by shareholders to convene a GMS as referred to in Article 9 paragraph 7 letter g of this Articles of Association.



10.
 - a. The Company shall issue the summon to GMS to the shareholders by no later than 21 (twenty one) calendar days prior to the GMS, excluding the date of the summon and the date of the GMS.
 - b. The summon to the GMS shall, at the minimum, contain the followings:
 1. the date that the GMS shall convene;
 2. The time of the GMS;
 3. The venue of the GMS;
 4. Provisions concerning the Shareholders eligible to attend the GMS;
 5. Meeting agenda, including elucidation of each meeting agenda; and
 6. Information stating that the material for the meeting agenda shall be available to Shareholders from the date of summon to the GMS until the time of the GMS.
 - c. Announcement of GMS to shareholders for companies which shares are listed on the Stock Exchange shall at least be made in:
 1. 1 (one) newspaper published in the Indonesian language with national circulation;
 2. The Stock Exchange' website; and
 3. The Company's Website, in the Indonesian and foreign language, provided that the foreign language used shall be the English language, at the minimum.
 - d. The summon to the GMS in the foreign language referred to in paragraph 10 letter c of this Article shall include the same information as the information stated on the summon to the GMS made in the Indonesian Language. In the event of a difference in interpretation of summon to the GMS announced in the foreign language and that announced in the Indonesian Language, the information in the Indonesian language shall be used as a reference.
 - e. Proof of the GMS summon referred to in letter c shall be submitted to the Financial Services Authority by no later than 2 (two) business days subsequent to the GMS summon.
 - f. The provisions of paragraph 10 of this Article shall apply, *mutatis mutandis*, for the summon of a GMS convening pursuant to the court ruling obtained by shareholders to convene a GMS as referred to in Article 9 paragraph 7 letter g.
11. In addition to the GMS convening in accordance with the provisions of paragraph 1 of this Article, a GMS may convene by teleconference, video conference or other electronic media that allows all participants of the GMS to see, hear and participate directly in the GMS, with due considerations to the prevailing laws and regulations, particularly in the Capital Market.
12. The Company shall provide the material for the meeting agenda to the shareholders and such material shall be available from the date of summon to the GMS until the time of the GMS.

The meeting agenda may take the form of:

 - a. Copies of physical documents provided free of charge by the Company upon written request of the shareholders; or
 - b. Copies of electronic documents that may be accessed or downloaded from the Company's website.
13. In the event that the meeting agenda pertains to the appointment of a member(s) of the Board of Directors and/or a member(s) of the Board of Commissioners, the curriculum vitae of the candidate member of the Board of Directors and/or member of the Board of Commissioners to be appointed shall be made available:
 - a. on the Company's website, at the minimum, from the invitation date up to the GMS; or
 - b. at any other time other than those referred to in point paragraph 13 point a of this Article, but no later than the time of the GMS, to the extent such requirement is stipulated by the laws and regulations.
14.
 - a. The Company shall be obligated to issue a correction of summon to the GMS in the event of any change of information in the issued summon of the GMS. In the event that the correction of summon to the GMS contains information concerning the change of date of the GMS and/or addition of the GMS meeting agenda, the Company shall be obligated to re-issue the summon to the GMS in the manner according to the procedures stipulated in paragraph 10 of this Article.
 - b. The obligation to re-issue the summon to the GMS shall not apply in the event that the correction of summon to the GMS concerning the change in the date of the GMS and/or addition to the GMS meeting agenda occurs through no fault of the Company.
 - c. Provisions concerning the media used for and proof of the summon to the GMS referred to in paragraph 10 of this Article shall apply, *mutatis mutandis*, to the summon to the media used for and proof of the re-issuance of summon to the GMS.
15.
 - a. The 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 unavailable or are prevented from attending the GMS, the GMS shall be chaired by a member of the Board of Directors appointed by the Board of Directors.
 - b. In the event that all members of the Board of Commissioners or members of the Board of Directors are unavailable or are prevented from attending the GMS, the GMS shall be chaired by the shareholders present in the GMS, who is appointed from and by the participants of the GMS.
 - c. In the event that the member of the Board of Commissioner appointed by the Board of Commissioners to chair the GMS has a conflict of interest with regard to any of the agenda to be resolved in the GMS, the GMS shall be chaired by another member of the Board of Commissioners who does not have such conflict of interest, appointed by the Board of Commissioners.



- d. In the event that all members of the Board of Commissioners have a conflict of interest, the GMS shall be chaired by a member of the Board of Directors appointed by the Board of Directors.
- e. In the event that the member of the Board of Directors appointed by the Board of Directors to chair the GMS has a conflict of interest with regard to the agenda to be resolved in the GMS, the GMS shall be chaired by a member of the Board of Directors who has no conflict of interest.
- f. In the event that all members of the Board of Directors have a conflict of interest, the GMS shall be chaired by a non-controlling shareholder appointed by the majority of shareholders attending the GMS.
16. On the opening of the GMS, the Chairman of the GMS shall, at the minimum, present to the shareholders an explanation concerning the followings:
 - a. The Company's general condition in brief;
 - b. the meeting agenda;
 - c. The mechanisms to adopt a resolution with regard to the meeting agenda; and
 - d. The procedures to exercise the rights of the shareholders to raise questions and/or opinions.
17. The shareholders, whether by himself/herself or represented based on a power of attorney, shall have the right to attend the GMS. The shareholders authorised to attend the GMS are the shareholders whose names are registered in the Company's Shareholder Register at 1 (one) day prior to the date of summon to the GMS. In the event of correction of summon to the GMS referred to in paragraph 14 of this Article, the shareholders authorised to attend the GMS shall be the shareholders whose names are registered in the Company's Shareholder Register at 1 (one) business day prior to the date of correction of the summon to the GMS.
18. During the GMS, the shareholders shall have the right to obtain information concerning the meeting agenda and the materials related to the said meeting agenda provided they are not in contrary to the Company's interests.
19. During the GMS, the Company may invite other parties in relation to the GMS agenda.

**BOARD OF DIRECTORS:
Article 14**

1. The Company's Board of Directors shall consist of no less than 2 (two) members of the Board of Directors. 1 (one) of the members of the Board of Directors shall be appointed as the President Director.
2. Members of the Board of Directors shall be appointed by the GMS, each for a period commencing on their appointment until the closing of the third (3rd) Annual GMS thereafter, without prejudice to the rights of the GMS to discharge such members from time to time.
3. The person eligible to be appointed as member of the Board of Directors shall be Indonesian Citizen and/or Foreign Citizen that qualifies for the criteria to be appointed as a member of the Company's Board of Directors pursuant to the provisions of the Financial Services Authority Regulations and other laws and regulations.
4. Members of the Board of Directors whose terms of office have ended may be re-appointed.
5. A person appointed to replace a member of the Board of Directors who resigns or is discharged, or to fill a vacant position shall be appointed for a term of office that is equal to the remaining term of office of other active members of the Board of Directors.
6. If, for any reason whatsoever, the position of one or more or all members of the Board of Directors becomes vacant, a GMS shall convene within a period of 90 (ninety) days subsequent to the vacancy to fill such vacancy with due considerations to the provisions of the laws and regulations and the Articles of Association.
7. If, for any reason whatsoever, all members of the Board of Directors are vacant, the Company shall be temporarily managed by the member of the Board of Commissioners appointed by the Board of Commissioners meeting.
8. Members of the Board of Directors shall have the right to resign from their positions and shall submit a written notice concerning their intention to resign to the Company by no later than 90 (ninety) days prior to the date of their resignations.
9. The Company shall convene a GMS to resolve the request for resignation of the concerned member of the Board of Directors within a period of no longer than 90 (ninety) days following the receipt of such resignation letter.
10. In the event that the resignation of the member of the Board of Directors results in the number of the member of the Board of Directors to be less than 2 (two) persons, the said resignation shall be valid upon approval of the GMS and new members of the Board of Directors have been appointed so that the minimum requirement of the total members of the Board of Directors is satisfied.
12. In the event that a member of the Board of Directors is temporarily discharged by the Board of Commissioners, the Company shall be obligated to convene a GMS within a period of 90 (ninety) days subsequent to the date of such temporary discharge.
13. In the event that the GMS referred to in paragraph 11 of this Article fails to adopt a resolution, or in the event of failure to convene a GMS within the period referred to above, the temporary discharge of such member of the Board of Directors shall be null and void.
14. Salaries, service allowances, and other benefits (if any) of the members of Board of Directors shall be determined by the GMS and the authority in respect of the foregoing may be delegated by the GMS to the Board of Commissioners in connection with its nomination and remuneration functions.



15. The terms of office of members of the Board of Directors shall cease if:
 - a. Such member resigns according to the provisions of paragraph 8 and 9 of this Article;
 - b. Such member no longer satisfies the requirements of the Financial Services Authority regulations and other laws and regulations;
 - c. is deceased; or
 - d. Such member is discharged pursuant to a resolution of the GMS.

DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

Article 15

1.
 - a. The Board of Directors shall undertake and shall be responsible for the management of the Company for the Company's interest in accordance with Company's aims and objectives set forth in the Articles of Association.
 - b. In carrying out its management duties and responsibilities, the Board of Directors shall hold the Annual GMS and other GMS as stipulated by the laws and regulations and the Articles of Association.
 - c. Members of the Board of Directors shall perform their duties and responsibilities in good faith, with full responsibility and prudence.
2. In order to support the Board of Directors' effectiveness in performing its duties and responsibilities referred to in paragraph 1 of this Article, the Board of Directors may establish committees. In the event that such committees referred to above are established, the Board of Directors shall evaluate the performance of such committees at the end of each fiscal year.
3. The Board of Directors shall have the right to represent the Company, whether in or outside the court of law, on all matters and all affairs, to bind the Company with other parties, and other parties to the Company, and to undertake any action, whether concerning the management or ownership, subject to the following limitations:
 - a. borrowing or lending moneys on behalf of the Company (with the exception of withdrawing the Company's cash in bank), in the amount exceeding the limit that shall be determined by the Board of Commissioners from time to time;
 - b. establishing a new business or participating in other companies, whether domestic or overseas;which shall require prior approval from the Board of Commissioners.
4. Members of the Board of Directors shall not be authorized to represent the Company if there is any proceeding before the court between the Company and the concerned member of the Board of Directors, and the concerned member of the Board of Directors has a conflict of interest with the Company. In that event, the person entitled to represent the Company shall be other members of the Board of Directors (in accordance with the provisions of paragraph 6 of this Article) who have no conflict of interest with the Company, or the Board of Commissioners in the event that the majority or all members of the Board of Directors have a conflict of interest with the Company which cause the provisions of paragraph 6 of this Article cannot be enforced, or other party appointed by the GMS in the event that all members of the Board of Directors or Board of Commissioners have a conflict of interest with the Company.
5. Any legal act to transfer more than 50% (fifty per cent) of the Company's net assets in 1 (one) or more transactions, whether or not such transactions are related to one another, to encumber the Company's assets representing more than 50% (fifty per cent) of the Company's net assets in 1 (one) transaction or more, whether or not such transactions are related to one another, shall be conducted in accordance with the following provisions:
 - a. The GMS may convene provided that the GMS is attended by the Shareholders representing at least 3/4 (three quarter) of the total shares with valid voting rights.
 - b. Resolutions of the GMS referred to in paragraph 5 letter a of this Article shall be valid if approved by more than 3/4 (three fourth) of the total shares with valid voting rights that are present in the GMS.
 - c. In the event of failure to achieve the quorum referred to in paragraph 5 letter a of this Article, a Second GMS may convene provided that the Second GMS shall be valid and entitled to adopt valid resolutions if the GMS is attended by shareholders representing at least 2/3 (two third) of total shares with valid voting rights.
 - d. Resolutions of the second GMS shall be valid if approved by more than 3/4 (three quarter) of the total shares with valid voting rights that are present in the GMS.
 - e. In the event of failure to achieve quorum in the second GMS referred to in paragraph 5 letter c of this Article, the third GMS may convene provided that the third GMS shall be valid and authorized to adopt resolutions if such GMS is attended by the shareholders with valid voting rights in accordance with the quorum of attendance and the quorum of resolutions determined by the Financial Services Authority at the request of the Company.
6.
 - a. The President Director shall have the rights and authorities to act for and on behalf of the Board of Directors and to represent the Company;
 - b. In the event that the President Director cannot attend or is unavailable for any reasons whatsoever, of which no evidence to third parties shall be required, then 2 (two) members of the Board of Directors shall have the rights and authorities to act for and on behalf of the Board of Directors and to represent the Company.



7. Delegation of duties and authorities of each member of the Board of Directors shall be determined by the GMS, without prejudice to the prevailing laws and regulations. In the event that such delegation is not stipulated by the GMS, the delegation of duties and authorities of each member of the Board of Directors shall be determined based on the resolution of the Board of Directors Meeting.
8. Without diminution to the responsibilities of the Board of Directors, the Board of Directors may grant written authorization to 1 (one) or more proxies to conduct certain legal act for and on behalf of the Company as stipulated in the power of attorney.
9. In the event that a member of the Board of Directors has a conflict of interest with the Company, the person entitled to represent the Company shall be:
 - a. Other members of the Board of Directors with no conflict of interest with the Company;
 - b. The Board of Commissioners, in the event that all members of the Board of Directors have conflict of interest with the Company; orother party appointed by the GMS in the event that all members of the Board of Directors or Board of Commissioners have conflict of interest with the Company.

BOARD OF COMMISSIONERS

Article 17

1.
 - a. The Board of Commissioners shall, at the minimum, consist of 2 (two) members of the Board of Commissioners, including Independent Commissioners, the number of which shall conform to the requirements stipulated in the prevailing laws and regulations in the capital market.
 - b. If more than one member of the Board of Commissioners are appointed, one of which may be appointed as the President Commissioner.
2. Members of the Board of Commissioners shall be appointed by the GMS, each for a period commencing on their appointment until the closing of the third (3rd) Annual GMS thereafter, without prejudice to the rights of the GMS to discharge such members from time to time.
3. The person eligible to be appointed as member of the Board of Commissioners shall be Indonesian Citizen and/or Foreign Citizen that qualifies for the criteria to be appointed as a member of the Company's Board of Commissioners pursuant to the provisions of the Financial Services Authority Regulations and other laws and regulations.
4.
 - a. If, for any reason whatsoever, the position of a member of the Board of Commissioners becomes vacant, a GMS shall convene within a period of 90 (ninety) days subsequent to the vacancy to fill such vacancy with due considerations to the provisions of the laws and regulations and the Articles of Association.
 - b. A person appointed to replace a member of the Board of Commissioners who resigns or is discharged, or to fill a vacant position shall be appointed for a term of office that is equal to the remaining term of office of other active members of the Board of Commissioners.
5. Members of the Board of Commissioners shall have the right to resign from their positions and shall submit a written notice concerning their intention to resign to the Company by no later than 90 (ninety) days prior to the date of their resignations.
6. The Company shall convene a GMS to resolve the request for resignation of the concerned member of the Board of Commissioners within a period of no longer than 90 (ninety) days following the receipt of such resignation letter.
7. In the event that the resignation of the member of the Board of Commissioners results in the number of the member of the Board of Commissioners to be less than 2 (two) persons, the said resignation shall be valid upon approval of the GMS and new members of the Board of Commissioners have been appointed so that the minimum requirement of the total members of the Board of Commissioners is satisfied.
8. Salaries or honorarium and other benefits (if any) of the members of the Board of Commissioners shall be determined by the GMS from time to time.
9. The terms of office of members of the Board of Commissioners shall cease if:
 - a. Such member resigns according to the provisions of paragraph 5 and 6 of this Article;
 - b. Such member no longer satisfies the requirements of the Financial Services Authority regulations and other laws and regulations;
 - c. is deceased; orSuch member is discharged pursuant to a resolution of the GMS.

DUTIES AND AUTHORITIES OF THE BOARD OF COMMISSIONERS

Article 18

1.
 - a. The Board of Commissioners shall undertake the supervision of management policy, the course of management in general, whether those concerning the Company or the Company's business, and provide advices to the Board of Directors.
 - b. Members of the Board of Directors shall perform their duties and responsibilities in good faith, with full responsibility and prudential.
2. The Board of Commissioners shall, at any time, during office hours of the Company, be entitled to enter the building and the premises of the Company or other places used or controlled by the Company and be entitled to inspect all records, letters, and



- other evidences, to inspect and reconcile the Company's cash, the Company's documents and assets and to know all actions taken by the Board of Directors.
3. In carrying out their duties, the Board of Commissioners shall be entitled to receive explanations from the Board of Commissioners or every member of the Board of Directors on all matters required by the Board of Commissioners.
 4.
 - a. In order to support the effectiveness of the Board of Commissioners' duties and responsibilities referred to in paragraph 1 above, the Board of Commissioners must establish the Audit Committee, the Nomination and Remuneration Committee, and other committees in accordance with the requirements stipulated in the capital market laws and regulations.
 - b. In the event that the Nomination and Remuneration Committee is not established, the nomination and remuneration functions stipulated in the Financial Services Authority Regulation shall be carried out by the Board of Commissioners.
 5. The Board of Commissioners shall have the right to temporarily discharge one or more members of the Board of Directors in the event that the concerned member(s) of the Board of Directors has(have) acted in contrary to this Articles of Association and/or the prevailing laws and regulations in the Capital Market, or harmed the aims and objectives of the Company, or neglected their obligations.
 6. The temporary discharge referred to in paragraph 5 of this Article shall be informed to the concerned member of the Board of Directors in writing.
 7.
 - a. Within a period of no later than 90 (ninety) days subsequent to the date of such temporary discharge, the Board of Commissioners shall hold a GMS to adopt a resolution to revoke or affirm such temporary discharge.
 - b. During the GMS referred to above, the concerned member of the Board of Directors shall be provided with the opportunity to attend the GMS and present his/her defense.
 8. The GMS referred to in paragraph 7 of this Article shall be chaired by the President Commissioner, and in the event that the President Commissioner is not present, of which no evidence to other parties shall be required, the GMS shall be chaired by another member of the Board of Commissioners as appointed by such GMS, and such appointment shall comply with the requirements set forth in Article 10.
 9. With the elapse of the period to convene a GMS referred to in paragraph 7 of this Article or in the event that the GMS fails to adopt a resolution, the temporary discharge referred to in paragraph 5 of this Article shall be null and void.
 10. If all members of the Board of Directors are temporarily discharged, and the Company has no member of the Board of Directors, the Board of Commissioners shall be required to temporarily undertake the management of the Company, and in such case, the Board of Commissioners Meeting shall have the right to grant temporary authorization to one or more members among them, at their joint responsibility, one and another with due considerations to the provisions of paragraph 7 of this Article.

Other Key Provisions Relating to Shareholders

APPROPRIATION OF PROFIT AND DIVIDEND DISTRIBUTION Article 21

1. The Company's net profit in a fiscal year as stated in the statement of financial position and statement of comprehensive income ratified by the Annual GMS, which constitutes a positive balance of profit, may be distributed in accordance with the appropriation determined by the aforementioned GMS.
2. Dividends shall be paid solely pursuant to, and in accordance with, the resolution adopted in a General Meeting of Shareholders, without prejudice to the prevailing laws and regulations in the Capital Market, and the regulations of the Stock Exchange in Indonesia where the Company's shares are listed. Dividends for a share shall be paid to the person whose name is registered as the owner of such share in the Shareholder Register on the business determined or authorized by the GMS in which the resolution to distribute such dividend is adopted.
3. In the event that the profit and loss calculation of a fiscal year results in a loss that cannot be covered by the reserve fund, such loss shall remain recorded in the profit and loss calculation and for the following years the Company shall be considered not to have generated profit for as long as the loss recorded in the profit and loss calculation has not been entirely covered.
4.
 - a. Dividends that are not collected within 5 (five) years after such dividends are available for payment shall be placed in a special reserve fund for such specific purpose.
 - b. Dividends in the said special reserve fund may be collected by the eligible shareholders before the end of 5 (five) years by presenting the evidence of their rights over such dividends that is deemed acceptable by the Company's Board of Directors. Dividends that remain uncollected after more than 10 (ten) years will become the possession of the Company.
5. Pursuant to the resolution of a Board of Directors Meeting, and subject to the approval of the Board of Commissioners, the Company may distribute interim dividends to the shareholders, provided that such interim dividends shall be taken into account in the dividends distributed pursuant to the resolution of the next Annual General Meeting of Shareholders adopted in accordance with the provisions of this Articles of Association, without prejudice to the provisions of the prevailing laws and regulations, including, among others, the Law on Limited Liability Companies, regulations in the Capital Market, and the prevailing regulations in the Stock Exchange in Indonesia where the Company's shares are listed.
6. The Company may distribute interim dividends prior to the closing of the Company's fiscal year in accordance with the prevailing laws and regulations.



XV. SHARE SUBSCRIPTION PROCEDURES

1. Share Subscriptions

During the Public Offering Period, eligible subscribers may submit the share subscriptions during the office hours at the offices of the Joint Lead Underwriters or Underwriters, from 09.00 - 15.00 Indonesian Western Time.

Share subscriptions shall be made in accordance with the provisions set forth in this Prospectus and the Share Subscription Form ("SSF"). Share subscriptions shall be made based on the original SSF or the copy issued by the Joint Lead Underwriters. The original SSF or the copy issued by the Joint Lead Underwriters are available at the Underwriters or Sales Agents mentioned below in the Chapter regarding Distribution of Prospectus and SSF in the Prospectus. The FFS shall be made in 5 (five) copies. Share subscriptions that are not conducted in accordance with the provisions above shall not be processed. Every subscriber is required to have a securities account in the Securities Company/Custodian Bank that has become an Account Holder at Kustodian Sentral Efek Indonesia ("KSEI").

2. Eligible Subscribers

Subscribers eligible to subscribe shares shall be individuals and/or Institutions/Business Entities as stipulated in the Capital Market Law and Regulation No. IX.A.7.

3. Number of Subscriptions

The share subscription shall be made in the sum of no less than one unit of trading, which shall be 100 (one hundred) shares and subsequently in the multiples of 100 (one hundred) shares.

4. Securities Registration in Collective Depository

The Offering Shares are registered at KSEI based on the Equity Securities Registration at KSEI No. SP-026/SHM/KSEI/0318 dated April 3, 2018 signed by the Company and KSEI.

- A. Pursuant to the registration of such shares in KSEI, the following provisions shall apply on such Offering Shares:
1. The Company shall not issue any shares pursuant to the Initial Public Offering in the form of Share Collective Certificates, however, the shares shall be distributed electronically and administered in the Collective Depository of KSEI. Shares from the Public Offering shall be credited to the Securities Accounts under the name of the account holders by no later than the share distribution date upon receipt of share registration confirmation under the name of KSEI from the Company or the SAB;
 2. The Company shall issue the Share Registration Confirmation Form (*Surat Konfirmasi Pencatatan Saham*, "SKPS") to KSEI as proof of registration of shares under Collective custody in the Company's Shareholder Register.
 3. Before the Offering Shares offered in this Share Initial Public Offering are listed on the IDX, subscribers shall receive share ownership evidence in the form of Share Allotment Confirmation Forms ("SACF"), which shall also serve as proof of registration of shares under collective custody in the Company's Shareholder Register.
 4. KSEI, the Securities Companies, or the Custodian Banks shall issue a written confirmation to the account holders as a confirmation letter concerning the ownership of the Shares. The Written Confirmation shall constitute a legitimate evidence of ownership on Shares registered in the Securities Account.
 5. Transfer of Share ownership shall be made by way of book-entry settlement between Securities Accounts at KSEI;
 6. The holders of shares listed in the Securities Account shall be entitled to dividends, bonuses, preemptive rights, cast votes in a GMS, and other rights inherent to the shares;
 7. Payment of dividends, bonuses to, and exercise of preemptive rights by the shareholders shall be conducted by the Company, or the SAB appointed by the Company, through the Securities Account at KSEI to be further forwarded to the beneficial owners who are the Securities Account Holders at the Securities Companies or Custodian Banks;
 8. Subsequent to the Public Offering and listing of the Company's shares, shareholders intending to have share certificates may redeem the shares from the Collective Depository at KSEI after the shares from the Public Offering are distributed to the Securities Accounts of the appointed Securities Companies/Custodian Banks;
 9. Such redemption shall be made by submitting the share redemption request to KSEI through the Securities Companies/Custodian Banks managing such shares by completing the Securities Redemption Form;
 10. For Shares redeemed from the Collective Depository, a Share Collective Certificate shall be issued by no later than 5 (five) business days subsequent to the receipt of such redemption request by KSEI, and shall be issued under the name of the shareholders in accordance with the requests of the Securities Companies or Custodian Banks managing such shares;
 11. Parties intending to settle stock exchange transactions on the Company's shares shall be obligated to appoint Securities Companies or Custodian Banks that are already registered as Account Holders at KSEI to administer such Shares.
- B. Shares that are redeemed from the Collective Depository at KSEI for which Share Collective Certificate has been issued cannot be used to settle stock exchange transactions. Further information concerning the share redemption procedures are available at the Underwriters or Selling Agents where the said SSFs are submitted.



5. Submission of Share Subscriptions

During the Public Offering Period, eligible subscribers may submit the share subscriptions during the office hours at the offices of the Joint Lead Underwriters or Underwriters or Selling Agents where the SSFs are obtained, from 09.00 - 15.00 Indonesian Western ime.

Each party shall have the right to submit only 1 (one) SSF and such SSF must be submitted by the concerned subscriber by attaching photocopies of identity (Resident Card (KTP)/Passport for individuals and Articles of Association for legal entities), and present the original identity (KTP)/Passport for individuals and Articles of Association for legal entities) and evidence as a customer of members of the Stock Exchange and shall perform payment in accordance with the subscription amount. For foreign subscribers, in addition to attaching the photocopy of passport to the SSF, such subscribers shall state their names and addresses abroad/or the legitimate legal domicile in a complete and clear manner and shall perform payment in accordance with the subscription amount.

Joint Lead Underwriters, Underwriters, and the Company have the right to decline the submission of share subscription if the SSFs or the requirements for the submission of share subscription, including requirements of the party that has the right to subscribe, are not completed. In addition, subscribers could not cancel their subscriptions if they have fulfill all the share subscription requirements.

Company Share Ownership Program by Employees through Employee Stock Allocation Program ("ESA")

The ESA Program Participants shall comprise of the Company's 4,976 (four thousand nine hundred seventy six) employees who meet the following requirements:

1. The Company's Permanent and active employee as of April 30, 2018.
2. Permanent Employees with Active Service Years of more or equal to 1 (one) year as of April 30, 2018 with an average or better appraisal score for 2017.
3. The Company's Permanent Employees based on results of each employee's performance assessment and those who are not subject to severe disciplinary action upon the ESA Program implementation.
4. The Company's Permanent Employees who are not under Unpaid Leave status.
5. The program is not applicable to the Board of Directors and Board of Commissioners.

If any ESA Program Participant fails to satisfy the criteria/requirements during the ESA offering period, which results in the nullification of such ESA Program Participant's rights for Awarded Shares and/or Fixed Allotment shares, the Company shall take the following steps:

- With respect to Awarded Shares : The shares shall be returned to the Company, to be transferred to other employees in accordance with the terms stipulated by the Company.
- With respect to Fixed Allotment Shares : Such shares shall be released to be offered to the public in conjunction with the Share Initial Public Offering process.

If any ESA Program Participant fails to satisfy the criteria/requirements subsequent to the ESA offering period, which results in the nullification of such ESA Program Participant's rights for award shares and/or fixed allotment shares, the Company shall take the following steps:

- With respect to Awarded Shares : Such shares shall be returned to the Company.

The subscription period of fixed allotment shares by the ESA Program Participants shall be conducted prior to the end of bookbuilding period. The fixed allotment shares shall be financed by payments received from employees in accordance with the Company's regulation. Whereas award shares shall be granted directly to the specified ESA program participants without having to undergo the subscription process.

The ESA Program participants shall be entitled to receive award shares and the stock options to subscribe to fixed allotment shares in accordance with the terms and conditions stipulated by the Company regarding the ESA Program. The ESA Program Participants shall be entitled to the right to receive dividends, to cast vote in a GMS, and other rights equal to the rights of other shareholders.

ESA Program Terms and Conditions

Any costs and taxes arising from the ESA Program in the form of grant of Award Shares shall be borne by the Company. Whereas any costs and taxes arising from the ESA Program in the form of grant of Fixed Allotment Shares shall be entirely borne by the participants. The costs that need to be incurred by the ESA Program Participants subscribing for the Fixed Allotment Shares shall be equal to the Offer Price.

With respect to the receipt of Awarded Shares and Fixed Allotment Shares under the ESA Program, the ESA Program Participants shall not be subject to tax upon receipt of shares by each ESA Program Participants. In the event that the ESA Program Participants sell their shares on the IDX, such ESA Program Participants shall be subject to sales tax at 0.1% of the sales value. Sale of shares on the over-the-counter market shall be subject to tax calculated based on the capital gain received by the ESA Program Participants.



Under the ESA Program, Fixed Allotment to subscribe to Shares shall be granted to eligible Participants in accordance with their respective rank, service years, and 2017 appraisal score of the respective employee. The Fixed Allotment Shares allocated to the ESA Program Participants are not mandatory. Therefore, any shares unsubscribed by Participants shall be offered to other ESA Program Participants. If the other ESA Program Participants do not subscribe to the remaining shares offered, the Company may offer such shares to the public. Participants may purchase the Fixed Allotment Shares at the Offer Price. Shares unsubscribed by the ESA Program Participants shall not be subject to the lock-up period.

Fixed Allotment Shares shall be subject to a lock-up period of 12 (twelve) months from the listing date of the Company's shares on the IDX. The Company shall not bear the cost to purchase the Fixed Allotment Shares by the ESA Program Participants. If ESA Program resigned from the Company during the lock-up period, then the Fixed Allotment shares will still be in the custody of the ESA Program participants still belong to the ESA program and are still subject to the lock-up during the lock-up period.

6. Public Offering Period

The Public Offering Period shall be held for 2 business days, from May 17-18, 2018. The offering time will take place from 09.00 Indonesia Western time to 15.00 Indonesia Western Time. However, if the aggregate amount of shares subscribed exceed the amount of shares offered, then, the Joint Lead Underwriters, by first notifying the FSA, may shorten the Public Offering Period, provided that the Public Offering Period shall be no less than 1 (one) business day.

7. Allotment Date

The last allotment date, on which the Joint Lead Underwriters and the Company determine the share allotment for each subscription, shall be May 21, 2018.

8. Terms of Payment

Payments may be made in cash, cheques, transfer or bank drafts denominated in Rupiah and paid to the Underwriters or Selling Agents at the time the SSFs are submitted. All payments shall be addressed to the Joint Lead Underwriters' accounts at:

Bank Name : Bank CIMB Niaga
Account Number : 800153188600
Account Name : PT CGS-CIMB Sekuritas Indonesia – IPO Sarimelati Kencana

If the payments are made in cheques, the cheques shall be personal checks/owned by the Parties submitting (signing) the subscription forms. Cheques owned by/under the name of third parties are unacceptable as payments. All bank charges and transfer fees related to such payments shall be borne by the subscribers. All cheques and bank drafts received shall be immediately endorsed upon receipt. In the event that such cheques or bank drafts are dishonored by the drawing bank upon endorsement, the said share subscriptions shall be considered void. Payments made in cheques, book-entry settlement/giro shall be in good funds on the last day of the Public Offering Period for the Underwriters, retail customers and domestic institutional customers, whereas payments made by international customers subscribing the shares based on the fixed allotment mechanism shall be in good funds by no later than 16.00 Indonesian Western Time on the Distribution Date.

All bank charges and transfer fees related to such payments shall be borne by the subscribers. All cheques and bank drafts received shall be immediately endorsed upon receipt. In the event that such cheques or bank drafts are dishonored by the drawing bank upon endorsement, the said share subscriptions shall be considered void. For payments made by transfer from other bank, Subscribers shall attach the photocopy of Clearing Credit Note from the concerned bank and state the SSF/SSR number.

9. Receipt

The Joint Lead Underwriters, Underwriters or Selling Agents accepting the submission of SSFs shall return to the subscribers, the copy or photocopy of the 5th (fifth) page of the SSF that has been signed (original signature) as Receipt of Share Subscription. Such Receipt of Share subscription is not a guarantee that the share subscription shall be fulfilled. The Receipt shall be safely kept to be submitted upon refund of subscription fund and/or upon receipt of the SACF for the share subscriptions. For special share subscriptions, the Receipt of Share Subscription shall be provided directly by the Company.

10. Share Allotment

The share allotment shall be conducted by PT CLSA Sekuritas Indonesia as the Allotment Manager using a combined system of fixed allotment and pooling allotment in accordance with Regulation No. IX.A.7 and other prevailing laws and regulations, particularly the Capital Market regulations.

i Fixed Allotment

Fixed allotment is limited to 98% (ninety eight percent) of the total Offering Shares, that shall be allocated to, but not limited to, Pension Funds, Insurance Companies, Mutual Funds, Corporates, Foundations, other types of Institutions, Individuals, both domestic or international, and the Company's employees through the ESA Program.



In the event of allotment based on the Fixed Allotment system, such allotment shall be conducted solely if the following requirements are satisfied:

- a. The Allotment Manager shall determine the percentage and the parties entitled to the Fixed Allotment in the Public Offering. The determination of Fixed Allotment per centage shall consider the interests of individual subscribers;
- b. The total Fixed Allotment referred to in point a) includes the allocation for the Company's employees submitting subscriptions in the Share Initial Public Offering (if any), in a maximum sum of 1% (one per cent) of the total shares offered in the Share Initial Public Offering; and
- c. Fixed Allotment are prohibited to be granted to Affiliated Shareholders, namely:
 1. Directors, Commissioners, employees, or Parties holding 20% (twenty per cent) or more of the shares in a Securities Company acting as Underwriter or Selling Agent with respect to the Share Initial Public Offering;
 2. Directors, Commissioners, and/or majority shareholders of the Company; and
 3. Affiliates of the Parties referred to in point a) and b), which are not the Parties that subscribe shares on behalf of third parties.

ii Pooling Allotment

Pooling allotment is limited up to 2% (two percent) of the total Offering Shares. In the event that the total shares subscribed exceeds the number of Offering Shares, the Allotment Manager shall perform the following allotment procedures for the remaining Securities subsequent to the Fixed Allotment:

- a. If, after excluding share subscribers from affiliated parties, i.e., subscribers who are (i) directors, commissioners, employees or parties holding 20% (twenty percent or more of a security company acting as an Underwriter or Selling Agent in connection with the Public Offering), (ii) directors, commissioners and/or majority shareholders of the Company, or (iii) affiliates of the parties referred to in point (i) and (ii), which are not party making subscriptions on behalf of third parties, there are remaining shares in the sum equal to or higher than the amount subscribed, then, the subscribers that are not excluded shall receive all the shares subscribed. In the event that the subscribers that are not excluded have received full allotment and there are remaining shares available, such remaining shares shall be distributed proportionally to the subscribers who are (i) directors, commissioners, employees or parties holding 20% (twenty percent or more of a security company acting as an Underwriter or Selling Agent in connection with the Public Offering), (ii) directors, commissioners and/or majority shareholders of the Company, or (iii) affiliates of the parties referred to in point (i) and (ii), which are not party making subscriptions on behalf of third parties;
- b. If, after excluding the Affiliated Share Subscribers referred to in point a) above, there are remaining shares in the sum lower than the subscribed shares, then, the allotment for the subscribers that are not excluded shall be conducted in accordance with the following provisions:
 - (i) In the event that the shares shall be listed on the IDX, such shares shall be allocated in accordance with the following provisions:
 - Subscribers that are not excluded shall obtain one unit of trading on the IDX, if there are sufficient units of trading available. In the event of insufficient units available, the available units of trading shall be allocated by way of lottery. The number of shares included in the unit of trading referred to above shall be the highest full unit of trading determined by the IDX where the shares are listed.
 - If, there are remaining shares available, then after one unit of trading is allocated to subscribers who are not excluded, allocation shall be performed proportionally, in the unit of trading according to the amount subscribed by the subscribers.
 - (ii) In the event that such shares will not be listed on the IDX, the shares shall be allocated proportionally in accordance with the amount subscribed by the subscribers.

11. Postponement of Public Offering Period or Cancellation of Public Offering

Within the period since the receipt of the Effective Statement on the Registration Statement up to the end of the Share Initial Public Offering Period, the Company may postpone the Share Initial Public Offering Period for a maximum period of 3 (three) months since the receipt of the Effective Statement on the Registration Statement or cancel the Public Offering, provided that:

- a. An event beyond the Company's ability and control has occurred, which includes the followings:
 - 1) The IDX composite index declines by more than 10% (ten percent) for 3 (three) consecutive Exchange Days;
 - 2) Natural disasters, war, riots, fire, strikes which significantly affect the Company's going concern; and/or
 - 3) Other events with significant effects to the Company's going concern as stipulated by the FSA as defined in Regulation No. IX.A.2-11, Appendix 11; and
- b. The Company shall comply with the following provisions:
 - 1) announce the postponement of Share Initial Public Offering Period or cancellation of the Share Initial Public Offering in at least 1 (one) daily newspaper published in the Indonesian Language with national circulation by no later than 1 (one) business day following such postponement or cancellation. In addition to the obligation to issue an announcement in the newspapers, the Company may also issue such information in other mass media;



- 2) inform the postponement of Share Initial Public Offering Period or cancellation of the Share Initial Public Offering to the Financial Services Authority on the same day as the announcement referred to in point a) above;
- 3) submit the proof of announcement referred to in point a) to the Financial Services Authority by no later than 1 (one) business days subsequent to the said announcement; and

the Company postponing the Share Initial Public Offering Period or canceling an ongoing Share Initial Public Offering shall, in the event that Securities Subscriptions have been paid, refund the Securities Subscription fund to the subscriber by no later than 2 (two) business days following such decision to postpone or cancel the Share Initial Public Offering.

Every investor subscribing to the Offering Shares in this Share Initial Public Offering shall be deemed to acknowledge that the subscriber understands that the Share Initial Public Offering may be canceled in based on the laws and regulations in Indonesia. Consequently, investors may be requested to settle the subscription of the Offering Shares so subscribed despite of the occurrence of adverse material events or the occurrence of certain significant event that may result in the cancellation of the Share Initial Public Offering.

12. Refund of Subscription

With due considerations to the provisions concerning allotment, in the event of oversubscription, the subscription funds of subscribers that have completed the SSFs and made payment of the Offering Shares whose subscriptions are fully or partially rejected, or in the event of a postponement or cancellation of this share Initial Public Offering, shall be refunded in the Rupiah currency by the Underwriters where the respective SSFs are filed. The refund shall be made by no later than 2 (two) Business Days subsequent to the Allotment Date or the announcement date of the postponement or cancellation of the Share Initial Public Offering in accordance with Regulation No. IX.A.2. With due considerations to provisions concerning allotment, in the event of oversubscription, each Underwriter to whom the subscribers filed the SSFs shall be responsible to refund the subscription fund to such subscribers. In the event of a postponement or cancellation of the share Initial Public Offering, then, in the event that the announcement of such postponement or cancellation of the Share Initial Public Offering is issued prior to the Payment Date, the refund of subscription funds shall be the responsibilities of the Underwriters. However, in the event that the announcement of such postponement or cancellation of the Share Initial Public Offering is issued subsequent to the Payment Date, the refund of subscription funds shall be the responsibilities of the Company.

The refund must be made by way of book-entry settlement to the account under the name of the subscriber or by other payment instruments in the form of cheque or *bilyet giro* that may be collected directly by the concerned subscribers from the Underwriters where the subscriptions are submitted by submitting the receipt of share subscription and personal identification. For Special Subscribers, subscription refund as a result of the allotment shall be directly arranged and executed by the Company, and the Company therefore releases the Joint Lead Underwriters and Underwriters from all claims/penalties for the Company's negligence in this respect.

Any party that is negligent in refunding the subscription funds resulting in a late refund or cause other party to be late in carrying out their obligations to refund the subscription funds, shall be obligated to pay a penalty to the concerned subscribers at an annual interest rate applicable to Rupiah current account in the Accepting Bank ("**Interest Rate**") until the outstanding amount is paid, provided that 1 (one) year shall consist of 360 (three hundred sixty) Calendar Days and 1 (one) months shall consist of 30 (thirty) Calendar Days. Accepting Bank shall be the bank where the Joint Lead Underwriters open a bank account under the name of the Joint Lead Underwriters to receive proceeds from the Offered Shares.

With respect to the termination of the Securities Underwriting Agreement resulting in the cancellation or postponement of the Public Offering as stipulated in this Agreement, the refund of subscription funds (including any penalty resulting from late refund) that shall become the responsibilities of the Joint Lead Underwriters or Underwriters in accordance with their respective underwriting portion, or the Issuer (with respect to Special Subscribers), shall be settled by no later than 1 (one) Business Day following the termination of the securities Underwriting Agreement or the postponement of the Public Offering.

In the event that the refund is available, however the subscribers fail to collect such refund within 2 (two) Business Days subsequent to the Allotment Date or the announcement date of the postponement or cancellation of the share Initial Public Offering, such failure shall not be the responsibility of the concerned Underwriter.

13. Distribution of SACF with respect to the Share Subscriptions

Distribution of shares to each Securities Account at KSEI under the name of the Securities Companies or Custodian Banks appointed by the share subscribers for the benefit of the share subscribers shall be carried out by no later than 2 (two) Business Days subsequent to the Allotment Date. SACF for the share subscriptions shall be available at the appointed SAB's office, and may be obtained by presenting the original personal identification of the subscriber and submitting the receipt share subscriptions.

14. Others

The Securities Joint Lead Underwriters and the Company shall have the right to accept or reject the share subscription, in whole or in part.

In accordance with the provisions set forth in the Regulation No. IX.A.7, in the event of oversubscription of securities and it is proven that certain parties have submitted securities subscriptions through more than one subscription forms, whether directly or indirectly, then, for the purpose of allotment, the Allotment Manager shall include only one securities subscription form that is first submitted by the concerned subscriber.



The Joint Lead Underwriters, Underwriters and Selling Agents and affiliated parties are prohibited from subscribing or owning shares for their own accounts in the event of an oversubscription. Affiliated parties shall be allowed to subscribe to and own shares only if there are shares remaining unsubscribed by foreign or local unaffiliated parties. The allocation shall be conducted proportionally.

In the event of an undersubscribed Public Offering, the Underwriters and their affiliated parties shall be prohibited from selling the shares subscribed to or to be subscribed to pursuant to the Securities Underwriting Agreement, except on the Stock Exchange if it has been disclosed in the Prospectus that such securities shall be listed on the Stock Exchange.

The Underwriters shall submit the Results of Public Offering Report to the FSA by no later than 5 (five) business days subsequent to the effectiveness of the Registration Statement in accordance with Regulation No. IX.A.2.



XVI. DISTRIBUTION OF PROSPECTUS AND SHARE SUBSCRIPTION FORM

The Prospectus and SSF are available at the offices of the Company's SAB, Joint Lead Underwriters and Underwriters appointed as stock broker dealers registered as member of the Stock Exchange, during the Share Initial Public Offering Period, i.e., from May 17 - 18, 2018. The Joint Lead Underwriters and Underwriters referred to above are as follows:

JOINT LEAD UNDERWRITERS

PT CLSA Sekuritas Indonesia
Wisma GKBI Suite 901, Jl. Jendral
Sudirman No. 28, Jakarta 10210
Phone: 62-21-2554-8888
Fax: 62-21-570-8134

PT CGS-CIMB Sekuritas Indonesia
Bursa Efek Indonesia Building
Tower 2 11th Floor
Jl. Jend. Sudirman Kav. 52-53
Phone: (021) 515 4660
Fax: (021) 515 4661
E-Mail: jk.ipocimb@cimb.com

PT Mandiri Sekuritas
Plaza Mandiri, 28th Floor
Jl. Jend. Gatot Subroto Kav 36-38
Jakarta 12190
Phone : (021) 526 3445
Fax: (021) 526 3507

UNDERWRITERS

PT Artha Sekuritas
Rukan Mangga Dua Square
Blok F. No. 40
Jl. Gunung Sahari Raya No. 1
Kel. Ancol - Kec. Pademangan
Jakarta Utara 1443
Telp. (021) 6231 2626
Faks. (021) 6231 2525
Website: www.arthasekuritas.com

PT BNI Sekuritas
Sudirman Plaza, Indofood Tower Lantai 16
Jl. Jend. Sudirman Kav 76-78
Jakarta 12910
Telp. (021) 2554 3946
Faks. (021) 5793 6942
Website: www.bnisekuritas.co.id
Email: ibdiv@bnisekuritas.co.id

PT Indosurya Bersinar Sekuritas
Gedung Menara Kuningan Lt. 32
Jl. HR Rasuna Said Blok X7 Kav 5
Jakarta Selatan 12940 - Indonesia
Telp. (+62) 21 3001 5622
Faks. (+62) 21 3001 5649
Website: www.indosurya.net
Email: customer.care@indosurya.net

PT KGI Sekuritas Indonesia
Sona Topas Tower Lantai 11
Jl. Jend. Sudirman Kav. 26
Jakarta 12920, Indonesia
Telp. (021) 250 6337
Faks. (021) 250 6351/52
Website: www.kgi.id

PT Kresna Sekuritas
Kresna Tower, 6th Floor,
18 Parc Place SCBD
Jalan Jendral Sudirman Kavling 52 - 53
Jakarta 12190, Indonesia
Telp. (021) 2555 7000
Faks. (021) 2939 1950
Website: www.kresnasecurities.com
Email: corsec@kresnasecurities.com

PT Magenta Kapital Sekuritas Indonesia
Menara Batavia, Lantai 23
Jl. K.H. Mas Mansyur Kav. 126 Jakarta
10220
Telp. (021) 5793 0078
Fak. (021) 5793 0079
Website:
www.magentakapitalindonesia.com

PT NH Korindo Sekuritas Indonesia
Wisma Korindo, Lantai 7
Jl. MT Haryono, Kav 62
Jakarta 12780
Telp. (021) 797 6201/02
Faks. (021) 797 6206
Website : www.nhsec.id

PT Panca Global Securities Tbk
Gedung Bursa Efek Indonesia
Tower I, Suite 1706A
Jl. Jend. Sudirman Kav. 52-53
Jakarta 12190, Indonesia
Telp. (021) 515 5456
Faks. (021) 515 5466
Website: www.pancaglobal.co.id

PT Valbury Sekuritas Indonesia
Menara Karya Lt. 9
Jl. HR. Rasuna Said Blok X-5 Kav. 1-2
Jakarta 12950, Indonesia
Telp. (021) 255 33 600
Faks. (021) 579 44 505
Website: www.valburysekuritas.co.id

Other than at the Joint Lead Underwriters and Underwriters Offices, Prospectus and SSR can be acquired at Public Offering Outlet located in PT DATINDO ENTRYCOM, Jl. Hayam Wuruk No. 28, 2nd Floor, Jakarta 10120, from May 17 to May 18, 2018.



XVII. LEGAL OPINION

Presented below is a copy of the Legal Opinion concerning all matters related to the Company with respect to the Company's Share Initial Public Offering made in this Prospectus, which was prepared by AHP.

No. 0931/03/17/05/18

8 Mei 2018

PT SARIMELATI KENCANA TBK (“PERSEROAN”)

Graha Mustika Ratu Lt. 8,
Jl. Jenderal Gatot Subroto Kav. 74-75,
Menteng Dalam, Tebet,
Jakarta Selatan

U.p. Direksi

PERIHAL: PENDAPAT DARI SEGI HUKUM ATAS PERSEROAN

Dengan hormat,

Dalam rangka memenuhi ketentuan Otoritas Jasa Keuangan (“OJK”), kami, **Assegaf Hamzah & Partners**, suatu firma hukum di Jakarta, dalam hal ini diwakili oleh Putu Suryastuti, S.H., M.H. selaku Rekan dalam firma hukum tersebut, yang terdaftar sebagai Konsultan Hukum Profesi Penunjang Pasar Modal pada OJK yang telah memiliki Surat Tanda Terdaftar Profesi Penunjang Pasar Modal No. 56/PM.22/STTD.KH/2016 tanggal 15 September 2014 dan terdaftar sebagai anggota Himpunan Konsultan Hukum Pasar Modal No. 201423 yang berlaku sampai dengan tanggal 31 Juli 2019, telah ditunjuk oleh Perseroan berdasarkan Surat Penunjukan No. 1071/02/51/07/17 tanggal 5 Juli 2017 untuk mempersiapkan Laporan Uji Tuntas dan memberikan Pendapat dari Segi Hukum (“**Pendapat Dari Segi Hukum**”) sehubungan dengan rencana Perseroan untuk menerbitkan dan menawarkan saham biasa atas nama yang merupakan saham baru dalam jumlah sebesar 604.375.000 saham dengan nilai nominal Rp 100 per lembar saham untuk ditawarkan dan dijual kepada masyarakat melalui penawaran umum dengan harga penawaran sebesar Rp 1.100 per saham (“**Penawaran Umum Perdana**”).

Penawaran Umum Perdana ini dijamin oleh PT CGS-CIMB Sekuritas Indonesia, PT CLSA Sekuritas Indonesia dan PT Mandiri Sekuritas selaku Penjamin Pelaksana Emisi Efek dan Penjamin Emisi Efek dengan kesanggupan penuh (*full commitment*) sebagaimana dimuat dalam Akta Perjanjian Penjaminan Emisi Efek No. 20 tanggal 15 Maret 2018, yang dibuat di hadapan Aulia Taufani, S.H., Notaris di Jakarta sebagaimana diubah dan dinyatakan kembali berdasarkan Akta Addendum dan Pernyataan Kembali Perjanjian Penjaminan Emisi Efek No. 16 tanggal 9 April 2018, yang dibuat di hadapan Aulia Taufani, S.H., M.Kn., Notaris di Jakarta (“**Perjanjian Penjaminan Emisi Efek**”). Sehubungan dengan Penawaran Umum Perdana ini, Perseroan juga telah menandatangani:

1. Akta Perjanjian Pengelolaan Administrasi Saham No. 21 tanggal 15 Maret 2018, yang dibuat di hadapan Aulia Taufani, S.H., Notaris di Jakarta dengan PT Datindo Entrycom selaku Biro Administrasi Efek (“**Perjanjian Pengelolaan Administrasi Saham**”);
2. Perjanjian Pendaftaran Efek Bersifat Ekuitas di KSEI No. SP-026/SHM/KSEI/0318 tanggal 3 April 2018 (“**Perjanjian Pendaftaran Efek**”); dan

3. Perjanjian Pendahuluan Pencatatan Efek tanggal 24 April 2018 (“**Perjanjian Pendahuluan Pencatatan Efek**”)

(Perjanjian Penjaminan Emisi Efek, Perjanjian Pengelolaan Administrasi Saham, dan Perjanjian Pendahuluan Pencatatan Efek secara bersama-sama disebut sebagai “**Perjanjian-perjanjian Sehubungan Dengan Penawaran Umum Perdana**”).

Dalam rangka Penawaran Umum Perdana ini, Direksi Perseroan telah memperoleh persetujuan dari para pemegang saham Perseroan sebagaimana dinyatakan dalam Akta Pernyataan Keputusan Pemegang Saham Perubahan Anggaran Dasar No. 11 tanggal 9 Maret 2018, yang dibuat di hadapan Aulia Taufani, S.H., Notaris di Jakarta Selatan, yang telah memperoleh persetujuan Menteri Hukum dan Hak Asasi Manusia Republik Indonesia (sebagaimana diubah dari waktu ke waktu, untuk selanjutnya disebut sebagai “**Menkumham**”) berdasarkan Keputusan Menkumham No. AHU-0005908.AH.01.02.Tahun 2018 tanggal 14 Maret 2018, dan telah diberitahukan kepada Menkumham berdasarkan Surat Penerimaan Pemberitahuan Perubahan Anggaran Dasar No. AHU-AH.01.03-0109587 tanggal 14 Maret 2018, serta telah didaftarkan dalam Daftar Perseroan pada Kementerian Hukum dan Hak Asasi Manusia (“**Kemenkumham**”) di bawah No. AHU-0036668.AH.01.11.Tahun 2018 tanggal 14 Maret 2018 (“**Akta No. 11/2018**”).

Seluruh Dana hasil dari Penawaran Umum Perdana yang akan diterima oleh Perseroan, setelah dikurangi seluruh biaya-biaya emisi yang berhubungan dengan Penawaran Umum Perdana, seluruhnya akan dipergunakan sebagaimana tersebut di bawah ini:

1. Sekitar 65% akan digunakan untuk meningkatkan belanja modal Perseroan, baik untuk pembukaan gerai baru, renovasi gerai, maupun mempertahankan lokasi gerai-gerai PHR, PHD, dan konsep gerai lainnya yang ada saat ini dan di masa yang akan datang. Perseroan berencana untuk memperluas jaringan gerainya ke kota-kota di Jawa Barat, Jawa Tengah, Jawa Timur, Pulau Sumatera, Pulau Kalimantan, Indonesia Timur dan daerah lainnya. Pembukaan gerai-gerai baru tersebut akan dilaksanakan oleh Perseroan dan apabila dikemudian hari hal tersebut melebihi batasan kuantitatif gerai, maka Perseroan akan menambah gerai-gerai tersebut dengan cara diwaralabakan atau melakukan kerja sama dengan pola penyertaan modal, sesuai dengan syarat-syarat dan ketentuan peraturan perundang-undangan yang berlaku di bidang waralaba.
2. Sekitar 35% akan digunakan untuk pembayaran fasilitas sebagian pinjaman bank atau lembaga keuangan Perseroan, dengan keterangan sebagai berikut:
 - a. PT. Bank CIMB Niaga Tbk (Bank CIMB)
 - i. Kredit Investasi 3

Saldo pinjaman	: Rp 150.000.000.000 (per tanggal Prospektus diterbitkan)
Tingkat bunga	: 10,5% per tahun
Jatuh tempo	: 18 Juni 2022

Penggunaan pinjaman	: Pembiayaan pembukaan gerai baru Perseroan untuk periode 2017-2018
Riwayat utang	: Fasilitas kredit baru yang diperoleh pada tanggal 19 Juni 2017 dengan jumlah maksimum sebesar Rp150.000.000.000
Saldo pinjaman (setelah dibayar sebagian):	: Rp 150.000.000.000 - Rp 61.500.000.000 = Rp 88.500.000.000
Biaya pinalti	: Tidak ada biaya pinalti yang timbul dari pembayaran fasilitas pinjaman

Prosedur dan persyaratan pelunasan atau pembayaran:
Penerima kredit diperkenankan melakukan pelunasan baik sebagian maupun seluruhnya atas setiap jumlah uang yang terhutang kepada Bank dengan kondisi *Inverse Order Maturity*.

b. PT. Mandiri (Persero) Tbk (Bank Mandiri)

i. Kredit Investasi II

Saldo pinjaman	: Rp 32.492.000.000 (per tanggal Prospektus diterbitkan)
Tingkat bunga	: 10,5% per tahun pada tahun 2017
Jatuh tempo	: 27 April 2020
Penggunaan pinjaman	: Pembiayaan kembali gerai Perseroan
Riwayat utang	: Diperoleh pada tanggal 28 April 2015 dengan limit kredit sebesar Rp50.000.000.000
Saldo pinjaman (setelah dibayar sebagian):	: Rp 32.492.000.000 - Rp 32.400.000.000 = Rp 92.000.000
Biaya pinalti	: Denda, biaya-biaya, dan bunga akan ditentukan oleh Bank. Adapun pembayaran pinalti apabila diperlukan akan menggunakan dana dari hasil Penawaran Umum.

ii. Pinjaman Transaksi Khusus I

Saldo pinjaman	: Rp 20.338.983.055 (per tanggal Prospektus diterbitkan)
Tingkat bunga	: 10,5% per tahun pada tahun 2017

Jatuh tempo	:	27 April 2020
Penggunaan pinjaman	:	Tambahan modal kerja, khususnya untuk biaya sewa gerai
Riwayat utang	:	Diperoleh pada tanggal 28 April 2015 dengan limit kredit sebesar Rp50.000.000.000
Saldo pinjaman (setelah dibayar sebagian):	:	Rp 20.338.983.055 - Rp 20.000.000.000 = Rp 338.983.055
Biaya pinalti	:	Denda, biaya-biaya, dan bunga akan ditentukan oleh Bank. Adapun pembayaran pinalti apabila diperlukan akan menggunakan dana dari hasil Penawaran Umum.
- iii. Pinjaman Transaksi Khusus II
- | | | |
|--|---|--|
| Saldo pinjaman | : | Rp 45.000.000.000 (per tanggal Prospektus diterbitkan) |
| Tingkat bunga | : | 10,5% per tahun pada tahun 2017 |
| Jatuh tempo | : | 29 Mei 2021 |
| Penggunaan pinjaman | : | Pembiayaan defisit arus kas |
| Riwayat utang | : | Diperoleh pada tanggal 30 Mei 2017 dengan limit kredit sebesar Rp50.000.000.000 |
| Saldo pinjaman (setelah dibayar sebagian): | : | Rp 45.000.000.000 - Rp 18.559.375.000 = Rp 26.440.625.000 |
| Biaya pinalti | : | Denda, biaya-biaya, dan bunga akan ditentukan oleh Bank. Adapun pembayaran pinalti apabila diperlukan akan menggunakan dana dari hasil Penawaran Umum. |

Prosedur dan persyaratan pelunasan atau pembayaran;
Penerima kredit diperkenankan melakukan pelunasan baik sebagian maupun seluruhnya atas setiap jumlah uang yang terhutang kepada Bank dengan memberikan pemberitahuan tertulis selambat-lambatnya 14 hari kalender sebelum tanggal pembayaran.

c. Bank BTMU

i. Pinjaman Modal Kerja

Saldo pinjaman	: Rp50.000.000.000 (per tanggal Prospektus ini diterbitkan).
Tingkat bunga	: Berkisar antara 9,8% sampai 10,5% per tahun pada tahun 2017 dan bunga sebesar 1,75% di atas biaya dana.
Jatuh tempo	: 23 Desember 2018
Penggunaan pinjaman	: Tambahan modal kerja
Riwayat utang	: Diperoleh pada tanggal 23 Desember 2011 dengan limit kredit sebesar Rp50.000.000.000
Saldo pinjaman (setelah dibayar sebagian):	: Rp50.000.000.000 - Rp 50.000.000.000 = Rp0
Biaya pinalti	: Tidak ada biaya pinalti yang timbul dari pembayaran fasilitas pinjaman.

Prosedur dan persyaratan pelunasan atau pembayaran; Penerima kredit diperkenankan melakukan pelunasan baik sebagian maupun seluruhnya atas setiap jumlah uang yang terhutang kepada Bank dengan pemberitahuan tertulis selambat-lambatnya 2 hari kerja sebelum tanggal pembayaran, dan membayar selain bunga yang berlaku dengan menggunakan perhitungan *Break Funding Cost*.

d. PT. Bank HSBC Indonesia (Bank HSBC)

i. Fasilitas Kredit Pembiayaan Sewa Outlet

Saldo pinjaman	: Rp73.842.556.531 (per tanggal Prospektus diterbitkan)
Tingkat bunga	: 10,25% per tahun pada tahun 2017
Jatuh tempo	: 23 November 2022
Penggunaan pinjaman	: Pembiayaan sewa gerai dan pembelian gerai baru Perseroan
Riwayat utang	: Diperoleh pada tanggal 23 Desember 2017 dengan limit kredit sebesar Rp100.000.000.000

Saldo pinjaman : Rp 73.842.556.531 - Rp 42.000.000.000 =
(setelah dibayar Rp 31.842.556.531
sebagian):

Biaya pinalti : Jika pembayaran dilakukan setelah ataupun
sebelum 2 tahun dengan dana takeover maka
dikenakan biaya pinalti sebesar 1% dari
outstanding. Adapun pembayaran pinalti
apabila diperlukan akan menggunakan dana
dari hasil Penawaran Umum.

Prosedur dan persyaratan pelunasan atau pembayaran;
Penerima kredit diperkenankan melakukan pelunasan baik sebagian
maupun seluruhnya atas setiap jumlah uang yang terhutang kepada Bank
dengan kondisi pembayaran dipercepat dapat dilakukan setelah 2 tahun
jika menggunakan dana Perseroan, dan jika pembayaran dilakukan setelah
ataupun sebelum 2 tahun dengan dana *takeover* dikenakan biaya pinalti
sebesar 1% dari *outstanding*.

Adapun seluruh penggunaan dana tersebut akan digunakan oleh Perseroan. Penggunaan
dana untuk keperluan belanja modal akan dilaksanakan Perseroan segera pada kuartal 2
tahun 2018 hingga tahun 2020 sementara penggunaan dana untuk keperluan pembayaran
pinjaman akan dilakukan segera setelah listing di Bursa Efek Indonesia pada kuartal 2 tahun
2018.

Dalam hal jumlah dana hasil Penawaran Umum Perdana tidak mencukupi untuk memenuhi
rencana tersebut di atas, maka Perseroan akan menggunakan kas internal Perseroan atau
menggunakan pendanaan eksternal yang diperoleh dari bank dan/atau lembaga keuangan
dan/atau sumber lainnya.

Sesuai dengan Peraturan OJK No. 30/POJK.04/2015 tanggal 16 Desember 2015 tentang
Laporan Realisasi Penggunaan Dana Hasil Penawaran Umum, Perseroan akan
menyampaikan laporan realisasi penggunaan dana hasil Penawaran Umum Perdana ini
kepada OJK paling lambat pada tanggal 15 bulan berikutnya setelah tanggal laporan sampai
dengan seluruh dana hasil Penawaran Umum Perdana telah direalisasikan dan
mempertanggungjawabkan pada Rapat Umum Pemegang Saham ("**RUPS**") Tahunan
Perseroan. Laporan realisasi penggunaan dana yang disampaikan kepada OJK akan dibuat
secara berkala setiap 6 bulan selambat-lambatnya tanggal 15 bulan berikutnya.

Apabila di kemudian hari Perseroan bermaksud mengubah rencana penggunaan dana hasil
Penawaran Umum Perdana ini, maka Perseroan akan terlebih dahulu menyampaikan
rencana tersebut beserta alasannya kepada OJK dengan mengemukakan alasan beserta
pertimbangannya, dan perubahan penggunaan dana tersebut harus mendapat persetujuan
terlebih dahulu dari para pemegang saham Perseroan dalam RUPS.

Dalam hal Perseroan akan melakukan transaksi dengan menggunakan dana hasil Penawaran
Umum Perdana ini yang merupakan transaksi afiliasi dan benturan kepentingan transaksi
tertentu dan/atau transaksi material, Perseroan akan memenuhi ketentuan sebagaimana
diatur dalam Peraturan No. IX.E.1, Lampiran Keputusan Ketua Badan Pengawas Pasar
Modal dan Lembaga Keuangan ("**Bapepam-LK**") No. Kep-412/BL/2009 tanggal 25
November 2009 tentang Transaksi Afiliasi dan Benturan Kepentingan Transaksi Tertentu

PENDAPAT DARI SEGI HUKUM
PT SARIMELATI KENCANA TBK
HALAMAN: 7

dan/atau Peraturan No. IX.E.2, Lampiran Keputusan Ketua Bapepam-LK No. Kep-614/BL/2011 tanggal 28 November 2011 tentang Transaksi Material dan Perubahan Kegiatan Usaha Utama.

Pendapat Dari Segi Hukum ini disiapkan berdasarkan Laporan Uji Tuntas yang kami lakukan atas Perseroan yang dibuat berdasarkan keadaan Perseroan hingga tanggal Pendapat Dari Segi Hukum ini dikeluarkan. Pendapat dari Segi Hukum ini dibuat berdasarkan data dan informasi yang kami peroleh dari Perseroan sampai dengan tanggal 7 Mei 2018. Pendapat Dari Segi Hukum ini disiapkan dengan memperhatikan ketentuan peraturan perundang-undangan yang berlaku di bidang Pasar Modal dan Standar Uji Tuntas dan Standar Pendapat Hukum yang dikeluarkan oleh Himpunan Konsultan Hukum Pasar Modal (“**HKHPM**”) berdasarkan Keputusan HKHPM No. KEP.01/HKHPM/2005 tanggal 18 Februari 2005 sebagaimana diubah dengan Keputusan HKHPM No. KEP.04/HKHPM/XI/2012 tanggal 6 Desember 2012, Keputusan HKHPM No. 01/KEP-HKHPM/II/2014 tanggal 4 Februari 2014 dan Keputusan HKHPM No. 02/KEP-HKHPM/V/2017 tanggal 30 Mei 2017 dan telah memuat hal-hal yang diatur dalam Peraturan OJK No. 7/POJK.04/2017 tanggal 14 Maret 2017 tentang Dokumen Pernyataan Pendaftaran Dalam Rangka Penawaran Umum Efek Bersifat Ekuitas, Efek Bersifat Utang dan/atau Sukuk dan Peraturan OJK No. 8/POJK.04/2017 tanggal 14 Maret 2017 tentang Bentuk dan Isi Prospektus dan Prospektus Ringkas Dalam Rangka Penawaran Umum Efek Bersifat Ekuitas.

Pendapat Dari Segi Hukum ini menggantikan keseluruhan Pendapat Dari Segi Hukum yang telah diberikan sebelumnya kepada OJK sebagaimana tercantum dalam surat kami No. 0805/03/01/04/18 tanggal 19 April 2018.

PENDAPAT DARI SEGI HUKUM

Setelah memeriksa dan meneliti dokumen-dokumen yang akan kami rinci lebih lanjut dalam Laporan Uji Tuntas serta berdasarkan asumsi-asumsi dan pembatasan yang diuraikan di akhir Pendapat Dari Segi Hukum ini, dengan ini kami memberikan Pendapat Dari Segi Hukum sebagai berikut:

1. PT Sarimelati Kencana Tbk (“**Perseroan**”), berkedudukan di Jakarta, didirikan berdasarkan Akta Pendirian No. 132 tanggal 16 Desember 1987, yang dibuat di hadapan Lieke Lianadevi Tukgali, S.H., Notaris di Jakarta, yang telah mendapatkan pengesahan dari Menkumham berdasarkan Surat Keputusan No. C2-4573.HT.01.01-TH.88 tanggal 25 Mei 1988, dan telah didaftarkan dalam buku register pada Kantor Pengadilan Negeri Jakarta Pusat di bawah No. 1979/1988 tanggal 1 September 1988, serta telah diumumkan dalam Berita Negara Republik Indonesia No. 102 tanggal 20 Desember 1988, Tambahan No. 1388 (“**Akta Pendirian**”).

Dengan telah disahkannya Akta Pendirian oleh Menkumham, maka Perseroan telah didirikan secara sah berdasarkan hukum Republik Indonesia.

Anggaran Dasar yang dimuat dalam Akta Pendirian tersebut telah mengalami beberapa kali perubahan dan perubahan terakhir kali dimuat dalam akta-akta sebagai berikut:

- a. Akta Pernyataan Keputusan Pemegang Saham Perubahan Anggaran Dasar No. 21 tanggal 12 September 2017 yang dibuat di hadapan Aryanti Artisari, S.H., M.Kn., Notaris di Jakarta Selatan, yang telah memperoleh persetujuan Menkumham berdasarkan Keputusan No. AHU-0018930.AH.01.02.Tahun 2017 tanggal 14 September 2017, dan telah diberitahukan kepada Menkumham berdasarkan Surat Penerimaan Pemberitahuan Perubahan Anggaran Dasar No. AHU-AH.01.03-0171514 tanggal 14 September 2017, yang telah didaftarkan dalam Daftar Perseroan pada Kemenkumham di bawah No. AHU-0114560.AH.01.11.Tahun 2017 tanggal 14 September 2017 (**Akta No. 21/2017**).

Berdasarkan Akta No. 21/2017, para pemegang saham Perseroan telah menyetujui antara lain:

- i. peningkatan modal dasar Perseroan dari Rp 20.000.000.000 menjadi Rp 900.000.000.000;
 - ii. menyetujui pemecahan nilai nominal per saham dari Rp 1.000.000 menjadi Rp 100;
 - iii. menyetujui peningkatan modal ditempatkan dan disetor Perseroan dari sebesar Rp 5.750.000.000 menjadi Rp 241.750.000.000; dan
 - iv. mengubah ketentuan Pasal 4 ayat 1 dan ayat 2 Anggaran Dasar Perseroan tentang Permodalan.
- b. Akta Pernyataan Keputusan Pemegang Saham Perubahan Anggaran Dasar No. 1 tanggal 2 Maret 2018 yang dibuat di hadapan Aulia Taufani, S.H., Notaris di Jakarta, yang telah memperoleh persetujuan Menkumham berdasarkan Keputusan No. AHU-0005287.AH.01.02.Tahun 2018 tanggal 7 Maret 2018, yang telah didaftarkan dalam Daftar Perseroan pada Kemenkumham di bawah No. AHU-0032673.AH.01.11.Tahun 2018 tanggal 7 Maret 2018 (**Akta No. 1/2018**).

Berdasarkan Akta No. 1/2018, para pemegang saham Perseroan telah menyetujui untuk melakukan (i) penambahan bidang usaha Perseroan dan (ii) perubahan terhadap bidang usaha Perseroan, sehingga mengubah ketentuan Pasal 3 Anggaran Dasar Perseroan tentang Maksud dan Tujuan Serta Kegiatan Usaha Perseroan.

- c. Akta No. 11/2018.

Berdasarkan Akta No. 11/2018, para pemegang saham Perseroan telah menyetujui antara lain:

- i. menyetujui Penawaran Umum Perdana (*Initial Public Offering/IPO*) Perseroan melalui (i) pengeluaran saham baru dari dalam simpanan (portepel) Perseroan sebanyak-banyaknya sebesar 604.375.000 Saham Baru, untuk ditawarkan dengan harga penawaran yang akan ditetapkan oleh Direksi Perseroan setelah mendapat persetujuan tertulis dari Dewan Komisaris Perseroan, kepada masyarakat di Indonesia dan/atau luar Indonesia dengan tunduk pada setiap ketentuan peraturan perundang-undangan yang berlaku di tempat saham-saham tersebut ditawarkan melalui Penawaran Umum Perdana Perseroan, yang di dalamnya sudah termasuk program *Employee Stock Allocation* (“**ESA**”), untuk dicatatkan di Bursa Efek Indonesia (“**BEI**”). Para Pemegang Saham Perseroan dengan ini mengesampingkan haknya untuk mengambil bagian atas Saham Baru yang dikeluarkan tersebut. Penggunaan dana hasil Penawaran Umum Perdana akan ditetapkan oleh Direksi setelah mendapat persetujuan tertulis dari Dewan Komisaris Perseroan;
- ii. menyetujui pelaksanaan program ESA dan program *Management and Employee Stock Option Plan* (“**MESOP**”) sehubungan dengan Penawaran Umum Perdana Perseroan;
- iii. menyetujui mengalokasikan saham sebanyak-banyaknya 10% saham dari total modal ditempatkan dan disetor penuh dalam Perseroan setelah pelaksanaan Penawaran Umum Perdana Saham, dalam rangka program MESOP dengan memperhatikan peraturan Bursa Efek yang berlaku di tempat di mana saham-saham Perseroan akan dicatatkan dan perundang-undangan yang berlaku;
- iv. memberikan kuasa dan wewenang kepada Dewan Komisaris Perseroan untuk mengeluarkan saham-saham baru dalam simpanan Perseroan kepada manajemen dan karyawan yang berhak, termasuk untuk menyatakan dalam akta notaris mengenai peningkatan modal ditempatkan dan modal disetor Perseroan sebagai hasil pelaksanaan program MESOP Perseroan;
- v. menyetujui perubahan status Perseroan dari Perseroan Tertutup menjadi Perseroan Terbuka dan mengubah nama Perseroan, dari sebelumnya bernama perseroan terbatas PT Sarimelati Kencana, menjadi perseroan terbatas PT Sarimelati Kencana Tbk, dan dengan demikian mengubah ketentuan Pasal 1 Anggaran Dasar Perseroan;
- vi. mendelegasikan dan memberikan kewenangan kepada Dewan Komisaris Perseroan untuk melaksanakan akta ini, termasuk untuk menetapkan jumlah saham yang akan ditawarkan dalam Penawaran Umum Perdana dalam jumlah yang tidak melebihi jumlah yang telah diputuskan oleh Para Pemegang Saham dan menyatakan realisasi atau pelaksanaan pengeluaran atau penerbitan saham dalam rangka penawaran umum Perseroan, termasuk menyatakan realisasi jumlah saham yang dikeluarkan sehubungan dengan program ESA, dan mencatatkan saham-saham tersebut pada BEI dan dalam Daftar Pemegang Saham Perseroan pada Biro Administrasi Efek Perseroan.
- vii. menyetujui dan memberikan kuasa kepada Direksi Perseroan untuk melaksanakan segala tindakan yang diperlukan sehubungan dengan Penawaran Umum Perdana Perseroan, termasuk namun tidak terbatas pada:
 - membuat, menandatangani dan mengajukan pernyataan pendaftaran kepada OJK;

- menegosiasikan dan menandatangani perjanjian-perjanjian lainnya terkait dengan Penawaran Umum Perdana dengan syarat-syarat dan ketentuan-ketentuan yang dianggap baik untuk Perseroan oleh Direksi Perseroan;
 - menandatangani, mencetak dan/atau menerbitkan prospektus ringkas, perbaikan dan/atau tambahan informasi atas prospektus ringkas, prospektus awal, prospektus, info memo dan/atau dokumen-dokumen lain yang diperlukan bagi Penawaran Umum Perdana;
 - menetapkan harga penawaran saham setelah mendapat persetujuan tertulis dari Dewan Komisaris Perseroan;
 - menetapkan kepastian jumlah saham yang ditawarkan setelah mendapat persetujuan Dewan Komisaris;
 - menitipkan saham Perseroan dalam penitipan kolektif di KSEI sesuai dengan peraturan KSEI;
 - mencatatkan seluruh saham Perseroan yang telah dikeluarkan dan disetor penuh pada BEI dan dijual kepada masyarakat melalui pasar modal dan saham-saham yang dimiliki oleh Para Pemegang Saham; dan
 - menunjuk profesi penunjang pasar modal dengan syarat-syarat dan ketentuan-ketentuan yang dianggap baik untuk Perseroan oleh Direksi Perseroan; dan
- viii. menyetujui perubahan seluruh ketentuan Anggaran Dasar Perseroan untuk disesuaikan dengan peraturan perundang-undangan di bidang pasar modal, termasuk (i) Peraturan No. IX.J.1, Lampiran Keputusan Ketua Bapepam-LK No. Kep-179/BL/2008 tanggal 14 Mei 2008 tentang Pokok-Pokok Anggaran Dasar Perseroan yang Melakukan Penawaran Umum Efek Bersifat Ekuitas dan Perusahaan Publik ("**Peraturan No. IX.J.1**"), (ii) Peraturan OJK No. 32/POJK.04/2014 tentang Rencana dan Penyelenggaraan Rapat Umum Pemegang Saham Perusahaan Terbuka (sebagaimana diubah) ("**POJK No. 32/2014**"), dan (iii) Peraturan OJK No. 33/POJK.04/2014 tentang Direksi dan Dewan Komisaris Emiten atau Perusahaan Publik ("**POJK No. 33/2014**").

Akta No. 21/2017, Akta No. 1/2018, dan Akta No. 11/2018 telah dibuat sesuai dengan ketentuan Anggaran Dasar Perseroan dan telah memenuhi ketentuan peraturan perundang-undangan yang berlaku termasuk namun tidak terbatas pada Undang-Undang No. 40 Tahun 2007 tentang Perseroan Terbatas ("**UUPT**"), Peraturan No. IX.J.1, POJK No. 32/2014, dan POJK 33/2014, kecuali atas belum diperolehnya bukti pendaftaran dalam Daftar Perusahaan sebagaimana diwajibkan berdasarkan ketentuan Pasal 25 ayat (1) Undang-Undang No. 3 Tahun 1982 tentang Wajib Daftar Perusahaan ("**UU No. 3/1982**").

Berdasarkan Pasal 32 ayat (1) UU No. 3/1982, kelalaian untuk melakukan pendaftaran tersebut diancam pidana penjara selama-lamanya 3 bulan atau pidana denda setinggi-tingginya Rp 3.000.000.

Pemegang saham Perseroan telah menyetujui program ESA sebagaimana ternyata dalam Akta No. 11/2018. Perseroan akan mengalokasikan 1% dari jumlah saham yang ditawarkan pada saat Penawaran Umum Perdana untuk program ESA.

2. Berdasarkan ketentuan Pasal 3 Anggaran Dasar Perseroan sebagaimana dinyatakan dalam Akta No. 11/2018, maksud dan tujuan Perseroan adalah untuk berusaha dalam bidang (antara lain) restoran, katering, pergudangan, distribusi dan industri makanan dan pengolahan bahan makanan (termasuk roti dan kue).

Untuk mencapai maksud dan tujuan tersebut di atas, Perseroan dapat melaksanakan kegiatan usaha sebagai berikut:

Kegiatan usaha utama:

- a. Restoran yang mencakup jenis usaha jasa pangan yang bertempat di sebagian atau seluruh bangunan permanen, yang menjual dan menyajikan makanan dan minuman untuk umum di tempat usahanya, baik dilengkapi dengan peralatan atau perlengkapan untuk proses pembuatan dan penyimpanan maupun tidak;
- b. Katering mencakup penyediaan jasa makanan atas dasar kontrak perjanjian dengan pelanggan lokasi ditentukan oleh pelanggan untuk suatu acara tertentu, mencakup usaha jasa makanan jadi (siap dikonsumsi) yang terselenggara melalui pesanan-pesanan untuk kantor, perayaan, pesta, seminar, rapat dan sejenisnya. Biasanya makanan jadi yang dipesan diantar ke tempat kerja, pesta, seminar, rapat dan sejenisnya berikut pramusaji yang akan melayani tamu-tamu/peserta seminar atau rapat pada saat pesta atau seminar berlangsung;
- c. Pergudangan mencakup usaha yang melakukan penyimpanan barang sementara sebelum barang tersebut dikirim ke tujuan akhir, dengan tujuan komersil. Kegiatannya mencakup penyimpanan bahan makanan;
- d. Distribusi mencakup usaha jasa pendistribusian atas perdagangan besar makanan dan minuman lainnya, termasuk namun tidak terbatas pada bahan makanan untuk usaha restoran; dan
- e. Industri Makanan dan Pengolahan Bahan Makanan mencakup:
 - i. usaha makanan siap saji (diolah, dibumbui dan dimasak) diolah untuk tujuan diawetkan atau dibekukan dan biasanya dikemas dan dilabel untuk dijual kembali. Mencakup juga industri masakan daging atau unggas, industri masakan ikan, industri masakan sayuran siap saji, industri masakan rebusan dalam kaleng dan makanan di dalam wadah hampa udara dan industri masakan siap saji yang lain. Kegiatannya termasuk namun tidak terbatas pada produksi beef lasagna, cannelloni, pizza beku, serta produk-produk sejenis lainnya;
 - ii. usaha pengolahan dan pengawetan produk daging dan daging unggas dengan cara pengalengan, pengasapan, penggaraman, pembekuan, pemanisan dan sebagainya. Kegiatannya termasuk namun tidak terbatas pada produksi aneka sosis serta produk-produk sejenis lainnya; dan
 - iii. usaha industri produk roti dan kue serta produk roti yang dibekukan. Kegiatannya termasuk namun tidak terbatas pada produksi dough ball, puff pastry, croissant serta produk-produk sejenis lainnya.

Kegiatan usaha penunjang:

Untuk mencapai maksud dan tujuan serta untuk menunjang kegiatan usaha utama Perseroan tersebut di atas, Perseroan dapat melaksanakan kegiatan usaha penunjang sebagai berikut:

- a. melakukan ekspor dan/atau impor bahan baku, daging, keju dan bahan lainnya terkait produksi dan distribusi; dan

- b. melakukan pengiriman atau pendistribusian hasil produksi industri terkait ke outlet-outlet restoran.

Kegiatan usaha yang dilakukan Perseroan saat ini telah sesuai dengan maksud dan tujuan Perseroan sebagaimana dimuat dalam Anggaran Dasar Perseroan.

3. Berdasarkan Akta No. 21/2017 dan Akta No. 11/2018, struktur permodalan Perseroan adalah sebagai berikut:

Modal Dasar	:	Rp 900.000.000.000
Modal Ditempatkan	:	Rp 241.750.000.000
Modal Disetor	:	Rp 241.750.000.000

Modal dasar Perseroan terbagi atas 9.000.000.000 saham, masing-masing saham memiliki nilai nominal sebesar Rp 100.

Riwayat permodalan dan perubahan pemegang saham dalam jangka waktu 3 tahun terakhir sebelum disampaikannya pernyataan pendaftaran sehubungan dengan rencana Penawaran Umum Perdana Perseroan telah dilakukan secara sah, benar, dan berkesinambungan sesuai dengan ketentuan Anggaran Dasar Perseroan dan ketentuan peraturan perundang-undangan yang berlaku, kecuali sehubungan dengan belum diperolehnya bukti pendaftaran dalam Daftar Perusahaan sebagaimana diwajibkan berdasarkan ketentuan Pasal 25 ayat (1) UU No. 3/1982 atas Akta No. 21/2017 dan Akta No. 11/2018.

Berdasarkan Pasal 32 ayat (1) UU No. 3/1982, kelalaian untuk melakukan pendaftaran tersebut diancam pidana penjara selama-lamanya 3 bulan atau pidana denda setinggi-tingginya Rp 3.000.000.

Susunan pemegang saham Perseroan berdasarkan Daftar Pemegang Saham tanggal Maret 2018 adalah sebagai berikut:

No.	NAMA PEMEGANG SAHAM	JUMLAH SAHAM	JUMLAH (Rp)	%
1.	PT Sriboga Raturaya	2.199.683.250	219.968.325.000	90,99
2.	Mountain High Investments Limited	217.816.750	21.781.675.000	9,01
Jumlah		2.417.500.000	241.750.000.000	100
Saham dalam Portepel		6.582.500.000	658.250.000.000	

4. Berdasarkan Akta No. 11/2018 yang telah diberitahukan kepada Menkumham sebagaimana ternyata dalam Surat Penerimaan Pemberitahuan Perubahan Data Perseroan No. AHU-AH.01.03-0109594 tanggal 14 Maret 2018 dan telah didaftarkan dalam Daftar Perseroan pada Kemenkumham di bawah No. AHU-0036668.AH.01.11.Tahun 2018 tanggal 14 Maret 2018, susunan Direksi dan Dewan Komisaris Perseroan adalah sebagai berikut:

Direksi:

Direktur Utama	: Stephen James McCarthy
Direktur	: Jeo Sasanto
Direktur	: Frederick Estrada Cadlaon

Direktur Independen : Budi Setiawan

Masa jabatan seluruh anggota Direksi Perseroan adalah terhitung sejak 14 Maret 2018 sampai dengan penutupan RUPS Tahunan ketiga setelah tanggal tersebut.

Dewan Komisaris:

Komisaris Utama : Hadian Iswara

Komisaris : Brata Taruna Hardjosubroto

Komisaris Independen : Ito Warsito

Masa jabatan seluruh anggota Dewan Komisaris Perseroan adalah terhitung sejak 14 Maret 2018 sampai dengan penutupan RUPS Tahunan ketiga setelah tanggal tersebut.

Pengangkatan Direksi dan Dewan Komisaris Perseroan tersebut adalah sah dan telah dilakukan sesuai dengan ketentuan Anggaran Dasar Perseroan dan peraturan perundangan-undangan yang berlaku dan karenanya sah bertindak dalam kewenangannya sebagaimana diatur dalam Anggaran Dasar Perseroan. Namun demikian, susunan Direksi dan Dewan Komisaris tersebut belum didaftarkan dalam Daftar Perusahaan pada Kantor Pendaftaran Perusahaan sebagaimana diwajibkan berdasarkan Pasal 25 ayat (1) UU No. 3/1982.

Berdasarkan Pasal 32 ayat (1) UU No. 3/1982, kelalaian untuk melakukan pendaftaran tersebut diancam pidana penjara selama-lamanya 3 bulan atau pidana denda setinggi-tingginya Rp 3.000.000.

5. Berdasarkan Surat Keputusan Direksi No. 003/SK-DIR/III/2018 tentang Pengangkatan Sekretaris Perusahaan (*Corporate Secretary*) tanggal 15 Maret 2018, Perseroan telah menunjuk Kurniadi Sulistyomo sebagai Sekretaris Perusahaan Perseroan sebagaimana disyaratkan dalam Peraturan OJK No. 35/POJK.04/2014 tanggal 8 Desember 2014 tentang Sekretaris Perusahaan Emiten atau Perusahaan Publik ("**POJK No. 35/2014**"). Penunjukan Kurniadi Sulistyomo sebagai Sekretaris Perusahaan Perseroan telah dilakukan dengan memenuhi ketentuan-ketentuan dalam POJK No. 35/2014.
6. Berdasarkan Surat Keputusan Direksi No. 002/SK-DIR/III/2018 tanggal 15 Maret 2018 tentang Pembentukan Unit Audit Internal dan Pengangkatan Kepala Unit Audit Internal Perseroan, Perseroan telah membentuk Unit Audit Internal dan Perseroan telah mengangkat Bondan Cahyo Yudho sebagai Ketua Unit Audit Internal Perseroan.

Perseroan telah membentuk Piagam Unit Audit Internal yang ditetapkan oleh Direksi Perseroan dan disetujui Dewan Komisaris Perseroan berdasarkan Surat Keputusan Direksi No. 003/SK-DIR/III/2018 tanggal 15 Maret 2018.

7. Berdasarkan Surat Keputusan Dewan Komisaris 005/SK-DIR/III/2018 tentang Pembentukan Komite Audit tanggal 15 Maret 2018, Perseroan telah membentuk Komite Audit dan menunjuk Ito Warsito sebagai Ketua Komite Audit, dan Herryono Soetarko serta R. Eulis Sartika sebagai anggota. Masa jabatan susunan Komite Audit adalah terhitung sejak 15 Maret 2018 sampai dengan penutupan RUPS Tahunan ketiga setelah tanggal tersebut.

Perseroan telah membentuk Piagam Komite Audit tanggal 15 Maret 2018, yang ditandatangani oleh Ketua Komite Audit dan Dewan Komisaris Perseroan.

Pembentukan Komite Audit Perseroan telah memenuhi Peraturan OJK No. 55/POJK.04/2015 tanggal 23 Desember 2015 tentang Pembentukan dan Pelaksanaan Kerja Komite Audit ("**POJK No. 55/2015**").

8. Sesuai dengan ketentuan Peraturan OJK No. 34/POJK.04/2014 tentang Komite Nominasi dan Remunerasi Emiten atau Perusahaan Publik ("**POJK No. 34/2014**"), pelaksanaan fungsi Komite Nominasi dan Remunerasi Perseroan dilaksanakan oleh Dewan Komisaris Perseroan, sebagaimana ditetapkan berdasarkan Keputusan Sirkuler Dewan Komisaris Sebagai Pengganti Rapat Dewan Komisaris tanggal 15 Maret 2018.

Pedoman pelaksanaan fungsi Nominasi dan Remunerasi ditetapkan Dewan Komisaris Perseroan dalam Pedoman Dewan Komisaris Perseroan berdasarkan Keputusan Sirkuler Dewan Komisaris Sebagai Pengganti Rapat Dewan Komisaris tanggal 15 Maret 2018.

9. Pada tanggal Pendapat Dari Segi Hukum ini, Perseroan telah memperoleh izin-izin pokok dan penting dari pihak yang berwenang yang diperlukan untuk menjalankan kegiatan usahanya sebagaimana dipersyaratkan dalam peraturan perundang-undangan yang berlaku dan izin-izin pokok dan penting tersebut masih berlaku sampai dengan dikeluarkannya Pendapat Dari Segi Hukum ini, kecuali terkait dengan:

- a. terdapatnya beberapa gerai yang masih dalam proses persiapan dokumentasi pengurusan Surat Tanda Pendaftaran Waralaba ("**STPW**") sebagaimana diungkapkan dalam Laporan Uji Tuntas. Pelanggaran atas ketentuan ini berdasarkan Pasal 11 Peraturan Menteri Perdagangan Republik Indonesia Nomor 58/M-DAG/PER/9/2014 tentang Perubahan Atas Peraturan Menteri Perdagangan Republik Indonesia Nomor 07/M-DAG/PER/2/2013 Tahun 2013 tentang Pengembangan Kemitraan Dalam Waralaba Untuk Jenis Usaha Jasa Makanan dan Minuman, dapat dikenakan sanksi administratif secara bertahap berupa:
- i. peringatan tertulis paling banyak 3 kali berturut-turut dengan tenggang waktu 2 minggu sejak tanggal surat peringatan oleh pejabat penerbit STPW;
 - ii. pemberhentian sementara STPW paling lama 2 bulan apabila tidak memenuhi ketentuan dalam peringatan tertulis sebagaimana dimaksud pada huruf a di atas; dan
 - iii. pencabutan STPW apabila tidak memenuhi ketentuan sebagaimana dimaksud pada huruf b di atas.

Perseroan telah melakukan kewajiban pelaporan tahunan kegiatan usaha waralaba sebagaimana diwajibkan dalam STPW Perseroan dan ketentuan Peraturan Menteri Perdagangan yang berlaku.

Berdasarkan pemeriksaan uji tuntas kami dan ketentuan peraturan perundang-undangan yang berlaku serta surat pernyataan dan jaminan dari Perseroan tertanggal 19 April 2018, kami tidak melihat suatu alasan yang dapat menghalangi Perseroan untuk melakukan pendaftaran STPW untuk sebagian gerai yang telah berdiri sampai dengan saat ini.

Dalam hal Perseroan bermaksud untuk membuka gerai-gerai baru yang masuk dalam rencana pengembangan Perseroan dikemudian hari dimana hal tersebut melebihi batasan jumlah gerai, maka Perseroan dapat menambah gerai-gerai tersebut sepanjang dilakukan dengan cara diwaralabakan atau melakukan kerja sama dengan pola penyertaan modal sesuai dengan ketentuan peraturan perundang-undangan yang berlaku saat ini.

- b. belum diperolehnya Tanda Daftar Usaha Pariwisata ("**TDUP**") dan/atau perpanjangannya untuk gerai-gerai Perseroan sebagaimana diungkapkan dalam Prospektus.

Berdasarkan Pasal 37 dan 38 Peraturan Menteri Pariwisata No. 18 Tahun 2016 tentang Pendaftaran Usaha Pariwisata, setiap Pengusaha Pariwisata yang tidak melakukan pendaftaran usaha pariwisata dan tidak melakukan perpanjangan atas TDUP yang sudah tidak berlaku, maka dapat dikenakan sanksi administratif secara bertahap berupa:

- i. teguran tertulis paling banyak 3 kali; dan
 - ii. pembatasan kegiatan usaha apabila tidak mematuhi sanksi dalam teguran tertulis dalam jangka waktu 3 hari setelah diberikan teguran tertulis ketiga sebagaimana dimaksud pada huruf a di atas.
10. Pada tanggal Pendapat Dari Segi Hukum ini, Perseroan tidak memiliki penyertaan saham pada perusahaan-perusahaan lain baik langsung maupun tidak langsung.
 11. Pada tanggal Pendapat Dari Segi Hukum ini, Perseroan memiliki dan/atau menguasai harta kekayaan atau aset berupa benda-benda tidak bergerak maupun benda-benda bergerak yang material yang digunakan Perseroan untuk menjalankan usahanya dan kepemilikan dan/atau penguasaan tersebut telah didukung atau dilengkapi dengan dokumen kepemilikan dan/atau penguasaan yang sah menurut hukum Indonesia, kecuali untuk belum diterimanya Sertifikat Merek untuk merek-merek yang dimiliki oleh Perseroan sebagaimana dirinci dalam Prospektus. Harta kekayaan Perseroan yang dianggap material telah diasuransikan dengan jumlah pertanggungan yang memadai untuk mengganti obyek yang diasuransikan atau menutup risiko yang dipertanggungkan dan sampai dengan tanggal Pendapat Dari Segi Hukum ini, polis-polis asuransi tersebut masih berlaku.
 12. Pada tanggal Pendapat Dari Segi Hukum ini, harta kekayaan milik Perseroan tidak sedang menjadi obyek sengketa atau dibebankan sebagai jaminan atas utang atau untuk menjamin kewajiban suatu pihak kepada pihak ketiga, kecuali harta kekayaan milik Perseroan di bawah ini yang sedang dibebankan sebagai jaminan:
 - a. peralatan-peralatan yang dimiliki oleh Perseroan sedang dibebankan jaminan fidusia berdasarkan Akta Jaminan Fidusia (Peralatan) No. 43 tanggal 23 Desember 2011, yang dibuat di hadapan Endang Betty Budiyaniti Moesigit, S.H., Notaris di Jakarta Selatan antara Perseroan sebagai pemberi fidusia dan PT Bank of Tokyo – Mitsubishi UFJ Ltd dengan Sertifikat Jaminan Fidusia No. W7.010080.AH.05.01.TH2012/STD tanggal 12 Maret 2012 yang dikeluarkan oleh Kantor Pendaftaran Fidusia Kantor Wilayah DKI Jakarta. Penjaminan harta kekayaan Perseroan ini diberikan untuk menjamin pelunasan utang Perseroan berdasarkan Perjanjian Kredit No. 11-0576 LN tanggal 23 Desember 2011 sebagaimana diubah terakhir kali dengan Perubahan Atas Perjanjian Kredit No. 17-0335-GC-LN tanggal 22 Desember 2017 dengan The Bank of Tokyo-Mitsubishi UFJ Ltd. sebagaimana telah diubah beberapa kali dan terakhir kali dengan Perjanjian Kredit No 16-0520LN tanggal 23 Desember 2016 antara Perseroan dengan PT Bank of Tokyo-Mitsubishi UFJ Ltd (**“Perjanjian Kredit BTMU”**);
 - b. barang-barang persediaan yang dimiliki atau kemudian hari akan dimiliki oleh Perseroan sedang dibebankan jaminan fidusia berdasarkan Akta Jaminan Fidusia No. 9 tanggal 28 April 2015, yang dibuat di hadapan Hasnah, S.H., Notaris di Jakarta antara Perseroan sebagai pemberi fidusia dan PT Bank Mandiri (Persero) Tbk (**“Bank Mandiri”**) dengan Sertifikat Jaminan Fidusia No. W10.00522108.AH.05.01.Tahun 2015 tanggal 29 Desember 2015 yang dikeluarkan oleh Kantor Pendaftaran Fidusia Kantor Wilayah DKI Jakarta. Penjaminan harta kekayaan Perseroan ini diberikan untuk menjamin pelunasan utang Perseroan berdasarkan (i) Akta Perjanjian Kredit Investasi II No. CRO.KP/070/KI/15 No. 06 tanggal 28 April 2015, yang dibuat di hadapan Hasnah, S.H., M.Kn., Notaris di

Jakarta dengan PT Bank Mandiri (Persero) Tbk (**“Perjanjian Kredit Investasi II Mandiri”**), (ii) Akta Perjanjian Kredit Modal Kerja No. CRO.KP/067/KMK/15 No. 03 tanggal 28 April 2015, yang dibuat di hadapan Hasnah, S.H., Notaris di Jakarta sebagaimana diubah terakhir kali dengan Surat Penawaran Perpanjangan Masa Laku Fasilitas Kredit atas nama PT Sarimelati Kencana No. WBG.CB4/SPPK/017/207 tanggal 25 April 2017 dengan PT Bank Mandiri (Persero) Tbk (**“Perjanjian Kredit Modal Kerja Mandiri”**), (iii) Akta Perjanjian Pinjaman Transaksi Khusus No. 19 tanggal 30 Mei 2017, yang dibuat di hadapan Ati Mulyati, S.H., M.Kn., Notaris di Jakarta sebagaimana diubah dengan Surat Penawaran Tambahan dan Fasilitas Kredit Baru atas nama PT Sarimelati Kencana No. WBG.CB4/SPPK/019/2017, tanggal 9 Mei 2017 dengan PT Bank Mandiri (Persero) Tbk (**“Perjanjian Kredit Transaksi Khusus Mandiri”**), dan (iv) Akta Perjanjian *Treasury Line* No. CRO.KP/071/TL/15 No. 7 tanggal 28 April 2015, yang dibuat di hadapan Hasnah, S.H., Notaris di Jakarta sebagaimana diubah terakhir kali dengan Surat No. OPS.CRO/CCL.329/ADD/2017 tanggal 30 Mei 2017 tentang Addendum III atas Perjanjian *Treasury Line* No. CRO.KP/071/TL/2015, Akta No. 7 tanggal 28 April 2015 tentang Penambahan Limit dengan PT Bank Mandiri (Persero) Tbk (**“Perjanjian *Treasury Line* Mandiri”**);

- c. barang-barang yang dimiliki oleh Perseroan sedang dibebankan jaminan fidusia berdasarkan Akta Jaminan Fidusia No. 8 tanggal 28 April 2015, yang dibuat di hadapan Hasnah, S.H., Notaris di Jakarta antara Perseroan sebagai pemberi fidusia dan PT Bank Mandiri (Persero) Tbk dengan Sertifikat Jaminan Fidusia No. W10.00522107.AH.05.01.Tahun 2015 tanggal 29 Desember 2015 yang dikeluarkan oleh Kantor Pendaftaran Fidusia Kantor Wilayah DKI Jakarta. Penjaminan harta kekayaan Perseroan ini diberikan untuk menjamin pelunasan utang Perseroan berdasarkan (i) Perjanjian Kredit Investasi II Mandiri, (ii) Perjanjian Kredit Modal Kerja Mandiri, (iii) Perjanjian Kredit Transaksi Khusus Mandiri, dan (iv) Perjanjian *Treasury Line* Mandiri;
- d. peralatan-peralatan yang dimiliki oleh Perseroan yang disimpan/terletak/berada pada Perseroan dan/atau dikemudian hari disimpan di manapun juga yang sedang dibebankan jaminan fidusia berdasarkan Akta Jaminan Fidusia No. 48 tanggal 9 April 2012, yang dibuat di hadapan Drs. Gunawan Tedjo, S.H., M.H., Notaris di Jakarta antara Perseroan sebagai pemberi fidusia dengan PT Bank CIMB Niaga Tbk. Penjaminan harta kekayaan Perseroan ini diberikan untuk menjamin pelunasan utang Perseroan berdasarkan Akta Perubahan dan Pernyataan Kembali Terhadap Perjanjian Kredit No. 12 tanggal 19 Juni 2017, yang dibuat di hadapan E. Betty Budiyaniti Moesigit, S.H., Notaris di Daerah Khusus Ibu Kota Jakarta antara Perseroan dengan PT Bank CIMB Niaga Tbk (**“Perjanjian Kredit CIMB”**);
- e. peralatan-peralatan yang dimiliki oleh Perseroan yang disimpan/terletak/berada pada Perseroan dan/atau dikemudian hari disimpan di manapun juga yang sedang dibebankan jaminan fidusia berdasarkan Akta Jaminan Fidusia No. 120 tanggal 22 November 2012, yang dibuat di hadapan Audrey Wardani, S.H., Notaris di Jakarta sebagai Notaris Pengganti dari Drs. Gunawan Tedjo, S.H., M.H., Notaris di Jakarta antara Perseroan sebagai pemberi fidusia dengan PT Bank CIMB Niaga Tbk dengan Sertifikat Jaminan Fidusia No. W.7066786.AH.05.01.TH2012/STD tanggal 20 Desember 2012 yang dikeluarkan oleh Kantor Wilayah DKI Jakarta. Penjaminan harta kekayaan Perseroan ini diberikan untuk menjamin pelunasan utang Perseroan berdasarkan Perjanjian Kredit CIMB;
- f. hak sewa atas gerai yang diberikan sebagai jaminan yang dimiliki oleh Perseroan yang sedang dibebankan jaminan berdasarkan Akta Perjanjian Pengalihan Atas Hak Sewa Sebagai Jaminan No. 121 tanggal 22 November 2012, yang dibuat di hadapan Audrey Wardani, S.H., Notaris di Jakarta sebagai Notaris Pengganti dari Drs.

Gunawan Tedjo, S.H., M.H., Notaris di Jakarta sebagaimana diubah dengan Akta Perubahan Perjanjian atas Pengalihan Hak Sewa Sebagai Jaminan No. 202 tanggal 28 Juni 2013, yang dibuat di hadapan Mira Marizal, S.H., M.Kn., Notaris di Jakarta sebagai Notaris Pengganti dari Drs. Gunawan Tedjo, S.H., M.H., Notaris di Jakarta. Penjaminan harta kekayaan Perseroan ini diberikan untuk menjamin pelunasan utang Perseroan berdasarkan Perjanjian Kredit CIMB;

- g. hak sewa atas gerai yang diberikan sebagai jaminan yang dimiliki oleh Perseroan yang sedang dibebankan jaminan berdasarkan Akta Perjanjian Pengalihan Atas Hak Sewa Sebagai Jaminan No. 52 tanggal 9 April 2012 yang dibuat di hadapan Drs. Gunawan Tedjo, S.H., M.H., Notaris di Jakarta. Penjaminan harta kekayaan Perseroan ini diberikan untuk menjamin pelunasan utang Perseroan berdasarkan Perjanjian Kredit CIMB;
- h. peralatan-peralatan dan mesin-mesin yang dimiliki oleh Perseroan yang sedang dibebankan jaminan fidusia berdasarkan Akta Jaminan Fidusia (Mesin dan Peralatan) No. 14 tanggal 19 Juni 2017, yang dibuat di hadapan E. Betty Budiyaniti Moesigit, S.H., Notaris di Jakarta antara Perseroan sebagai pemberi fidusia dengan PT Bank CIMB Niaga Tbk dengan Sertifikat Jaminan Fidusia No. W10.00347923.AH.05.01.TAHUN2017 tanggal 11 Juli 2017 yang dikeluarkan oleh Kantor Pendaftaran Jaminan Fidusia Kantor Wilayah DKI Jakarta. Penjaminan harta kekayaan Perseroan ini diberikan untuk menjamin pelunasan utang Perseroan berdasarkan Perjanjian Kredit CIMB;
- i. Sertifikat Hak Guna Bangunan (“SHGB”) No. 1390/Lengkong Wetan yang sedang dibebankan jaminan hak tanggungan berdasarkan Akta Pembebanan Hak Tanggungan No. 13/2013 tanggal 26 Juli 2013 yang dibuat di hadapan Maya Veronica, S.H., M.Kn., PPAT di Kabupaten Tangerang dengan Sertifikat Hak Tanggungan No. 3155/2014 tanggal 21 Februari 2014 yang dikeluarkan oleh Kantor Pertanahan Kabupaten Tangerang atas nama PT Bank CIMB Niaga Tbk. Penjaminan harta kekayaan Perseroan ini diberikan untuk menjamin pelunasan utang Perseroan berdasarkan Perjanjian Kredit CIMB;
- j. Gerai Pizza Hut Mangga Dua No. 416/I dan Pizza Hut Mangga Dua No. 491/II dengan Sertifikat Hak Milik Atas Satuan Rumah Susun (“SHMSRS”) No. 416/I/Mangga Dua Selatan dan SHMSRS No. 491/II/Mangga Dua Selatan atas nama Perseroan. Penjaminan harta kekayaan Perseroan ini diberikan untuk menjamin pelunasan utang Perseroan berdasarkan Perjanjian Kredit CIMB;
- k. (a) SHGB No. 596/Cibaduyut yang sedang dibebankan jaminan hak tanggungan berdasarkan Akta Pembebanan Hak Tanggungan No. 98/2015 tanggal 2 Juli 2015 yang dibuat di hadapan Elsy Javanka, S.H., PPAT di Bandung dengan Sertifikat Hak Tanggungan No. 08106/2015 tanggal 11 Agustus 2015 yang dikeluarkan oleh Kantor Pertanahan Kota Bandung atas nama Bank Mandiri, (b) SHGB No. 84/Cirangrang yang sedang dibebankan jaminan hak tanggungan berdasarkan Akta Pembebanan Hak Tanggungan No. 97/2015 tanggal 2 Juli 2015 yang dibuat di hadapan Elsy Javanka, S.H., PPAT di Bandung dengan Sertifikat Hak Tanggungan No. 08088/2015 tanggal 11 Agustus 2015 yang dikeluarkan oleh Kantor Pertanahan Kota Bandung atas nama Bank Mandiri, dan (c) SHMSRS No. 1195/I/Karet Semanggi yang sedang dibebankan jaminan hak tanggungan berdasarkan Akta Pembebanan Hak Tanggungan No. 20/2015 tanggal 14 Desember 2015 yang dibuat di hadapan Media Sari, S.H., PPAT di Jakarta dengan Sertifikat Hak Tanggungan No. 7988/2015 tanggal 23 Desember 2015 yang dikeluarkan oleh Kantor Pertanahan Kota Administrasi Jakarta Selatan atas nama Bank Mandiri, yang merupakan jaminan untuk pelunasan utang Perseroan berdasarkan (i) Perjanjian Kredit Investasi II

Mandiri, (ii) Perjanjian Kredit Modal Kerja Mandiri, (iii) Perjanjian Kredit Transaksi Khusus Mandiri, dan (iv) Perjanjian *Treasury Line* Mandiri;

- l. (a) SHGB No. 433/Sukarasa berdasarkan Akta Pemberian Hak Tanggungan No. 23/2017 tanggal 15 Desember 2017 yang dibuat di hadapan Syarifudin, S.H., PPAT di Kota Tangerang dengan Sertifikat Hak Tanggungan No. 688/2018 tanggal 6 Februari 2018 yang dikeluarkan oleh Kantor Pertanahan Kota Tangerang atas nama The Hongkong and Shanghai Banking Corporation Ltd., (b) SHGB No. 25/Teladan Timur berdasarkan Akta Pemberian Hak Tanggungan No. 80/2017 tanggal 15 Desember 2017 yang dibuat di hadapan Iksan Lubis, S.H., PPAT di Kota Medan dengan Sertifikat Hak Tanggungan No. 15/2018 tanggal 23 Januari 2018 yang dikeluarkan oleh Kantor Pertanahan Kabupaten/Kota Tangerang atas nama The Hongkong and Shanghai Banking Corporation Ltd., dan (c) SHGB No. 3641/Cempaka Putih Timur berdasarkan Akta Pemberian Hak Tanggungan No. 427/2017 tanggal 8 Desember 2017 yang dibuat di hadapan Surjadi, S.H., M.Kn., M.M., PPAT di Jakarta dengan Sertifikat Hak Tanggungan No. 13/2018 tanggal 10 Januari 2018 yang dikeluarkan oleh Kantor Pertanahan Jakarta Pusat atas nama The Hongkong and Shanghai Banking Corporation Ltd. Penjaminan harta kekayaan Perseroan ini diberikan untuk menjamin pelunasan utang Perseroan berdasarkan Akta Perjanjian Pemberian Pinjaman No. 97 tanggal 23 November 2017 dibuat di hadapan Muhammad Hanafi, S.H., Notaris di Jakarta antara Perseroan dan PT Bank HSBC Indonesia ("**Perjanjian Kredit HSBC**");
- m. SHGB No. 01501/Beji, SHGB No. 20016/Pa Batang, dan SHGB No. 02507/Sukaesmi yang merupakan jaminan untuk pelunasan fasilitas berdasarkan Perjanjian Kredit HSBC, dan sedang dalam proses pengurusan Akta Pemberian Hak Tanggungan dan Sertifikat Hak Tanggungan berdasarkan Surat Keterangan No. 34/MH.NOT/III/2018 tanggal 13 Maret 2018 yang dikeluarkan oleh Muhammad Hanafi, S.H., Notaris di Jakarta. Penjaminan harta kekayaan Perseroan ini diberikan untuk menjamin pelunasan utang Perseroan berdasarkan Perjanjian Kredit HSBC.

Di samping itu, sehubungan dengan harta kekayaan Perseroan yang sedang dijaminakan sebagaimana disebutkan di atas, terdapat harta kekayaan Perseroan yang sampai dengan tanggal Pendapat Dari Segi Hukum ini belum memiliki Akta Pembebanan Hak Tanggungan dan Sertifikat Hak Tanggungan untuk SHGB No. 01501/Beji, SHGB No. 20016/Pa Batang, SHGB No. 02507/Sukaesmi, SHMSRS No. 416/I/Mangga Dua Selatan, SHMSRS No. 491/II/Mangga Dua Selatan dan SHGB No. 56/Batu Ampar.

Berdasarkan Surat Pernyataan tanggal 4 April 2018, Perseroan menyatakan bahwa sehubungan dengan jaminan-jaminan yang diberikan oleh Perseroan, harta kekayaan Perseroan yang saat ini merupakan obyek jaminan atas kewajiban pembayaran oleh Perseroan kepada pihak ketiga, bersifat material bagi kelangsungan usaha Perseroan dan apabila jaminan yang diberikan oleh Perseroan akan dieksekusi, maka hal tersebut akan mengganggu kegiatan usaha/operasional Perseroan secara material.

13. Pada tanggal Pendapat Dari Segi Hukum ini, perjanjian-perjanjian yang dianggap penting dan material, yaitu perjanjian-perjanjian yang perlu dibuat atau ditandatangani oleh Perseroan agar dapat melaksanakan kegiatan usahanya dan dalam hal terdapat wanprestasi, dapat mempengaruhi kegiatan usaha Perseroan secara material, telah dibuat oleh Perseroan sesuai dengan ketentuan Anggaran Dasar Perseroan dan ketentuan hukum yang berlaku, dan karenanya perjanjian-perjanjian tersebut sah dan mengikat Perseroan.

Perjanjian-perjanjian yang telah ditandatangani oleh Perseroan dengan pihak ketiga tidak mencakup hal-hal yang dapat menghalangi rencana Penawaran Umum Perdana dan rencana penggunaan dana dalam rangka Penawaran Umum Perdana Perseroan serta tidak mengatur

pembatasan-pembatasan yang dapat merugikan hak-hak dan kepentingan pemegang saham publik Perseroan.

Berdasarkan Surat tanggal 10 April 2018, Perseroan telah memperoleh persetujuan dari Pizza Hut Restaurants Asia Pte. Ltd. untuk melakukan Penawaran Umum Perdana.

14. Pada tanggal Pendapat Dari Segi Hukum ini, Perjanjian-perjanjian Sehubungan Dengan Penawaran Umum Perdana telah dibuat secara sah dan tidak bertentangan dengan Anggaran Dasar Perseroan serta peraturan perundang-undangan yang berlaku, sehingga Perjanjian-perjanjian Sehubungan Dengan Penawaran Umum Perdana masih berlaku dan dengan demikian mengikat para pihak.
15. Pada tanggal Pendapat Dari Segi Hukum ini, Perseroan telah menaati ketentuan yang berlaku sehubungan dengan aspek ketenagakerjaan, antara lain: (i) Peraturan Perusahaan, (ii) kewajiban pelaporan ketenagakerjaan berdasarkan Wajib Lapor Ketenagakerjaan (“**WLTK**”) untuk gerai-gerai Perseroan sebagaimana diungkapkan dalam Prospektus, (iii) pembentukan Serikat Pekerja, (iv) kewajiban kepesertaan dalam program Badan Penyelenggara Jaminan Sosial (“**BPJS**”) Ketenagakerjaan dan Kesehatan, (v) pemenuhan upah minimum regional, (vi) pembentukan Lembaga Kerjasama Bipartit, (vii) perizinan sehubungan dengan tenaga kerja asing yaitu Izin Mempekerjakan Tenaga Kerja Asing (“**IMTA**”), dan (viii) Rencana Penggunaan Tenaga Kerja Asing (“**RPTKA**”).
16. Berdasarkan hasil pemeriksaan kami dan Surat Pernyataan Perseroan tanggal 15 Maret 2018, Perseroan tidak sedang terlibat dalam suatu perkara maupun sengketa di luar pengadilan dan/atau perkara perdata, pidana dan/atau perselisihan lain di lembaga peradilan dan/atau di lembaga arbitrase baik di Indonesia maupun di luar negeri atau perselisihan administratif dengan instansi pemerintah yang berwenang termasuk perselisihan sehubungan dengan kewajiban perpajakan atau perselisihan yang berhubungan dengan masalah perburuhan/hubungan industrial atau kepailitan atau mengajukan permohonan kepailitan, atau tidak sedang menghadapi somasi yang dapat mempengaruhi secara berarti dan material kedudukan peranan dan/atau kelangsungan usaha Perseroan.
17. Berdasarkan hasil pemeriksaan kami dan Surat Pernyataan dari masing-masing anggota Direksi dan Dewan Komisaris Perseroan tanggal 15 Maret 2018, tanggal 16 Maret 2018 dan tanggal 19 Maret 2018, tidak ada anggota Direksi dan Dewan Komisaris Perseroan yang sedang terlibat dalam suatu perkara perdata, pidana dan/atau perselisihan di lembaga peradilan dan/atau di lembaga arbitrase baik di Indonesia maupun di luar negeri atau perselisihan administratif dengan instansi pemerintah yang berwenang termasuk perselisihan sehubungan dengan kewajiban perpajakan atau perselisihan yang berhubungan dengan masalah perburuhan/hubungan industrial atau tidak pernah dinyatakan pailit yang dapat mempengaruhi secara berarti kedudukan peranan dan/atau kelangsungan usaha Perseroan, atau menjadi anggota Direksi atau Komisaris yang dinyatakan bersalah menyebabkan suatu perusahaan dinyatakan pailit atau tidak sedang menghadapi somasi yang dapat mempengaruhi secara berarti dan material kedudukan peranan dan/atau kelangsungan usaha Perseroan.

ASUMSI-ASUMSI DAN PEMBATAAN

Pendapat Dari Segi Hukum kami berikan dengan mendasarkan pada asumsi-asumsi dan pembatasan sebagai berikut:

1. Bahwa tanda tangan atas semua dokumen asli yang diberikan atau diperlihatkan oleh Perseroan baik secara langsung maupun tidak langsung sebagaimana diuraikan dalam Pendapat Dari Segi Hukum ini dan/atau pihak ketiga kepada kami dalam rangka Penawaran Umum Perdana adalah asli, dan (i) dokumen-dokumen asli yang diberikan atau diperlihatkan

- kepada kami adalah otentik; (ii) dokumen-dokumen yang diberikan kepada kami dalam bentuk fotokopi atau salinan lainnya adalah sesuai dengan aslinya; (iii) dokumen-dokumen yang diberikan kepada kami dalam bentuk rancangan telah ditandatangani dalam bentuk dan isi yang sama dengan rancangan tersebut.
2. Bahwa dokumen-dokumen, pernyataan-pernyataan, data, fakta-fakta, informasi-informasi dan keterangan-keterangan serta penegasan-penegasan baik lisan maupun tulisan yang diberikan oleh Perseroan dan pihak ketiga kepada kami untuk tujuan pembuatan Pendapat Dari Segi Hukum adalah benar, akurat, lengkap, tidak menyesatkan dan sesuai dengan keadaan yang sebenarnya, serta tidak mengalami perubahan sampai dengan tanggal Pendapat Dari Segi Hukum.
 3. Pihak yang mengadakan perjanjian dengan Perseroan mempunyai kewenangan dan kekuasaan untuk melakukan tindakan tersebut secara sah dan mengikat.
 4. Para pejabat pemerintah yang mengeluarkan perizinan kepada, melakukan pendaftaran atau pencatatan untuk kepentingan Perseroan: (i) mempunyai kewenangan dan kekuasaan untuk melakukan tindakan tersebut secara sah dan mengikat; (ii) telah melakukan tindakannya sesuai peraturan perundang-undangan yang berlaku dan setiap permohonan perizinan atau dokumen pendaftaran atau pencatatan telah memuat setiap dan seluruh prasyarat yang ditentukan menurut peraturan perundang-undangan maupun kebijakan yang terkait.
 5. Pernyataan, pendapat, dan keterangan tertulis atau lisan yang diberikan oleh anggota Direksi, Dewan Komisaris, wakil-wakil lain dan/atau pegawai Perseroan secara langsung maupun tidak langsung, pejabat pemerintah dan pihak lainnya adalah benar, lengkap dan sesuai dengan keadaan yang sesungguhnya.
 6. Bahwa sehubungan dengan pendapat hukum kami secara umum dan khususnya yang menyangkut perizinan, harta kekayaan, atau perjanjian-perjanjian atau perkara/sengketa yang akan kami uraikan dalam Laporan Uji Tuntas, kami menerapkan prinsip materialitas yang umum berlaku dalam bidang Pasar Modal di Indonesia dan berdasarkan pandangan profesional kami terhadap hal-hal yang dapat mempengaruhi secara berarti operasi dan kelangsungan usaha dari Perseroan.
 7. Pendapat Dari Segi Hukum ini disusun dan disiapkan berdasarkan hasil pemeriksaan atas dokumen-dokumen yang kami peroleh sampai dengan tanggal 7 Mei 2018.
 8. Sesuai dengan Surat Keputusan HKHPM No. KEP.04/HKHPM/XI/2012 tentang Perubahan Standar Profesi Himpunan Konsultan Hukum Pasar Modal tanggal 6 Desember 2012, kewajiban konsultan hukum untuk memperoleh surat keterangan dari badan peradilan yang berwenang telah dicabut, dan oleh karena itu, Pendapat Dari Segi Hukum mengenai keterlibatan perkara Perseroan serta anggota Direksi dan Dewan Komisaris didasarkan pada keterangan dan surat pernyataan dari Perseroan serta masing-masing anggota Direksi dan Dewan Komisarisnya.
 9. Pendapat Dari Segi Hukum ini diberikan berdasarkan hukum yang berlaku di Negara Republik Indonesia, sehingga karenanya: (i) tidak dimaksudkan untuk berlaku atau dapat ditafsirkan menurut hukum atau yurisdiksi hukum lain dan (ii) tidak mencakup kepatuhan Perseroan atas hukum atau yurisdiksi hukum lain maupun hukum internasional sehubungan dengan kegiatan usaha maupun harta kekayaan Perseroan.
 10. Informasi, fakta dan pendapat yang dimuat dalam Pendapat Dari Segi Hukum dapat terpengaruh bilamana asumsi-asumsi dan pembatasan tersebut di atas tidak tepat atau tidak benar atau tidak sesuai dengan kenyataannya.

**PENDAPAT DARI SEGI HUKUM
PT SARIMELATI KENCANA TBK
HALAMAN: 21**

11. Peraturan sehubungan dengan perizinan yang diterbitkan oleh pemerintah daerah di mana Perseroan memiliki kegiatan operasional pada umumnya tidak menyimpang dari kerangka peraturan hukum tentang hal yang sama yang diterbitkan oleh pemerintah pusat.
12. Berdasarkan UU No. 3/1982, perusahaan yang didirikan di Indonesia wajib didaftarkan pada Kantor Daftar Perusahaan pada Kementerian Perdagangan Republik Indonesia. Hal-hal yang wajib didaftarkan, antara lain: (i) nama Perseroan, (ii) susunan Direksi dan Dewan Komisaris, serta (iii) susunan permodalan. Sesuai dengan ketentuan UUPT, Menkumham menyelenggarakan Daftar Perseroan yang memuat informasi mengenai nama, tempat kedudukan, maksud dan tujuan serta perubahan data perseroan antara lain tentang penggantian anggota Direksi dan Dewan Komisaris sebagaimana dirinci lebih lanjut dalam Pasal 29 UUPT. Berbeda dengan Undang-Undang No. 1 Tahun 1995 tentang Perseroan Terbatas yang mewajibkan perubahan Anggaran Dasar, baik yang memerlukan persetujuan maupun pelaporan, untuk didaftarkan dalam Daftar Perusahaan sesuai dengan UU No. 3/1982, UUPT tidak mensyaratkan perubahan Anggaran Dasar dan perubahan susunan Direksi dan Dewan Komisaris untuk didaftarkan dalam Daftar Perusahaan. Walaupun dalam Penjelasan Umum UUPT menyatakan bahwa dalam hal pemberian status badan hukum, persetujuan dan/atau penerimaan pemberitahuan perubahan anggaran dasar dan perubahan data lainnya, UUPT tersebut tidak dikaitkan dengan UU No. 3/1982, namun sampai dengan saat ini, UU No. 3/1982 masih berlaku dan belum dicabut. Berdasarkan UU No. 3/1982, kelalaian dalam proses pendaftaran tersebut diancam dengan pidana penjara paling lama 3 bulan atau pidana denda setinggi-tingginya Rp 3.000.000,00. Dalam praktiknya, berdasarkan konfirmasi tertulis dari Notaris, setelah berlakunya UUPT, penerapan pendaftaran perusahaan berdasarkan UU No. 3/1982 tidak dapat dilaksanakan dimana pejabat dari instansi terkait, dalam hal ini Kementerian Perdagangan Republik Indonesia, menolak untuk mendaftarkan perubahan Direksi dan atau Dewan Komisaris dan perubahan Anggaran Dasar, terkait dengan permodalan dan kegiatan usaha, dalam Daftar Perusahaan Kementerian Perdagangan Republik Indonesia dengan alasan telah terdaftar dalam Daftar Perseroan yang dikelola oleh Kemenkumham.

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ASSEGAF HAMZAH & PARTNERS

PENDAPAT DARI SEGI HUKUM
PT SARIMELATI KENCANA TBK
HALAMAN: 22

Demikianlah Pendapat Dari Segi Hukum ini kami persiapkan dalam kapasitas kami sebagai konsultan hukum yang bebas dan mandiri, dengan penuh kejujuran dan tidak berpihak serta terlepas dari kepentingan pribadi, baik secara langsung maupun tidak langsung terhadap usaha Perseroan dan kami bertanggung jawab atas isi Pendapat Dari Segi Hukum ini.

Hormat kami,
ASSEGAF HAMZAH & PARTNERS



Putu Suryastuti, S.H., M.H
Partner

No. SITD : 56/PM.22/SITD.KH/2016
No. HKHPM : 201423



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XVIII. INDEPENDENT AUDITOR'S REPORT AND THE COMPANY'S FINANCIAL STATEMENTS

Presented below are the Company's financial statements as of December 31, 2017, 2016, and 2015 and for the years then ended, which have been audited by the Public Accounting Firm Purwantono, Sungkoro & Surja, an independent auditor, which expressed an unqualified opinion on the presentation of the Company's financial statements in its audit report dated April 9, 2018, which was signed by Agung Purwanto (Public Accountant Registration No. AP.0687). The Registered Public Accountant Purwantono, Sungkoro & Surja's audit report includes paragraph of Other matter regarding the purpose of issuance of the audit report.

The original report included herein is in the Indonesian language.

Laporan Auditor Independen

Laporan No. RPC-6141/PSS/2018

**Pemegang Saham, Dewan Komisaris dan Direksi
PT Sarimelati Kencana Tbk.**

Kami telah mengaudit laporan keuangan PT Sarimelati Kencana Tbk. terlampir, yang terdiri dari laporan posisi keuangan tanggal 31 Desember 2017, 2016 dan 2015, serta laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas, dan laporan arus kas untuk tahun yang berakhir pada tanggal-tanggal tersebut, dan suatu ikhtisar kebijakan akuntansi signifikan dan informasi penjelasan lainnya.

Tanggung jawab manajemen atas laporan keuangan

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia, dan atas pengendalian internal yang dianggap perlu oleh manajemen untuk memungkinkan penyusunan laporan keuangan yang bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan.

Tanggung jawab auditor

Tanggung jawab kami adalah untuk menyatakan suatu opini atas laporan keuangan tersebut berdasarkan audit kami. Kami melaksanakan audit kami berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Standar tersebut mengharuskan kami untuk mematuhi ketentuan etika serta merencanakan dan melaksanakan audit untuk memperoleh keyakinan memadai tentang apakah laporan keuangan tersebut bebas dari kesalahan penyajian material.

Independent Auditors' Report

Report No. RPC-6141/PSS/2018

**The Shareholders, Boards of Commissioners
and Directors
PT Sarimelati Kencana Tbk.**

We have audited the accompanying financial statements of PT Sarimelati Kencana Tbk., which comprise the statements of financial position as of December 31, 2017, 2016 and 2015, and the statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of such financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on such financial statements based on our audits. We conducted our audits in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether such financial statements are free from material misstatement.

Laporan Auditor Independen (lanjutan)

Laporan No. RPC-6141/PSS/2018 (lanjutan)

Tanggung jawab auditor (lanjutan)

Suatu audit melibatkan pelaksanaan prosedur untuk memperoleh bukti audit tentang angka-angka dan pengungkapan dalam laporan keuangan. Prosedur yang dipilih bergantung pada pertimbangan auditor, termasuk penilaian atas risiko kesalahan penyajian material dalam laporan keuangan, baik yang disebabkan oleh kecurangan maupun kesalahan. Dalam melakukan penilaian risiko tersebut, auditor mempertimbangkan pengendalian internal yang relevan dengan penyusunan dan penyajian wajar laporan keuangan entitas untuk merancang prosedur audit yang tepat sesuai dengan kondisinya, tetapi bukan untuk tujuan menyatakan opini atas keefektifitasan pengendalian internal entitas. Suatu audit juga mencakup pengevaluasian atas ketepatan kebijakan akuntansi yang digunakan dan kewajaran estimasi akuntansi yang dibuat oleh manajemen, serta pengevaluasian atas penyajian laporan keuangan secara keseluruhan.

Kami yakin bahwa bukti audit yang telah kami peroleh adalah cukup dan tepat untuk menyediakan suatu basis bagi opini audit kami.

Opini

Menurut opini kami, laporan keuangan terlampir menyajikan secara wajar, dalam semua hal yang material, posisi keuangan PT Sarimelati Kencana Tbk. tanggal 31 Desember 2017, 2016 dan 2015, serta kinerja keuangan dan arus kasnya untuk tahun yang berakhir pada tanggal-tanggal tersebut, sesuai dengan Standar Akuntansi Keuangan di Indonesia.

Independent Auditors' Report (continued)

Report No. RPC-6141/PSS/2018 (continued)

Auditors' responsibility (continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of PT Sarimelati Kencana Tbk. as of December 31, 2017, 2016 and 2015, and its financial performance and cash flows for the years then ended, in accordance with Indonesian Financial Accounting Standards.

The original report included herein is in the Indonesian language.

Laporan Auditor Independen (lanjutan)

Independent Auditors' Report (continued)

Laporan No. RPC-6141/PSS/2018 (lanjutan)

Report No. RPC-6141/PSS/2018 (continued)

Hal lain

Other matter

Kami sebelumnya telah menerbitkan laporan auditor independen No. RPC-5810/PSS/2018 tertanggal 5 Maret 2018 atas laporan keuangan Perusahaan tanggal 31 Desember 2017, 2016 dan 2015 dan untuk tahun yang berakhir pada tanggal-tanggal tersebut. Laporan ini diterbitkan dengan tujuan untuk dicantumkan dalam prospektus sehubungan dengan rencana penawaran umum perdana saham Perusahaan di Indonesia serta tidak ditujukan dan tidak diperkenankan untuk digunakan untuk tujuan lain.

We have previously issued independent auditors' report No. RPC-5810/PSS/2018 dated March 5, 2018 on the Company's financial statements as of December 31, 2017, 2016 and 2015 and for the years then ended. This report has been prepared solely for inclusion in the prospectus in connection with the proposed initial public offering of the equity securities of the Company in Indonesia, and is not intended to be and should not be used for any other purposes.

Purwantono, Sungkoro & Surja

Agung Purwanto

Registrasi Akuntan Publik No. AP.0687/Public Accountant Registration No. AP.0687

9 April 2018/April 9, 2018

PT SARIMELATI KENCANA Tbk.
LAPORAN POSISI KEUANGAN
Tanggal 31 Desember 2017, 2016 dan 2015
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT SARIMELATI KENCANA Tbk.
STATEMENTS OF FINANCIAL POSITION
As of December 31, 2017, 2016 and 2015
(Expressed in Rupiah, unless otherwise stated)

	Catatan/ Notes	31 Desember 2017/ December 31, 2017	31 Desember 2016/ December 31, 2016	31 Desember 2015/ December 31, 2015	
ASET					ASSETS
ASET LANCAR					CURRENT ASSETS
Kas dan bank	2b,2l,2o,4,29	75.462.135.621	112.535.738.780	62.955.933.863	Cash on hand and in banks
Piutang usaha	2o,5	14.503.260.354	11.631.395.149	8.978.305.717	Trade receivables
Piutang lain-lain	2o,5,6				Other receivables
Pihak berelasi	2c	2.867.462.362	4.453.783.548	10.164.282.645	Related parties
Pihak ketiga		988.007.100	1.271.885.508	814.654.119	Third parties
Persediaan	2d,7	268.742.350.356	148.233.880.944	172.419.038.570	Inventories
Pajak dibayar di muka	2n,16a	141.174.075	1.241.799.956	734.997.638	Prepaid taxes
Beban dibayar di muka					Prepaid expenses
- jangka pendek	2e,8	137.816.582.420	108.774.401.370	106.429.560.706	- current portion
Uang muka pemasok	9	14.147.933.088	8.395.411.093	8.389.047.058	Advances to suppliers
Aset lancar lain-lain	2o,27	613.550.174	1.352.947.988	1.919.962.225	Other current assets
TOTAL ASET LANCAR		515.282.455.550	397.891.244.336	372.805.782.541	TOTAL CURRENT ASSETS
ASET TIDAK LANCAR					NON-CURRENT ASSETS
Aset pajak tangguhan - neto	2n,16e	33.621.440.056	16.370.904.170	6.047.963.702	Deferred tax asset - net
Aset tetap - neto	2f,10,13,18	670.979.920.094	498.921.794.245	480.625.066.863	Property and equipment - net
Peralatan yang belum digunakan dalam operasi	10	9.806.428.802	5.670.208.821	4.623.331.696	Equipment not yet use in operation
Uang muka pembelian aset tetap	10	14.459.990.838	20.365.495.788	9.501.322.900	Advances for purchase of property and equipment
Beban waralaba yang ditangguhkan	2i,11	74.427.032.293	70.518.569.705	55.812.072.073	Deferred franchise fee
Beban dibayar di muka - jangka panjang	2e,8	154.970.563.623	123.821.524.781	95.559.853.942	Prepaid expenses - long-term
Taksiran tagihan pajak	2n,16b	-	-	4.257.923.082	Estimated claims for tax refund
Setoran jaminan	2o,12	20.457.247.780	18.132.528.505	17.162.273.813	Security deposits
TOTAL ASET TIDAK LANCAR		978.722.623.486	753.801.026.015	673.589.808.071	TOTAL NON-CURRENT ASSETS
TOTAL ASET		1.494.005.079.036	1.151.692.270.351	1.046.395.590.612	TOTAL ASSETS

Catatan atas laporan keuangan terlampir merupakan bagian integral dari laporan keuangan ini.

The accompanying notes to the financial statements form an integral part of these financial statements.

PT SARIMELATI KENCANA Tbk.
LAPORAN POSISI KEUANGAN (lanjutan)
Tanggal 31 Desember 2017, 2016 dan 2015
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT SARIMELATI KENCANA Tbk.
STATEMENTS OF FINANCIAL POSITION (continued)
As of December 31, 2017, 2016 and 2015
(Expressed in Rupiah, unless otherwise stated)

	Catatan/ Notes	31 Desember 2017/ December 31, 2017	31 Desember 2016/ December 31, 2016	31 Desember 2015/ December 31, 2015	
LIABILITAS DAN EKUITAS					LIABILITIES AND EQUITY
LIABILITAS JANGKA PENDEK					CURRENT LIABILITIES
Utang bank jangka pendek	2o,10,13	146.967.236.261	134.851.023.783	126.102.613.541	Short-term bank loans
Utang usaha	2l,2o,14,29				Trade payables
Pihak berelasi	2c,6	5.556.722.000	11.067.327.599	8.373.093.999	Related parties
Pihak ketiga		131.687.432.586	125.175.123.590	92.559.551.182	Third parties
Utang lain-lain	2o,15				Other payables
Pihak berelasi	2c,6	116.278.670	114.892.574	1.249.254.037	Related parties
Pihak ketiga		35.770.181.669	28.765.809.922	25.351.773.439	Third parties
Beban masih harus dibayar	2o,17	148.725.387.453	92.278.819.190	83.162.045.046	Accrued expenses
Utang pihak berelasi	2c,6	23.688.022.826	-	-	Due to related party
Utang pajak	2n,16c	55.981.249.724	64.237.296.131	45.590.273.669	Taxes payable
Liabilitas jangka panjang					Current maturities of
jatuh tempo dalam satu tahun:					long-term liabilities:
Utang bank jangka panjang	2o,10,18	54.378.902.124	60.604.491.518	85.552.158.192	Long-term bank loans
Utang sewa pembiayaan	2o,10,19	6.233.784.996	5.638.638.750	-	Finance lease payable
TOTAL LIABILITAS JANGKA PENDEK		609.105.198.309	522.733.423.057	467.940.763.105	TOTAL CURRENT LIABILITIES
LIABILITAS JANGKA PANJANG					NON-CURRENT LIABILITIES
Liabilitas jangka panjang -					Long-term liabilities - net of
setelah dikurangi bagian					current maturities:
jatuh tempo dalam satu tahun:					Long-term bank loans
Utang bank jangka panjang	2o,10,18	219.096.082.013	65.430.224.162	124.370.715.679	Finance lease payable
Utang sewa pembiayaan	2o,10,19	7.357.489.177	13.619.697.178	-	Employee benefits liabilities
Liabilitas imbalan kerja karyawan	2m,26	288.750.151.584	211.328.112.051	166.822.920.854	
TOTAL LIABILITAS JANGKA PANJANG		515.203.722.774	290.378.033.391	291.193.636.533	TOTAL NON-CURRENT LIABILITIES
TOTAL LIABILITAS		1.124.308.921.083	813.111.456.448	759.134.399.638	TOTAL LIABILITIES
EKUITAS					EQUITY
Modal saham - nilai nominal					Capital stock - par value of
Rp100 per saham pada tanggal					Rp100 per share as of
31 Desember 2017, dan					December 31, 2017, and
Rp1.000.000 per saham pada tanggal					Rp1,000,000 per share as of
31 Desember 2016 dan 2015					December 31, 2016 and 2015
Modal dasar - 9.000.000.000 saham					Authorized - 9,000,000,000 shares
pada tanggal 31 Desember 2017,					as of December 31, 2017,
dan 20.000 saham pada tanggal					and 20,000 shares as of
31 Desember 2016 dan 2015					December 31, 2016 and 2015
Modal ditempatkan dan disetor					Subscribed and fully paid -
penuh - 2.417.500.000 saham					2,417,500,000 shares
pada tanggal 31 Desember 2017,					as of December 31, 2017,
dan 5.750 saham pada tanggal					and 5,750 shares as of
31 Desember 2016 dan 2015	1,20	241.750.000.000	5.750.000.000	5.750.000.000	December 31, 2016 and 2015
Saldo laba					Retained earnings
Ditentukan untuk cadangan umum		1.150.000.000	1.150.000.000	1.150.000.000	Appropriated for general reserve
Belum ditentukan penggunaannya		173.846.527.703	354.522.554.412	292.094.725.163	Unappropriated
Pengukuran kembali atas					Remeasurement of
liabilitas imbalan kerja karyawan -					employee benefits liabilities -
setelah pajak tangguhan	2m,26	(47.050.369.750)	(22.841.740.509)	(11.733.534.189)	net of deferred tax
TOTAL EKUITAS		369.696.157.953	338.580.813.903	287.261.190.974	TOTAL EQUITY
TOTAL LIABILITAS DAN EKUITAS		1.494.005.079.036	1.151.692.270.351	1.046.395.590.612	TOTAL LIABILITIES AND EQUITY

Catatan atas laporan keuangan terlampir merupakan bagian integral dari laporan keuangan ini.

The accompanying notes to the financial statements form an integral part of these financial statements.

PT SARIMELATI KENCANA Tbk.
LAPORAN LABA RUGI
DAN PENGHASILAN KOMPREHENSIF LAIN
Untuk Tahun Yang Berakhir pada Tanggal
31 Desember 2017, 2016 dan 2015
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT SARIMELATI KENCANA Tbk.
STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
For the Years Ended
December 31, 2017, 2016 and 2015
(Expressed in Rupiah, unless otherwise stated)

	Catatan/ Notes	Tahun yang Berakhir pada tanggal 31 Desember/ Years ended December 31			
		2017	2016	2015	
PENJUALAN NETO	2k,21	3.027.006.714.345	2.695.314.276.202	2.493.741.525.376	NET SALES
BEBAN POKOK PENJUALAN	2k,6,22	1.001.536.144.082	872.600.656.432	832.170.763.243	COST OF GOODS SOLD
LABA BRUTO		2.025.470.570.263	1.822.713.619.770	1.661.570.762.133	GROSS PROFIT
PENDAPATAN (BEBAN) OPERASI					OPERATING INCOME (EXPENSES)
Beban penjualan	2k,23a	(1.704.568.653.867)	(1.529.178.153.499)	(1.468.082.501.168)	Selling expenses
Beban umum dan administrasi	2k,23b	(145.558.772.407)	(130.818.111.107)	(119.554.078.789)	General and administrative expenses
Pendapatan operasi lainnya	2k,6,24a	59.643.654.438	61.174.224.416	62.080.298.583	Other operating income
Beban operasi lainnya	2k,10,24b	(12.469.860.154)	(17.004.685.603)	(13.834.353.068)	Other operating expenses
LABA OPERASI		222.516.938.273	206.886.893.977	122.180.127.691	INCOME FROM OPERATIONS
Pendapatan bunga	2k	699.265.459	2.357.563.221	895.068.951	Interest income
Pajak final atas pendapatan bunga	2n	(139.853.092)	(471.512.644)	(179.013.770)	Final tax on interest income
Beban bunga dan keuangan	2k	(33.619.782.154)	(32.477.796.073)	(39.783.025.003)	Interest and finance expense
LABA SEBELUM BEBAN PAJAK		189.456.568.486	176.295.148.481	83.113.157.869	INCOME BEFORE TAX EXPENSE
Beban pajak, neto	2n,16f	(48.132.595.195)	(45.867.319.232)	(21.736.261.244)	Tax expense, net
LABA TAHUN BERJALAN		141.323.973.291	130.427.829.249	61.376.896.625	INCOME FOR THE YEAR
PENGHASILAN KOMPREHENSIF LAIN					OTHER COMPREHENSIVE INCOME
Pos-pos yang tidak akan direklasifikasi ke laba rugi:					Item that will not be reclassified to profit or loss:
Pengukuran kembali atas liabilitas imbalan kerja karyawan	2m,26	(32.278.172.322)	(14.810.941.760)	16.702.339.481	Remeasurement of employee benefits liabilities
Pajak penghasilan terkait	2n,16	8.069.543.081	3.702.735.440	(4.175.584.870)	Income tax effect
Penghasilan komprehensif lain - setelah pajak		(24.208.629.241)	(11.108.206.320)	12.526.754.611	Other comprehensive income - net of tax
TOTAL PENDAPATAN KOMPREHENSIF TAHUN BERJALAN		117.115.344.050	119.319.622.929	73.903.651.236	TOTAL COMPREHENSIVE INCOME FOR THE YEAR
LABA PER SAHAM DASAR - DISAJIKAN KEMBALI	2q,20	167	2.268	1.067	BASIC EARNINGS PER SHARE - AS RESTATED

Catatan atas laporan keuangan terlampir merupakan bagian integral dari laporan keuangan ini.

The accompanying notes to the financial statements form an integral part of these financial statements.

PT SARIMELATI KENCANA Tbk.
LAPORAN PERUBAHAN EKUITAS
Untuk Tahun Yang Berakhir Pada Tanggal
31 Desember 2017, 2016 dan 2015
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT SARIMELATI KENCANA Tbk.
STATEMENTS OF CHANGES IN EQUITY
For the Years Ended
December 31, 2017, 2016 and 2015
(Expressed in Rupiah, unless otherwise stated)

	Catatan/ Notes	Saldo Laba/ Retained Earnings			Pengukuran kembali atas liabilitas imbalan kerja karyawan - setelah pajak tangguhan/ Remeasurement of employee benefits liabilities - net of deferred tax	Total Ekuitas/ Equity
		Modal Ditempatkan dan Disetor Penuh/ Subscribed and Fully Paid Capital	Ditentukan Untuk Cadangan Umum/ Appropriated for General Reserve	Belum Ditentukan Penggunaannya/ Unappropriated		
Saldo tanggal 1 Januari 2015		5.750.000.000	1.150.000.000	249.717.828.538	(24.260.288.800)	232.357.539.738
Pembagian dividen	20	-	-	(19.000.000.000)	-	(19.000.000.000)
Pengukuran kembali atas liabilitas imbalan kerja karyawan - setelah pajak tangguhan	26	-	-	-	12.526.754.611	12.526.754.611
Laba tahun berjalan 2015		-	-	61.376.896.625	-	61.376.896.625
Saldo tanggal 31 Desember 2015		5.750.000.000	1.150.000.000	292.094.725.163	(11.733.534.189)	287.261.190.974
Pembagian dividen	20	-	-	(68.000.000.000)	-	(68.000.000.000)
Pengukuran kembali atas liabilitas imbalan kerja karyawan - setelah pajak tangguhan	2m,26	-	-	-	(11.108.206.320)	(11.108.206.320)
Laba tahun berjalan 2016		-	-	130.427.829.249	-	130.427.829.249
Saldo tanggal 31 Desember 2016		5.750.000.000	1.150.000.000	354.522.554.412	(22.841.740.509)	338.580.813.903
Pembagian dividen	20	-	-	(322.000.000.000)	-	(322.000.000.000)
Tambahan setoran modal	1,20	236.000.000.000	-	-	-	236.000.000.000
Pengukuran kembali atas liabilitas imbalan kerja karyawan - setelah pajak tangguhan	2m,26	-	-	-	(24.208.629.241)	(24.208.629.241)
Laba tahun berjalan 2017		-	-	141.323.973.291	-	141.323.973.291
Saldo tanggal 31 Desember 2017		241.750.000.000	1.150.000.000	173.846.527.703	(47.050.369.750)	369.696.157.953

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

PT SARIMELATI KENCANA Tbk.
LAPORAN ARUS KAS
Untuk Tahun Yang Berakhir Pada
Tanggal 31 Desember 2017, 2016 dan 2015
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT SARIMELATI KENCANA Tbk.
STATEMENTS OF CASH FLOWS
For the Years Ended
December 31, 2017, 2016 and 2015
(Expressed in Rupiah, unless otherwise stated)

	Catatan/ Notes	Tahun yang Berakhir pada tanggal 31 Desember/ Years ended December 31			
		2017	2016	2015	
ARUS KAS DARI					CASH FLOWS FROM
AKTIVITAS OPERASI					OPERATING ACTIVITIES
Penerimaan kas dari pelanggan		3.024.134.849.140	2.692.661.186.770	2.492.542.417.507	Cash receipts from customers
Penerimaan kas dari restitusi pajak	16b	-	3.482.440.522	-	Cash received from tax restitution
Pembayaran kepada pemasok		(1.122.679.909.873)	(811.701.628.993)	(838.483.034.655)	Cash payments to suppliers
Pembayaran untuk beban operasi		(1.480.734.407.330)	(1.372.047.451.573)	(1.335.030.984.486)	Cash payments for operating expenses
Pembayaran sewa jangka panjang dibayar di muka		(204.102.889.020)	(168.030.027.899)	(143.321.105.602)	Cash payments for long-term prepaid rents
Pembayaran pajak		(70.941.205.311)	(38.290.657.429)	(11.985.215.341)	Tax payments
Penerimaan dari aktivitas operasi lainnya		52.748.219.682	56.345.962.882	46.273.496.064	Receipts from other operational activities
Pembayaran bunga		(5.557.983.636)	(2.843.768.299)	(5.379.587.326)	Payments for interest
Kas Neto Diperoleh dari Aktivitas Operasi		192.866.673.652	359.576.055.981	204.615.986.161	Net Cash Provided by Operating Activities
ARUS KAS DARI					CASH FLOWS FROM
AKTIVITAS INVESTASI					INVESTING ACTIVITIES
Hasil dari penjualan aset tetap	10	867.119.920	30.430.314.238	714.939.293	Proceeds from disposal of property and equipment
Pembayaran beban waralaba yang ditangguhkan	11	(15.949.278.785)	(25.959.311.840)	(13.327.372.960)	Payments of deferred franchise fee
Pembayaran uang muka pembelian aset tetap		(12.309.488.694)	(19.882.721.793)	(7.932.863.033)	Payment of advances for purchase of property and equipment
Pembayaran peralatan yang belum digunakan dalam operasi		(7.085.700.055)	(2.894.385.720)	(1.591.768.487)	Payments of equipment not yet use in operation
Penambahan aset tetap	10,31	(260.192.081.844)	(113.455.187.447)	(91.014.090.437)	Additions to property and equipment
Kas Neto Digunakan untuk Aktivitas Investasi		(294.669.429.458)	(131.761.292.562)	(113.151.155.624)	Net Cash Used in Investing Activities
ARUS KAS DARI					CASH FLOWS FROM
AKTIVITAS PENDANAAN					FINANCING ACTIVITIES
Penerimaan utang bank jangka pendek		126.315.033.993	87.065.766.633	120.996.919.668	Proceeds from short-term bank loans
Penerimaan utang bank jangka panjang		213.044.759.975	5.000.000.000	167.617.410.600	Proceeds from long-term bank loans
Pembayaran dividen	20	(322.000.000.000)	(68.000.000.000)	(29.000.000.000)	Payments of dividends
Tambahan setoran modal	20	236.000.000.000	-	-	Additional capital contribution
Pembayaran sewa pembiayaan	19	(5.667.061.755)	(4.636.731.956)	-	Payments of finance lease
Pembayaran utang bank jangka pendek		(102.307.130.074)	(125.026.342.722)	(139.030.078.861)	Payments of short-term bank loans
Pembayaran utang bank jangka panjang	18	(65.604.491.517)	(88.888.158.191)	(153.662.391.036)	Payments of long-term bank loans
Pembayaran bunga		(26.850.531.445)	(30.451.074.804)	(35.644.627.757)	Payments for interest
Kenaikan utang pihak berelasi	6	23.688.022.826	-	-	Increase of due to related party
Kas Neto Diperoleh dari (Digunakan untuk) Aktivitas Pendanaan		76.618.602.003	(224.936.541.040)	(68.722.767.386)	Net Cash Provided by (Used in) Financing Activities

Catatan atas laporan keuangan terlampir merupakan bagian integral dari laporan keuangan ini.

The accompanying notes to the financial statements form an integral part of these financial statements.

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LAPORAN ARUS KAS (lanjutan)
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STATEMENTS OF CASH FLOWS (continued)
For the Years Ended
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	Catatan/ Notes	Tahun yang Berakhir pada tanggal 31 Desember/ Years ended December 31			
		2017	2016	2015	
(PENURUNAN)/KENAIKAN NETO KAS DAN SETARA KAS		(25.184.153.803)	2.878.222.379	22.742.063.151	NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS
Dampak perubahan selisih kurs		2.242.089	(7.403.793)	16.037.563	Effect on foreign exchange rate changes
KAS DAN SETARA KAS AWAL TAHUN		46.663.154.102	43.792.335.516	21.034.234.802	CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR
KAS DAN SETARA KAS AKHIR TAHUN		21.481.242.388	46.663.154.102	43.792.335.516	CASH AND CASH EQUIVALENTS AT END OF YEAR
Kas dan setara kas terdiri dari:					Cash and cash equivalents consist of:
Kas dan bank	4	75.462.135.621	112.535.738.780	62.955.933.863	Cash on hand and in banks
Pinjaman rekening koran	13	(53.980.893.233)	(65.872.584.678)	(19.163.598.347)	Overdraft
KAS DAN SETARA KAS AKHIR TAHUN		21.481.242.388	46.663.154.102	43.792.335.516	CASH AND CASH EQUIVALENTS AT END OF YEAR

Catatan atas laporan keuangan terlampir merupakan bagian integral dari laporan keuangan ini.

The accompanying notes to the financial statements form an integral part of these financial statements.

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CATATAN ATAS LAPORAN KEUANGAN
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1. UMUM

a. Pendirian Perusahaan

PT Sarimelati Kencana Tbk. ("Perusahaan") didirikan berdasarkan Akta Notaris No. 132 tanggal 16 Desember 1987 dari Notaris Lieke Lianadevi Tukgali, S.H. Akta pendirian ini disahkan oleh Menteri Kehakiman Republik Indonesia dalam Surat Keputusan No.C2-4573.HT.01.01.TH.88 tanggal 25 Mei 1988 serta diumumkan dalam Berita Negara No.1388 Tambahan No. 102 tanggal 20 Desember 1988.

Anggaran Dasar Perusahaan telah disesuaikan dengan Undang-Undang No.40 tahun 2007 tentang Perseroan Terbatas sebagaimana dimuat dalam Akta No. 3 dari Sri Agustini, S.H., tanggal 4 Juni 2008 yang telah mendapatkan persetujuan Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia sesuai dengan Surat Keputusan tanggal 4 Juli 2008 No. AHU-38307.AH.01.02 Tahun 2008. Anggaran Dasar Perusahaan telah mengalami beberapa kali perubahan, terakhir dengan Akta Notaris No. 21 dari Aryanti Artisari, S.H., M.Kn. tanggal 12 September 2017 yang telah mendapatkan persetujuan Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-0018930.AH.01.02. Tahun 2017 tanggal 14 September 2017.

Sesuai dengan pasal 3 Anggaran Dasar Perusahaan, ruang lingkup kegiatan Perusahaan adalah bisnis restoran. Perusahaan memulai usaha komersilnya di tahun 1987. Perusahaan mengoperasikan "Pizza Hut" di bawah perjanjian lisensi dengan Yum! Asia Franchise Pte. Ltd.

Perusahaan berkedudukan di Gedung Graha Mustika Ratu, Lantai 8, Jakarta. Sampai dengan tanggal-tanggal 31 Desember 2017, 2016 dan 2015, Perusahaan mengoperasikan masing-masing 393, 342 dan 322 outlet "Pizza Hut" di Jakarta dan kota lain di Indonesia (tidak diaudit).

Berdasarkan Akta Pernyataan Keputusan Pemegang Saham Perubahan Anggaran Dasar No. 21 tanggal 12 September 2017 dari Notaris Aryanti Artisari, S.H., M.Kn. para pemegang saham Perusahaan memutuskan dan menyetujui:

- a. Perusahaan membagikan dividen dari sebagian saldo laba Perusahaan tahun buku 2016 sebesar Rp295.000.000.000 yang dibagikan secara proporsional kepada masing-masing pemegang saham;

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1. GENERAL

a. Establishment of the Company

PT Sarimelati Kencana Tbk. (the "Company") was established based on Notarial Deed No. 132 dated December 16, 1987 of Lieke Lianadevi Tukgali, S.H. The deed of establishment was approved by the Ministry of Justice of the Republic of Indonesia in its Decision Letter No.C2-4573.HT.01.01.TH.88 dated May 25, 1988 and was published in State Gazette Republic of Indonesia No. 1388 Supplement No. 102 dated December 20, 1988.

The Articles of Association has conformed with Law No. 40 Year 2007 of Limited Liability Company as stated in Notarial Deed No. 3 of Sri Agustini, S.H. dated June 4, 2008 that has been approved by Ministry of Laws and Human Rights of the Republic of Indonesia on No. AHU-38307.AH.01.02 Year 2008 dated July 4, 2008. The Articles of Association has been amended several times, the latest by Notarial Deed No. 21 of Aryanti Artisari, S.H., M.Kn. dated September 12, 2017 that has been approved by Ministry of Laws and Human Rights of the Republic of Indonesia on No. AHU-0018930.AH.01.02. Year 2017 dated September 14, 2017.

In accordance with Article 3 of the Company's Articles of Association, the scope of activities of the Company is to operate a restaurant business. The Company started commercial operations in 1987. The Company operates "Pizza Hut" under a franchise agreement with Yum! Asia Franchise Pte. Ltd.

The Company is domiciled at Gedung Graha Mustika Ratu, 8th Floor Jakarta. As of December 31, 2017, 2016, and 2015, the Company operates 393, 342 and 322, respectively, "Pizza Hut" outlets in Jakarta and other cities in Indonesia (unaudited).

Based on the Notarial Deed of the Company's General Meeting of Shareholder No. 21 dated September 12, 2017 of Notary Aryanti Artisari, S.H., M.Kn. the shareholders of the Company decided and agreed:

- a. *The Company distributed dividends from retained earnings of 2016 amounting to Rp295,000,000,000 which is distributed proportionally to each shareholders;*

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1. UMUM (lanjutan)

a. Pendirian Perusahaan (lanjutan)

Berdasarkan Akta Pernyataan Keputusan Pemegang Saham Perubahan Anggaran Dasar No. 21 tanggal 12 September 2017 dari Notaris Aryanti Artisari, S.H., M.Kn. para pemegang saham Perusahaan memutuskan dan menyetujui: (lanjutan)

b. Peningkatan modal dasar Perusahaan dari Rp20.000.000.000 menjadi Rp900.000.000.000;

c. Pemecahan nilai nominal per saham dari Rp1.000.000 menjadi Rp100;

d. Peningkatan modal ditempatkan dan disetor Perusahaan dari sebesar Rp5.750.000.000 menjadi Rp241.750.000.000 dengan perincian sebagai berikut:

- PT Sriboga Raturaya, sebesar Rp214.736.325.000;
- Mountain High Investments Limited, sebesar Rp21.263.675.000;

atau dengan jumlah keseluruhan sebesar Rp236.000.000.000.

Keputusan pemegang saham ini telah disetujui dan dicatat dalam database Sistem Administrasi Badan Hukum Departemen Hukum dan Hak Asasi Manusia Republik Indonesia berdasarkan surat No. AHU-0081930.AH.01.02.Tahun 2017 tanggal 14 September 2017.

b. Dewan Komisaris, Direksi dan Karyawan

Pada tanggal 5 Juli 2017, Perusahaan menyetujui penunjukan kembali Susunan Dewan Direksi efektif sejak tanggal 23 Juni 2017. Akta ini telah dicatat dalam database Sistem Administrasi Badan Hukum Departemen Hukum dan Hak Asasi Manusia Republik Indonesia berdasarkan surat No. AHU-AH.01.03.0150593 tanggal 6 Juli 2017.

1. GENERAL (continued)

a. Establishment of the Company (continued)

Based on the Notarial Deed of the Company's General Meeting of Shareholders, No. 21 dated September 12, 2017 of Notary Aryanti Artisari, S.H., M.Kn., the shareholders of the Company decided and agreed: (continued)

b. The increase of authorized capital of the Company from Rp20,000,000,000 to Rp900,000,000,000;

c. Stock split from the original nominal value of Rp1,000,000 to Rp100 per shares;

d. The increase in subscribed and fully paid capital of the Company from Rp5,750,000,000 to Rp241,750,000,000 broken down as follows:

- PT Sriboga Raturaya amounting to Rp214,736,325,000;*
- Mountain High Investments Limited amounting to Rp21,263,675,000;*

or with the total amount of Rp236,000,000,000.

These shareholders decision were approved and recorded in the database of Legal Entity Administration System Department of Laws and Human Rights of the Republic of Indonesia based on the letter in its Decision Letter No. AHU-0081930.AH.01.02.Year 2017 dated September 14, 2017.

b. Boards of Commissioners, Directors and Employees

On July 5, 2017, the Company approved the reappointment of members of the Company's Board of Directors since June 23, 2017. This deed has been recorded in the database of the Legal Entity Administration System Department of Laws and Human Rights of the Republic of Indonesia under letter No. AHU-AH.01.03.0150593 dated July 6, 2017.

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1. UMUM (lanjutan)

b. Dewan Komisaris, Direksi dan Karyawan (lanjutan)

Pada tanggal 31 Mei 2016, Perusahaan menyetujui penunjukan kembali Susunan Dewan Komisaris efektif sejak tanggal 31 Mei 2016 dengan masa jabatan adalah sisa masa jabatan anggota Dewan Komisaris yang digantikannya. Akta ini telah dicatat dalam database Sistem Administrasi Badan Hukum Departemen Hukum dan Hak Asasi Manusia Republik Indonesia berdasarkan surat No. AHU-AH.01.03-0053840 tanggal 2 Juni 2016.

Pada tanggal 1 Januari 2015, Perusahaan Menyetujui penunjukan Ferial Martifauzi sebagai Komisaris Perusahaan dan Jeo Sasanto sebagai Direktur Perusahaan. Perubahan anggaran dasar berdasarkan Pernyataan Keputusan Rapat Sirkuler Pengganti Rapat Umum Pemegang Saham Luar Biasa No. 3 pada tanggal 12 Februari 2015 dari Notaris Sri Agustini, S.H.. Akta ini telah dicatat dalam database Sistem Administrasi Badan Hukum Departemen Hukum dan Hak Asasi Manusia Republik Indonesia berdasarkan surat No. AHU-AH.01.03-4019293 tanggal 12 Februari 2015.

Pada tanggal 2 Juli 2015, Perusahaan menyetujui penunjukan kembali Susunan Dewan Komisaris dan Direksi efektif sejak tanggal 24 Juni 2015 dan akan berakhir pada tanggal 23 Juni 2017 berdasarkan Pernyataan Keputusan Rapat Sirkuler Pengganti Rapat Umum Pemegang Saham Luar Biasa No. 2 pada tanggal 2 Juli 2015 dari Notaris Sri Agustini, S.H.. Akta ini telah dicatat dalam database Sistem Administrasi Badan Hukum Departemen Hukum dan Hak Asasi Manusia Republik Indonesia berdasarkan surat No. AHU-AH.01.03-0947862 tanggal 3 Juli 2015.

Pada tanggal 16 November 2017, Perusahaan menyetujui penunjukan kembali Susunan Dewan Komisaris dan Direksi efektif sejak tanggal 23 Juni 2017 dan akan berakhir pada tanggal 23 Juni 2019 berdasarkan Pernyataan Keputusan Rapat Sirkuler Pengganti Rapat Umum Pemegang Saham Luar Biasa No. 7 tanggal 16 November 2017 dari Sri Agustini, S.H.. Perubahan ini telah dicatat dalam database Sistem Administrasi Badan Hukum Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia No. AHU-AH.01.03-0192039 tanggal 17 November 2017.

1. GENERAL (continued)

b. Boards of Commissioners, Directors and Employees (continued)

On May 31, 2016, the Company approved the reappointment of members of the Company's Board of Commissioners since May 31, 2016 with the length of service is the remaining period of the replaced Company's Boards of Commissioners. This deed has been recorded in the database of the Legal Entity Administration System Department of Laws and Human Rights of the Republic of Indonesia under letter No. AHU-AH.01.03-0053840 dated June 2, 2016.

On January 1, 2015, the Company approved the appointment of Ferial Martifauzi as Commissioner and Jeo Sasanto as Director of the Company. The amendment to the Articles of Association were based on the Circular of Resolution of Extraordinary General Shareholders Meeting No. 3 dated February 12, 2015 by Notary Sri Agustini, S.H.. This deed has been recorded in the database of the Legal Entity Administration System Department of Laws and Human Rights of the Republic of Indonesia under letter No. AHU-AH.01.03-4019293 dated February 12, 2015.

On July 2, 2015, the Company approved the reappointment of the members of the Company's Boards of Commissioners and Directors effective since June 24, 2015 until June 23, 2017 based on the Circular of Resolution of Extraordinary General Shareholders Meeting No. 2 dated July 2, 2015 by Notary Sri Agustini, S.H.. This deed has been recorded in the database of the Legal Entity Administration System Department of Laws and Human Rights of the Republic of Indonesia under letter No. AHU-AH.01.03-0947862 dated July 3, 2015.

On November 16, 2017, the Company approved the reappointment of the members of the Company's Boards of Commissioners and Directors effective since June 23, 2017 until June 23, 2019 based on the Circular of Resolution of Extraordinary General Shareholders Meeting No. 7 dated November 16, 2017 by Notary Sri Agustini, S.H.. This deed has been recorded in the database of the Legal Entity Administration System Department of Laws and Human Rights of the Republic of Indonesia under letter No. AHU-AH.01.03-0192039 dated November 17, 2017.

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1. UMUM (lanjutan)

b. Dewan Komisaris, Direksi dan Karyawan (lanjutan)

Susunan Dewan Komisaris dan Direksi Perusahaan pada tanggal 31 Desember 2017, 2016 dan 2015 adalah sebagai berikut:

	2017 dan/and 2016
<u>Dewan Komisaris</u>	
Komisaris Utama	Frederick Estrada Cadlaon
Komisaris	Eddy Mulyadi
Komisaris	-
<u>Direksi</u>	
Direktur Utama	Stephen James McCarthy
Direktur	Budi Setiawan
Direktur	Jeo Sasanto

Pada tanggal 31 Desember 2017, 2016 dan 2015, Perusahaan memiliki masing-masing 6.404, 6.525 dan 6.735 karyawan tetap (tidak diaudit).

Perusahaan tergabung dalam suatu kelompok usaha yang dimiliki oleh PT Sriboga Raturaya ("SRR") sebagai entitas induk Perusahaan dan PT Alberta Investment Management sebagai induk terakhir Perusahaan.

c. Tanggung jawab manajemen atas laporan keuangan

Manajemen Perusahaan bertanggung jawab atas penyusunan laporan keuangan ini yang diselesaikan dan disetujui oleh Direksi Perusahaan untuk terbit pada tanggal 9 April 2018.

2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING

a. Dasar penyusunan laporan keuangan

Laporan keuangan telah disusun sesuai dengan Standar Akuntansi Keuangan di Indonesia ("SAK"), yang mencakup Pernyataan dan Interpretasi yang dikeluarkan oleh Dewan Standar Akuntansi Keuangan, Ikatan Akuntan Indonesia dan Peraturan No. VIII G.7 tentang Penyajian dan Pengungkapan Laporan Keuangan Emiten atau Perusahaan Publik, yang diterbitkan oleh Otoritas Jasa Keuangan ("OJK").

Laporan keuangan disusun berdasarkan konsep akrual, kecuali untuk laporan arus kas, dengan menggunakan konsep biaya historis, kecuali seperti yang disebutkan dalam Catatan atas Laporan Keuangan yang relevan.

1. GENERAL (continued)

b. Boards of Commissioners, Directors and Employees (continued)

The members of the Company's Boards of Commissioners and Directors as of December 31, 2017, 2016 and 2015, are as follows:

	2015	<u>Board of Commissioners</u>
		President Commissioner
Irwan Mahyudin Habsjah		Commissioner
Ferial Martifauzi		Commissioner
Frederick Estrada Cadlaon		
		<u>Directors</u>
Stephen James McCarthy		President Director
Budi Setiawan		Director
Jeo Sasanto		Director

As of December 31, 2017, 2016 and 2015, the Company has a total of 6,404, 6,525 and 6,735 permanent employees, respectively (unaudited).

The Company belongs to group owned by PT Sriboga Raturaya ("SRR") as the parent entity of the Company and PT Alberta Investment Management as the ultimate Parent entity.

c. Management's responsibility on the financial statements

The Company's management is responsible for the preparation of the financial statements which were completed and authorized for issuance by the Company's Directors on April 9, 2018.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation of the financial statements

The financial statements have been prepared in accordance with Indonesian Financial Accounting Standards ("FAS"), which comprise the Statements and Interpretations issued by the Board of Financial Accounting Standards of the Indonesian Institute of Accountants and the Regulations No. VIII G.7 concerning the Financial Statement Presentation and Disclosures of Listed Entities, issued by The Financial Services Authority ("OJK").

The financial statements have been prepared on the accrual basis, except for the statements of cash flows, using the historical cost concept of accounting, except as disclosed in the relevant notes herein.

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2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)

a. Dasar penyusunan laporan keuangan
(lanjutan)

Laporan arus kas yang disusun dengan menggunakan metode langsung, menyajikan penerimaan dan pengeluaran kas yang diklasifikasikan dalam aktivitas operasi, investasi dan pendanaan.

Mata uang penyajian yang digunakan dalam penyusunan laporan keuangan adalah Rupiah yang juga merupakan mata uang fungsional Perusahaan.

b. Kas dan bank

Untuk keperluan laporan arus kas, kas dan setara kas terdiri dari kas dan bank setelah dikurangi dengan pinjaman rekening koran yang belum dilunasi, jika ada.

c. Transaksi dengan pihak berelasi

Perusahaan memiliki transaksi dengan pihak-pihak berelasi sebagaimana didefinisikan dalam PSAK No. 7 (Revisi 2015), "Pengungkapan Pihak-Pihak Berelasi". Transaksi ini dilakukan berdasarkan persyaratan yang disetujui oleh Kedua belah pihak, dimana persyaratan tersebut mungkin tidak sama dengan transaksi lain yang dilakukan dengan pihak tidak berelasi.

Seluruh transaksi dan saldo yang material dengan pihak berelasi diungkapkan dalam catatan atas laporan keuangan yang relevan.

d. Persediaan

Persediaan dinyatakan sebesar nilai yang lebih rendah antara biaya perolehan atau nilai realisasi neto. Nilai realisasi neto adalah estimasi harga jual dalam kondisi bisnis yang umum, dikurangi dengan estimasi biaya penyelesaian dan estimasi biaya yang diperlukan untuk membuat penjualan. Biaya perolehan ditentukan dengan menggunakan metode rata-rata tertimbang dan meliputi seluruh biaya pembelian, biaya konversi dan biaya lain yang terjadi untuk membawa persediaan ke lokasi dan kondisinya sekarang. Penyisihan persediaan dibentuk, jika ada, untuk menurunkan nilai tercatat dari persediaan ke nilai realisasi netonya.

2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)

a. Basis of preparation of the financial
statements (continued)

The statements of cash flows, which have been prepared using the direct method, presents cash receipts and payments classified into operating, investing and financing activities.

The presentation currency used in the preparation of the financial statements is the Indonesian Rupiah, which is also the functional currency of the Company.

b. Cash on hand and in banks

For the purpose of the statements of cash flows, cash and cash equivalents consists of cash on hand and in banks, net of outstanding overdraft, if any.

c. Transactions with related parties

The Company has transactions with related parties as defined under SFAS No. 7 (Revised 2015), "Related Party Disclosures". The transactions are made based on terms agreed by the parties, where as such terms may not be the same as those transactions with unrelated parties.

All significant transactions and balances with related parties are disclosed in the relevant notes to the financial statements.

d. Inventories

Inventories are stated at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated cost necessary to make the sale. Cost is determined using the weighted average method and comprises all costs of conversion and other costs incurred in bringing the inventory to its present location and condition. Allowance for inventory losses is provided, if any, to reduce the carrying value of inventories to its net realizable value.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

e. Beban dibayar di muka

Beban dibayar di muka dibebankan pada operasi selama masa manfaat masing-masing beban. Beban dibayar di muka jangka panjang disajikan sebagai bagian aset tidak lancar.

f. Aset tetap

Aset tetap dinyatakan sebesar biaya perolehan dikurangi akumulasi penyusutan, amortisasi dan rugi penurunan nilai. Biaya perolehan termasuk biaya penggantian bagian aset tetap saat biaya tersebut terjadi, jika memenuhi kriteria untuk diakui sebagai bagian dari aset tetap. Selanjutnya, pada saat inspeksi utama dilakukan, biaya itu diakui ke dalam jumlah tercatat aset tetap sebagai penggantian jika memenuhi kriteria pengakuan. Semua biaya pemeliharaan dan perbaikan yang tidak memiliki kriteria pengakuan diakui dalam laporan laba rugi dan penghasilan komprehensif lain pada saat terjadinya.

Penyusutan aset dimulai pada saat aset siap digunakan dan dihitung dengan metode garis lurus berdasarkan taksiran masa manfaat ekonomis aset tetap sebagai berikut:

	Tarif/Rate	Tahun/Years
Bangunan	5%	20
Renovasi bangunan sewa	10%	10
Perlengkapan restoran	10% - 20%	5 - 10
Perabot dan perlengkapan	12,5%	8
Peralatan kantor	20%	5
Kendaraan	20%	5

Tanah dinyatakan sebesar biaya perolehan dan tidak disusutkan karena manajemen berpendapat bahwa kemungkinan besar hak atas tanah tersebut dapat diperbaharui/diperpanjang pada saat jatuh tempo.

Biaya pengurusan legal hak atas tanah dalam bentuk Hak Guna Usaha ("HGU"), Hak Guna Bangunan ("HGB") dan Hak Pakai ("HP") ketika tanah diperoleh pertama kali diakui sebagai bagian dari biaya perolehan tanah pada akun "Aset Tetap" dan tidak diamortisasi. Sementara biaya pengurusan atas perpanjangan atau pembaruan legal hak atas tanah dalam bentuk HGU, HGB dan HP diakui sebagai aset tidak berwujud dan diamortisasi sepanjang mana yang lebih pendek antara umur hukum hak dan umur ekonomi tanah.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Prepaid expenses

Prepaid expenses are charged to operations over the periods benefited. The long-term portion of prepaid expenses is presented as part of non-current assets.

f. Property and equipment

Property and equipment are stated at cost less accumulated depreciation, amortization and impairment losses. Such cost includes the cost of replacing part of assets when that cost is incurred, if the recognition criteria are met. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the assets as a replacement if the recognition criteria are satisfied. All repairs and maintenance costs that do not meet the recognition criteria are recognized in the statements of profit or loss and other comprehensive income as incurred.

Depreciation of an asset begins when its available for use and is computed using the straight-line method over the estimated useful lives of the assets as follows:

Buildings
Leasehold improvements
Restaurant equipment
Furniture and fixtures
Office equipment
Vehicles

Land are stated at cost and not depreciated as the management is of the opinion that it is probable the titles of land rights can be renewed/extended upon expiration.

Legal cost of land rights in the form of Business Usage Rights ("Hak Guna Usaha" or "HGU"), Building Usage Right ("Hak Guna Bangunan" or "HGB") and Usage Rights ("Hak Pakai" or "HP") when the land was acquired initially are recognized as part of the cost of the land under the "Property and Equipment" account and not amortized. Meanwhile the extension or the legal renewal costs of land rights in the form of HGU, HGB and HP are recognize as intangible asset and amortized over the shorter of the rights' legal life and land's economic life.

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(lanjutan)

f. Aset tetap (lanjutan)

Komponen aset tetap dihentikan pengakuannya pada saat dilepaskan atau saat tidak ada manfaat ekonomis masa depan yang diharapkan dari penggunaan atau pelepasannya. Laba atau rugi yang timbul dari penghentian pengakuan aset (dihitung sebagai perbedaan antara jumlah neto hasil pelepasan dan jumlah tercatat dari aset) dimasukkan dalam laporan laba rugi dan penghasilan komprehensif lain pada tahun aset tersebut dihentikan pengakuannya.

Pada setiap akhir tahun buku, nilai residu, umur manfaat dan metode penyusutan aset tetap ditelaah kembali, dan dilakukan penyesuaian secara prospektif jika sesuai.

g. Sewa

Penentuan apakah suatu perjanjian merupakan, atau mengandung sewa, adalah berdasarkan substansi dari perjanjian tersebut pada penetapan awal. Perjanjian dievaluasi apakah pemenuhannya tergantung kepada penggunaan aset atau aset-aset tertentu secara spesifik atau perjanjian mengalihkan hak untuk menggunakan aset atau aset-aset tertentu, walaupun hak tersebut tidak secara eksplisit disebutkan dalam perjanjian.

Sewa Pembiayaan - Perusahaan sebagai Lessee

Suatu sewa diklasifikasikan sebagai sewa pembiayaan jika sewa tersebut mengalihkan secara substansial seluruh risiko dan manfaat yang terkait dengan kepemilikan aset sewaan. Sewa tersebut dikapitalisasi sebesar nilai wajar aset sewaan atau sebesar nilai kini dari pembayaran sewa minimum, jika nilai kini lebih rendah dari nilai wajar. Pembayaran sewa minimum harus dipisahkan antara bagian yang merupakan beban keuangan dan bagian yang merupakan pelunasan liabilitas.

Jika terdapat kepastian yang memadai bahwa lessee akan mendapatkan hak kepemilikan pada akhir masa sewa, aset sewaan disusutkan selama estimasi masa manfaat aset tersebut. Jika tidak terdapat kepastian tersebut, maka aset sewaan disusutkan selama periode yang lebih pendek antara umur manfaat aset sewaan atau masa sewa. Selisih lebih yang timbul dari transaksi jual dan sewa-balik tidak diakui segera sebagai penghasilan oleh penjual lessee, tetapi ditangguhkan dan diamortisasi selama masa sewa.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f. Property and equipment (continued)

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statements of profit or loss and other comprehensive income in the year the asset is derecognized.

The residual values, useful lives and methods of depreciation of property and equipment are reviewed, and adjusted prospectively if appropriate, at each financial year end.

g. Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed for whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if the right is not explicitly specified in an arrangement.

Finance Lease - the Company as Lessee

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the leased assets. Such leases are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability.

If there is reasonable certainty that the lessee will obtain ownership by the end of the lease term, the leased asset is depreciated over the estimated useful lives of the assets. If there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the leased assets are depreciated over the shorter of the estimated useful life of the leased assets or the lease term. Any excess of sales proceeds over the carrying amount of an asset in sale and lease-back transaction shall not be immediately recognized as income by a seller - lessee. Instead, it shall be deferred and amortized over the lease term.

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(lanjutan)**

g. Sewa (lanjutan)

Sewa Operasi - Perusahaan sebagai Lessee
(lanjutan)

Suatu sewa diklasifikasikan sebagai sewa operasi jika sewa tidak mengalihkan secara substansial seluruh risiko dan manfaat yang terkait dengan kepemilikan aset. Dengan demikian, pembayaran sewa diakui sebagai beban pada operasi dengan metode garis lurus (*straight-line method*) selama masa sewa.

h. Penurunan nilai aset non-keuangan

Pada setiap akhir periode pelaporan, Perusahaan menilai apakah terdapat indikasi suatu aset mengalami penurunan nilai. Jika terdapat indikasi tersebut atau pada saat pengujian penurunan nilai aset diperlukan, maka Perusahaan membuat estimasi formal jumlah terpulihkan aset tersebut.

Jumlah terpulihkan yang ditentukan untuk aset individual adalah jumlah yang lebih tinggi antara nilai wajar aset atau Unit Penghasil Kas ("UPK") dikurangi biaya untuk menjual dengan nilai pakainya, kecuali aset tersebut tidak menghasilkan arus kas masuk yang sebagian besar independen dari aset atau kelompok aset lain.

Jika nilai tercatat aset atau UPK lebih besar daripada jumlah terpulihkannya, maka aset tersebut dipertimbangkan mengalami penurunan nilai dan nilai tercatat aset diturunkan menjadi sebesar jumlah terpulihkannya.

Dalam menentukan nilai wajar dikurangi biaya untuk menjual, digunakan harga penawaran pasar terakhir, jika tersedia. Jika tidak terdapat transaksi tersebut, Perusahaan menggunakan model penilaian yang sesuai untuk menentukan nilai wajar aset. Perhitungan tersebut digabungkan dengan penilaian atau indikator nilai wajar lainnya.

Penilaian dilakukan pada akhir setiap tanggal pelaporan untuk menilai apakah terdapat indikasi bahwa rugi penurunan nilai yang telah diakui dalam periode sebelumnya mungkin tidak ada lagi atau mungkin telah menurun. Jika indikasi dimaksud ditemukan, maka entitas mengestimasi jumlah terpulihkan aset atau UPK tersebut.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

g. Leases (continued)

Operating Lease - the Company as Lessee
(continued)

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of the leased asset. Accordingly, the related lease payments are recognized in operations on a straight-line method over the lease term.

h. Impairment of non-financial assets

The Company assesses at each annual reporting period whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's ("CGU") fair value less costs to sell and its value in use, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying value of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, the Company used an appropriate valuation model to determine the fair value of the assets. These calculations are corroborated by valuation multiples or other available fair value indicators.

An assessment is made at each reporting date to assess whether there is any indication that previously recognized impairment losses recognized may no longer exist or may have decreased. If such indication exists, the asset's or CGU's recoverable amount is estimated.

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(lanjutan)**

**h. Penurunan nilai aset non-keuangan
(lanjutan)**

Kerugian penurunan nilai yang telah diakui dalam periode sebelumnya dibalik hanya jika terdapat perubahan asumsi-asumsi yang digunakan untuk menentukan jumlah terpulihkan aset tersebut sejak rugi penurunan nilai terakhir diakui.

Dalam hal ini, jumlah tercatat aset dinaikkan ke jumlah terpulihkannya. Pembalikan tersebut dibatasi sehingga jumlah tercatat aset tidak melebihi jumlah terpulihkannya maupun jumlah tercatat yang telah ditentukan, neto setelah penyusutan, seandainya tidak ada rugi penurunan nilai yang telah diakui untuk aset tersebut pada tahun sebelumnya. Pembalikan rugi penurunan nilai diakui sebagai laba atau rugi. Setelah pembalikan tersebut, penyusutan aset tersebut disesuaikan di periode mendatang untuk mengalokasikan jumlah tercatat aset yang direvisi, dikurangi nilai sisanya, dengan dasar yang sistematis selama sisa umur manfaatnya.

i. Beban waralaba yang ditangguhkan

Beban waralaba yang ditangguhkan merupakan pembayaran kepada Yum! Asia Franchise Pte. Ltd. untuk pembukaan restoran baru di Indonesia. Beban waralaba yang ditangguhkan diamortisasi menggunakan metode garis lurus selama taksiran umur manfaat selama 10 (sepuluh) tahun.

j. Provisi

Provisi diakui jika Perusahaan memiliki liabilitas kini (baik bersifat hukum maupun bersifat konstruktif) yang akibat peristiwa masa lalu besar kemungkinannya penyelesaian liabilitas tersebut mengakibatkan arus keluar sumber daya yang mengandung manfaat ekonomi dan estimasi yang andal mengenai jumlah liabilitas tersebut dapat dibuat.

Provisi ditelaah pada setiap tanggal laporan posisi keuangan dan disesuaikan untuk mencerminkan estimasi kini terbaik. Jika tidak terdapat kemungkinan arus keluar sumber daya yang mengandung manfaat ekonomi untuk menyelesaikan kewajiban tersebut, maka provisi dibatalkan.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**h. Impairment of non-financial assets
(continued)**

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

If that is the case, the carrying amount of the asset is increased to its recoverable amount. The reversal is limited so that the carrying amount of the assets does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Reversal of an impairment loss is recognized in profit or loss. After such a reversal, the depreciation charge on the said asset is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

i. Deferred franchise fee

Deferred franchise fee represents payment to Yum! Asia Franchise Pte. Ltd. for the opening of new restaurants in Indonesia. This deferred franchise fee is amortized using the straight-line method over the estimated useful life of 10 (ten) years.

j. Provision

Provisions are recognized when the Company has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each statements of financial position dates and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

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(lanjutan)

k. Pengakuan pendapatan dan beban

Pendapatan diakui bila besar kemungkinan manfaat ekonomi akan diperoleh oleh Perusahaan dan jumlahnya dapat diukur secara handal. Pendapatan diukur pada nilai wajar imbalan yang diterima, tidak termasuk diskon, rabat dan pajak pembangunan (PB 1).

Penjualan diakui berdasarkan penerimaan tunai atau transaksi kredit pada kasir.

Pendapatan atas jasa layanan antar dicatat sebagai bagian dari "Pendapatan operasi lainnya" pada laporan laba rugi dan penghasilan komprehensif lain.

Untuk semua instrumen keuangan yang diukur pada biaya perolehan diamortisasi, pendapatan atau beban bunga dicatat dengan menggunakan metode Suku Bunga Efektif ("SBE"), yaitu suku bunga yang secara tepat mendiskontokan estimasi pembayaran atau penerimaan kas di masa datang selama perkiraan umur dari instrumen keuangan, atau jika lebih tepat, digunakan periode yang lebih singkat, untuk nilai tercatat neto dari aset keuangan atau liabilitas keuangan.

Beban diakui pada saat terjadinya menggunakan metode akrual.

l. Transaksi dan saldo dalam mata uang asing

Transaksi dalam mata uang asing dicatat dalam mata uang Rupiah berdasarkan kurs yang berlaku pada saat transaksi dilakukan. Pada akhir periode pelaporan, aset dan liabilitas moneter dalam mata uang asing dijabarkan ke dalam Rupiah berdasarkan kurs tengah yang diterbitkan oleh Bank Indonesia pada tanggal terakhir transaksi perbankan pada tahun tersebut. Laba atau rugi kurs yang terjadi dikreditkan atau dibebankan pada operasi tahun berjalan.

Kurs yang digunakan untuk menjabarkan aset dan liabilitas dalam mata uang asing adalah sebagai berikut:

2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)

k. Revenue and expense recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates and development tax (PB 1).

Revenue is recognized based on cash receipts or credit transaction from cash register.

Income from delivery services are recorded as part of "Other operating income" in the statements of profit or loss and other comprehensive income.

For all financial instruments measured at amortized cost, interest income or expense is recorded using the Effective Interest Rate ("EIR"), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

Expenses are recognized when incurred using accrual method.

l. Foreign currency transactions and balances

Transactions involving foreign currencies are recorded in Rupiah at the rates of exchange prevailing at the time the transactions are made. At the end of reporting period, monetary assets and liabilities denominated in foreign currencies are translated to Rupiah based on the middle rates published by Bank Indonesia at the last banking transaction date for the year. The resulting gains or losses are credited or charged to the operation of the current year.

The exchange rates used to translate the monetary assets and liabilities denominated in foreign currencies are as follows:

	31 Desember/December 31			
	2017	2016	2015	
1 Dolar				
Amerika Serikat (AS) (US\$)	13.548	13.436	13.795	United States (US) Dollar (US\$) 1

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**2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

m. Liabilitas imbalan kerja karyawan

m. Employee benefits liabilities

Perusahaan mengakui estimasi liabilitas imbalan kerja sesuai dengan Undang Undang Ketenagakerjaan No. 13/2003 tanggal 25 Maret 2003. Sesuai dengan Undang Undang tersebut, Perusahaan diharuskan membayar uang pesangon, penghargaan masa kerja, dan kompensasi manfaat jika kondisi tertentu dalam Undang Undang ini terpenuhi.

The Company recognized a provision for employee benefits in accordance with the Labor Law No. 13 Year 2003 dated March 25, 2003. In accordance with this law, the Company is required to pay severance, gratuity and compensation benefits if certain conditions in this law are met.

Pembebanan biaya untuk imbalan kerja karyawan ditentukan dengan menggunakan metode penilaian aktuarial "projected unit credit".

The cost of providing employee benefits is determined using the "projected unit credit" actuarial valuation method.

Pengukuran kembali, terdiri atas keuntungan dan kerugian aktuarial, dampak batas atas aset, tidak termasuk jumlah yang dimasukkan dalam bunga neto atas liabilitas imbalan pasti neto, dan imbal hasil atas aset program, diakui secara langsung pada laporan posisi keuangan dengan mendebet atau mengkredit saldo laba melalui penghasilan komprehensif lainnya pada periode terjadinya. Pengukuran kembali tidak direklasifikasi ke laba atau rugi pada periode berikutnya.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognized immediately in the statements of financial position with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Biaya jasa lalu diakui dalam laba atau rugi pada awal:

Past service costs are recognised in profit or loss on the earlier of:

- tanggal amendemen atau kurtailmen program terjadi, dan
- tanggal Perusahaan mengakui biaya restrukturisasi terkait.

- the date of the plan amendment or curtailment, and
- the date the Company recognizes related restructuring costs.

Bunga neto ditentukan dengan mengalikan liabilitas atau aset imbalan pasti neto dengan tingkat diskonto. Perusahaan mengakui perubahan dalam kewajiban imbalan pasti pada "Beban penjualan" pada laporan laba rugi dan penghasilan komprehensif lain:

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation under "Selling expenses" in the statements of profit or loss and other comprehensive income:

- Biaya jasa yang terdiri dari biaya jasa kini, biaya jasa lalu, keuntungan dan kerugian pada kurtailmen dan penyelesaian non-rutin.
- Beban atau pendapatan bunga neto.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements.
- Net interest expense or income.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

m. Liabilitas imbalan kerja karyawan (lanjutan)

Keuntungan atau kerugian atas kurtailmen atau penyelesaian suatu program imbalan pasti diakui ketika kurtailmen atau penyelesaian terjadi.

Kurtailmen terjadi apabila salah satu dari kondisi berikut terpenuhi:

- i. Menunjukkan komitmennya untuk mengurangi secara signifikan jumlah pekerja yang ditanggung oleh program; atau
- ii. Mengubah ketentuan dalam program imbalan pasti yang menyebabkan bagian yang signifikan dari jasa masa depan pekerja tidak lagi memberikan imbalan atau memberikan imbalan yang lebih rendah.

Penyelesaian program terjadi ketika Perusahaan melakukan transaksi yang menghapuskan semua kewajiban hukum atau konstruktif atas sebagian atau seluruh imbalan dalam program imbalan pasti.

Imbalan jangka panjang lainnya

Imbalan jangka panjang lainnya seperti cuti berimbalan jangka panjang dan santunan duka cita dihitung dengan menggunakan metode projected unit credit dan didiskontokan ke nilai kini. Keuntungan dan kerugian aktuarial yang timbul dari penyesuaian dan perubahan dalam asumsi-asumsi aktuarial diakui dalam laba rugi.

n. Perpajakan

Beban pajak penghasilan merupakan jumlah dari pajak penghasilan badan yang terutang saat ini dan pajak tangguhan.

i) Pajak kini

Aset dan liabilitas pajak kini untuk tahun berjalan dan tahun-tahun sebelumnya diukur pada jumlah yang diharapkan akan terpulihkan atau yang akan dibayarkan kepada otoritas pajak. Tarif pajak dan peraturan perpajakan yang digunakan untuk menghitung jumlah pajak adalah tarif pajak yang berlaku atau secara substansial telah berlaku pada tanggal pelaporan.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

m. Employee benefits liabilities (continued)

Gains or losses on the curtailment or settlement of a defined benefit plan are recognized when the curtailment or settlement occurs.

A curtailment occurs when an entity either:

- i. Is demonstrably committed to make a significant reduction in the number of employees covered by a plan; or
- ii. Amends the terms of a defined benefit plan so that a significant element of future service by current employees will no longer qualify for benefits, or will qualify only for reduced benefits.

A settlement occurs when the Company enters into a transaction that eliminates all further legal or constructive obligation for part or all of the benefits provided under a defined benefit plan.

Other long-term benefits

Other long-term employee benefits such as long service leave and sympathy allowance are calculated using the projected unit credit method and discounted to present value. Actuarial gains and losses arising from experience adjustments and change in actuarial assumption are charged are credited to profit or loss.

n. Taxation

Income tax expense represents the sum of the corporate income tax currently payable and deferred tax.

i) Current tax

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

n. Perpajakan (lanjutan)

n. Taxation (continued)

i) Pajak kini (lanjutan)

i) Current tax (continued)

Pajak kini yang terkait dengan komponen yang diakui langsung ke ekuitas diakui di ekuitas dan tidak ke laporan laba rugi dan penghasilan komprehensif lain. Manajemen secara periodik mengevaluasi posisi yang diambil sehubungan dengan pelaporan pajak untuk situasi dimana relevan pajak terkait memerlukan interpretasi dan melakukan pencadangan jika diperlukan.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statements of profit or loss and other comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Bunga dan denda untuk kekurangan atau kelebihan pembayaran pajak penghasilan, jika ada, dicatat sebagai bagian dari "Beban Pajak" dalam dalam laporan laba rugi dan penghasilan komprehensif lain.

Interest and penalties for the underpayment or overpayment of income tax, if any, to be presented as part of "Tax Expense" in the statements of profit or loss and other comprehensive income.

Jumlah tambahan pokok dan denda pajak yang ditetapkan dengan Surat Ketetapan Pajak (SKP) diakui sebagai pendapatan atau beban dalam laporan laba rugi dan penghasilan komprehensif lain tahun berjalan, kecuali jika diajukan upaya penyelesaian selanjutnya. Jumlah tambahan pokok pajak dan denda yang ditetapkan dengan SKP ditangguhkan pembebanannya sepanjang memenuhi kriteria pengakuan aset.

The amounts of additional tax principal and penalty imposed through a tax assessment letter (SKP) are recognized as income or expense in the current year of the statements of profit or loss and other comprehensive income, unless further settlement is submitted. The amounts of tax principal and penalty imposed through SKP are deferred as long as they meet the asset recognition criteria.

Koreksi atas liabilitas pajak diakui pada saat surat ketetapan pajak diterima, atau apabila diajukan keberatan dan atau banding, maka koreksi diakui pada saat keputusan atas keberatan dan atau banding tersebut diterima.

Amendments to taxation obligations are recorded when an assessment is received or, if objection and or appeal are applied, when the results of the objection and or appeal have been determined.

ii) Pajak final

ii) Final tax

Peraturan perpajakan di Indonesia mengatur beberapa jenis penghasilan dikenakan pajak yang bersifat final. Pajak final yang dikenakan atas nilai bruto transaksi tetap dikenakan walaupun atas transaksi tersebut pelaku transaksi mengalami kerugian.

Tax regulation in Indonesia determined that certain taxable income is subject to final tax. Final tax applied to the gross value of transactions is applied even when the parties carrying the transaction recognizing losses.

Mengacu pada revisi PSAK No. 46 (Revisi 2014) yang disebutkan di atas, pajak final tersebut tidak termasuk dalam lingkup yang diatur oleh PSAK No. 46. Oleh karena itu, Perusahaan memutuskan untuk menyajikan beban pajak final sehubungan dengan pendapatan bunga sebagai pos tersendiri.

Referring to revised SFAS No. 46 (Revised 2014) as mentioned above, final tax is no longer governed by SFAS No. 46. Therefore, the Company has decided to present all of the final tax arising from interest income as separate line item.

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(lanjutan)**

n. Perpajakan (lanjutan)

iii) Pajak tangguhan

Pajak tangguhan diukur dengan metode posisi keuangan atas beda waktu pada tanggal pelaporan antara dasar pengenaan pajak untuk aset dan liabilitas dengan nilai tercatatnya untuk tujuan pelaporan keuangan. Liabilitas pajak tangguhan diakui untuk semua perbedaan temporer kena pajak dengan beberapa pengecualian. Aset pajak tangguhan diakui untuk perbedaan temporer yang boleh dikurangkan dan rugi fiskal belum dikompensasi sejauh terdapat kemungkinan besar bahwa jumlah laba kena pajak pada masa mendatang akan tersedia untuk dimanfaatkan dengan perbedaan temporer yang dapat dikurangkan dan rugi fiskal belum dikompensasi.

Aset pajak tangguhan direviu pada setiap tanggal pelaporan dan jika diperlukan, dilakukan penyesuaian pada tanggal tersebut.

Aset dan liabilitas pajak tangguhan disajikan di laporan posisi keuangan atas dasar saling hapus (*offset*), kecuali aset dan liabilitas pajak tangguhan untuk entitas yang berbeda, sesuai penyajian aset dan liabilitas pajak kini masing-masing entitas tersebut.

Pajak tangguhan dihitung dengan menggunakan tarif pajak yang berlaku atau secara substansial telah berlaku pada tanggal laporan posisi keuangan. Perubahan nilai tercatat aset dan liabilitas pajak tangguhan yang disebabkan oleh perubahan tarif pajak dibebankan pada tahun berjalan, kecuali untuk transaksi-transaksi yang sebelumnya telah langsung dibebankan atau dikreditkan ke ekuitas.

iv) Pajak pertambahan nilai ("PPN")

Pendapatan, beban-beban dan aset-aset diakui neto atas jumlah PPN, kecuali:

- a) PPN yang muncul dari pembelian aset atau jasa yang tidak dapat dikreditkan oleh kantor pajak, yang dalam hal ini PPN diakui sebagai bagian dari biaya perolehan aset atau sebagai bagian dari *item* beban-beban yang diterapkan; dan
- b) piutang dan utang yang disajikan termasuk dengan jumlah PPN.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

n. Taxation (continued)

iii) Deferred tax

Deferred tax is provided using the financial position method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences with certain exceptions. Deferred tax assets are recognized for deductible temporary differences and tax losses carryforwards to the extent that it is probable that taxable income will be available in the future years against which the deductible temporary differences and tax losses carryforwards can be utilized.

Deferred tax assets are reviewed at every reporting date and adjusted as appropriate at such date.

Deferred tax assets and liabilities are offset in the statements of financial position, except for different legal entities, in the same manner the current tax assets and liabilities are presented.

Deferred tax is calculated at the tax rates that have been enacted or substantively enacted at statements of financial position date. Changes in the carrying amount of deferred tax assets and liabilities due to a change in tax rates are credited or charged to current year operations, except to the extent that they relate to items previously charged or credited to equity.

iv) Value-added tax ("VAT")

Revenue, expenses and assets are recognized net of the amount of VAT, except:

- a) *the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and*
- b) *receivables and payables that are stated inclusive of the VAT amount.*

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

n. Perpajakan (lanjutan)

n. Taxation (continued)

v) Pengampunan Pajak

v) Tax Amnesty

Aset Pengampunan Pajak dan Liabilitas Pengampunan Pajak diakui pada saat Surat Keterangan Pengampunan Pajak (SKPP) diterbitkan oleh Menteri Keuangan Republik Indonesia, dan tidak diakui secara neto (saling hapus).

Tax Amnesty Assets and Liabilities are recognized upon the issuance of Surat Keterangan Pengampunan Pajak (SKPP) by the Ministry of Finance of Republic of Indonesia, and they are not recognized as net amount (offset).

Aset Pengampunan Pajak dan Liabilitas Pengampunan Pajak pada awalnya diakui sebesar nilai yang disetujui dalam SKPP.

Tax Amnesty Assets are initially recognized at the value stated in SKPP.

Setelah pengakuan awal, Aset dan Liabilitas Pengampunan Pajak diukur sesuai dengan SAK yang relevan sesuai dengan klasifikasi masing-masing Aset dan Liabilitas Pengampunan Pajak.

After initial recognition, Tax Amnesty Assets and Liabilities are measured in accordance with respective relevant SAKs according to the classification of each Tax Amnesty Assets and Liabilities.

o. Instrumen keuangan

o. Financial instruments

Aset keuangan

Financial assets

Pengakuan awal

Initial recognition

Aset keuangan diklasifikasikan sebagai aset keuangan yang dinilai pada nilai wajar melalui laba atau rugi, pinjaman yang diberikan dan piutang, investasi yang dimiliki hingga jatuh tempo dan aset keuangan tersedia untuk dijual. Perusahaan menentukan klasifikasi aset keuangan pada saat pengakuan awal dan, jika diperbolehkan dan sesuai, akan dievaluasi kembali setiap akhir tahun keuangan.

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The Company determines the classification of its financial assets at initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year end.

Pada saat pengakuan awal, aset keuangan diukur pada nilai wajar, dalam hal investasi tidak diukur pada nilai wajar melalui laporan laba rugi, nilai wajar tersebut ditambah dengan biaya transaksi yang dapat diatribusikan secara langsung.

Financial assets are recognized initially at fair value, in the case of investments not at fair value through profit or loss, includes directly attributable transaction costs.

Pembelian atau penjualan aset keuangan yang memerlukan penyerahan aset dalam kurun waktu yang telah ditetapkan oleh peraturan dan kebiasaan yang berlaku di pasar (pembelian secara reguler) diakui pada tanggal perdagangan, seperti tanggal Perusahaan berkomitmen untuk membeli atau menjual aset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way purchases) are recognized on the trade date, i.e., the date that the Company commit to purchase or sell the assets.

Aset keuangan Perusahaan mencakup kas dan bank, piutang usaha, piutang lain-lain, aset lancar lain-lain dan setoran jaminan dikelompokkan sebagai pinjaman yang diberikan dan piutang.

The Company's financial assets include cash on hand and in banks, trade receivables, other receivables, other current assets and security deposits which are classified under the loans and receivables category.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

o. Instrumen keuangan (lanjutan)

Aset keuangan (lanjutan)

Pengukuran setelah pengakuan awal

Pengukuran aset keuangan setelah pengakuan awal tergantung pada klasifikasinya.

- Pinjaman yang diberikan dan Piutang
Pinjaman yang diberikan dan piutang adalah aset keuangan non-derivatif dengan pembayaran tetap atau telah ditentukan, yang tidak mempunyai kuotasi di pasar aktif. Setelah pengukuran awal, aset keuangan tersebut dicatat pada biaya perolehan diamortisasi dengan menggunakan metode Suku Bunga Efektif ("SBE"). Keuntungan atau kerugian terkait diakui dalam laba rugi ketika pinjaman yang diberikan dan piutang dihentikan pengakuannya atau mengalami penurunan nilai, serta melalui proses amortisasi.

Penghentian pengakuan

Aset keuangan, atau bila dapat diterapkan, untuk bagian dari aset keuangan atau bagian dari kelompok aset keuangan serupa, akan dihentikan pengakuannya apabila:

- (i) hak kontraktual untuk menerima arus kas yang berasal dari aset keuangan tersebut berakhir; atau
- (ii) Perusahaan mentransfer hak kontraktual untuk menerima arus kas yang berasal dari aset keuangan tersebut atau menanggung kewajiban untuk membayar arus kas yang diterima tersebut secara penuh tanpa penundaan yang signifikan kepada pihak ketiga melalui suatu kesepakatan penyerahan ("pass-through") dan apabila (a) secara substansial mentransfer seluruh risiko dan manfaat atas kepemilikan aset keuangan tersebut, atau (b) secara substansial tidak mentransfer dan tidak mempertahankan seluruh risiko dan manfaat atas kepemilikan aset keuangan tersebut, namun telah mentransfer pengendalian atas aset keuangan tersebut.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o. Financial instruments (continued)

Financial assets (continued)

Subsequent measurement

The subsequent measurement of a financial asset depends on its classification.

- Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are carried at amortized cost using the Effective Interest Rate ("EIR") method. The related gains or losses are recognized in the profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process.

Derecognition

A financial asset, or, where applicable a part of a financial asset or part of a group of similar financial assets, is derecognized when:

- (i) the contractual rights to receive cash flows from the financial asset have expired; or
- (ii) the Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement and either (a) has transferred substantially all the risks and rewards of the financial asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the financial asset, but has transferred control over the financial asset.

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(lanjutan)

o. Instrumen keuangan (lanjutan)

Aset keuangan (lanjutan)

Penghentian pengakuan (lanjutan)

Apabila Perusahaan mentransfer hak untuk menerima arus kas yang berasal dari aset keuangan atau mengadakan kesepakatan penyerahan ("pass-through"), atau tidak mentransfer maupun tidak mempertahankan secara substansial seluruh risiko dan manfaat atas aset keuangan tersebut namun telah mentransfer pengendalian atas aset keuangan tersebut, maka suatu aset keuangan baru diakui oleh Perusahaan sebesar keterlibatannya yang berkelanjutan dengan aset keuangan tersebut.

Keterlibatan berkelanjutan yang berbentuk pemberian jaminan atas aset yang ditransfer, diukur sebesar jumlah terendah antara nilai tercatat aset yang ditransfer dan nilai maksimal pembayaran yang diterima yang mungkin harus dibayar kembali oleh Perusahaan.

Pada saat penghentian pengakuan atas aset keuangan secara keseluruhan, maka selisih antara nilai tercatat dan jumlah dari (i) pembayaran yang diterima, termasuk aset baru yang diperoleh dikurangi dengan liabilitas baru yang ditanggung; dan (ii) keuntungan atau kerugian kumulatif yang telah diakui secara langsung dalam ekuitas, harus diakui pada laba rugi.

Penurunan nilai

Pada setiap tanggal pelaporan, Perusahaan mengevaluasi apakah terdapat bukti yang obyektif bahwa aset keuangan atau kelompok aset keuangan mengalami penurunan nilai. Penurunan nilai atas aset keuangan atau kelompok aset keuangan dianggap telah terjadi, jika dan hanya jika, terdapat bukti yang obyektif mengenai penurunan nilai sebagai akibat dari satu atau lebih peristiwa yang terjadi setelah pengakuan awal aset tersebut ("peristiwa kerugian" yang terjadi), dan peristiwa kerugian tersebut berdampak pada estimasi arus kas masa depan aset keuangan atau kelompok aset keuangan yang dapat diestimasi secara handal.

2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)

o. Financial instruments (continued)

Financial assets (continued)

Derecognition (continued)

Where the Company has transferred its rights to receive cash flows from a financial asset or has entered into a pass-through arrangement, or has neither transferred nor retained substantially all the risks and rewards of the financial asset but has transferred control over the financial asset, a new financial asset is recognized to the extent of the Company's continuing involvement in the asset.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration received that the Company could be required to repay.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of (i) the consideration received, including any new asset obtained less any new liability assumed; and (ii) any cumulative gain or loss that has been recognized directly in equity, is recognized in profit or loss.

Impairment

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is an objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

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(lanjutan)

o. Instrumen keuangan (lanjutan)

Aset keuangan (lanjutan)

Penurunan nilai (lanjutan)

Bukti penurunan nilai dapat meliputi indikasi pihak pemegang atau kelompok pemegang mengalami kesulitan keuangan signifikan, wanprestasi atau tunggakan pembayaran bunga atau pokok, terdapat kemungkinan bahwa pihak pemegang akan dinyatakan pailit atau melakukan reorganisasi keuangan lainnya dan pada saat data yang dapat diobservasi mengindikasikan adanya penurunan yang dapat diukur atas estimasi arus kas masa datang, seperti meningkatnya jumlah tunggakan atau kondisi ekonomi yang berkorelasi dengan wanprestasi.

Untuk pinjaman yang diberikan dan piutang, Perusahaan pertama kali secara individual menentukan bahwa terdapat bukti obyektif mengenai penurunan nilai atas aset keuangan yang signifikan secara individual, atau secara kolektif untuk aset keuangan yang tidak signifikan secara individual. Jika Perusahaan menentukan tidak terdapat bukti obyektif mengenai penurunan nilai atas aset keuangan yang dinilai secara individual, terlepas aset keuangan tersebut signifikan atau tidak, maka Perusahaan memasukkan aset tersebut ke dalam kelompok aset keuangan yang memiliki karakteristik risiko kredit yang sejenis dan menilai penurunan nilai kelompok tersebut secara kolektif. Aset yang penurunan nilainya dinilai secara individual dan untuk itu kerugian penurunan nilai diakui atau akan tetap diakui, tidak termasuk dalam penilaian atau penurunan nilai secara kolektif.

Jika terdapat bukti obyektif bahwa kerugian penurunan nilai telah terjadi, jumlah kerugian tersebut diukur sebagai selisih antara nilai tercatat aset dengan nilai kini estimasi arus kas masa datang (tidak termasuk kerugian kredit di masa mendatang yang belum terjadi). Nilai kini estimasi arus kas masa datang didiskonto menggunakan Suku Bunga Efektif (SBE) awal dari aset keuangan tersebut. Jika pinjaman yang diberikan atau piutang memiliki suku bunga variabel, tingkat diskonto untuk mengukur kerugian penurunan nilai adalah Suku Bunga Efektif terkini.

2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)

o. Financial instruments (continued)

Financial assets (continued)

Impairment (continued)

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization, and when observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables, the Company first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognized are not included in a collective assessment or impairment.

When there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original Effective Interest Rate (EIR). If a loan or receivable has a variable interest rate, the discount rate for measuring impairment loss is the current Effective Interest Rate.

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(lanjutan)**

o. Instrumen keuangan (lanjutan)

Aset keuangan (lanjutan)

Penurunan nilai (lanjutan)

Nilai tercatat aset keuangan dikurangi melalui penggunaan akun penyisihan dan jumlah kerugian tersebut diakui secara langsung dalam laporan laba rugi dan penghasilan komprehensif lain. Pendapatan bunga terus diakui atas nilai tercatat yang telah dikurangi tersebut berdasarkan suku bunga yang digunakan untuk mendiskontokan arus kas masa depan dengan tujuan untuk mengukur kerugian penurunan nilai. Pinjaman yang diberikan dan piutang, beserta dengan penyisihan terkait, dihapuskan jika tidak terdapat kemungkinan yang realistis atas pemulihan di masa mendatang dan seluruh agunan, jika ada, sudah direalisasi atau ditransfer kepada Perusahaan.

Jika, dalam tahun berikutnya, jumlah estimasi kerugian penurunan nilai aset keuangan bertambah atau berkurang yang dikarenakan peristiwa yang terjadi setelah penurunan nilai diakui, maka kerugian penurunan nilai yang sebelumnya diakui ditambahkan atau dikurangi (dipulihkan) dengan menyesuaikan akun penyisihan. Pemulihan tersebut tidak boleh mengakibatkan nilai tercatat aset keuangan melebihi biaya perolehan diamortisasi yang seharusnya jika penurunan nilai tidak diakui pada tanggal pemulihan dilakukan. Jika penghapusan nantinya terpulihkan, jumlah pemulihan aset keuangan diakui pada laba rugi.

Liabilitas keuangan

Pengakuan awal

Liabilitas keuangan diklasifikasikan sebagai liabilitas keuangan yang diukur pada nilai wajar melalui laba atau rugi atau liabilitas keuangan atas biaya perolehan yang diamortisasi. Perusahaan menentukan klasifikasi liabilitas keuangan pada saat pengakuan awal.

Saat pengakuan awal, liabilitas keuangan diukur pada nilai wajar dan, dalam hal liabilitas keuangan lain atas biaya perolehan yang diamortisasi, dikurangi biaya transaksi yang dapat diatribusikan secara langsung.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

o. Financial instruments (continued)

Financial assets (continued)

Impairment (continued)

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is directly recognized in the statements of profit or loss and other comprehensive income. Interest income continues to be accrued on the reduced carrying amount based on the rate of interest used to discount future cash flows for the purpose of measuring impairment loss. Loans and receivables, together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral, if any, has been realized or has been transferred to the Company.

If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortized cost would have been had the impairment not been recognized at the date the impairment is reversed. If a future write-off is later recovered, the recovery is recognized in profit or loss.

Financial liabilities

Initial recognition

Financial liabilities are classified as financial liabilities at fair value through profit or loss, or financial liabilities at amortized cost. The Company determines the classification of its financial liabilities at initial recognition.

Financial liabilities are recognized initially at fair value and, in the case of financial liabilities at amortized cost, less directly attributable transaction costs.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

o. Instrumen keuangan (lanjutan)

Liabilitas keuangan (lanjutan)

Pengakuan awal (lanjutan)

Liabilitas keuangan Perusahaan mencakup utang bank jangka pendek, utang usaha, utang lain-lain, beban masih harus dibayar, utang pihak berelasi, utang bank jangka panjang dan utang sewa pembiayaan.

Pengukuran setelah pengakuan awal

Setelah pengakuan awal, liabilitas keuangan lain dinyatakan sebesar biaya perolehan diamortisasi dengan menggunakan metode SBE.

Keuntungan dan kerugian diakui dalam laporan laba rugi dan penghasilan komprehensif lain pada saat liabilitas dihentikan pengakuannya serta melalui proses amortisasi.

Penghentian pengakuan

Suatu liabilitas keuangan dihentikan pengakuannya pada saat kewajiban yang ditetapkan dalam kontrak dihentikan atau dibatalkan atau kadaluwarsa.

Ketika sebuah liabilitas keuangan ditukar dengan liabilitas keuangan lain dari pemberi pinjaman yang sama dengan persyaratan yang secara substansial berbeda, atau bila persyaratan dari liabilitas keuangan tersebut secara substansial dimodifikasi, pertukaran atau modifikasi persyaratan tersebut dicatat sebagai penghentian pengakuan liabilitas keuangan awal dan pengakuan liabilitas keuangan baru, dan selisih antara nilai tercatat masing-masing liabilitas keuangan tersebut diakui dalam laporan laba rugi dan penghasilan komprehensif lain.

Saling hapus instrumen keuangan

Aset keuangan dan liabilitas keuangan saling hapus disajikan dalam laporan posisi keuangan jika memiliki hak yang berkekuatan hukum untuk melakukan saling hapus buku atas jumlah yang telah diakui tersebut dan berniat untuk menyelesaikan secara neto atau untuk merealisasikan aset dan menyelesaikan liabilitasnya secara simultan.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

o. Financial instruments (continued)

Financial liabilities (continued)

Initial recognition (continued)

The Company's financial liabilities include short-term bank loans, trade payables, other payables, accrued expenses, due to related party, long-term bank loans and finance lease payable.

Subsequent measurement

After initial recognition, other financial liabilities are subsequently measured at amortized cost using EIR method.

Gains and losses are recognized in the statements of profit or loss and other comprehensive income when the liabilities are derecognized as well as through the amortization process.

Derecognition

A financial liability is derecognized when the obligation under the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statements of profit or loss and other comprehensive income.

Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is currently an enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

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2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)

o. Instrumen keuangan (lanjutan)

Saling hapus instrumen keuangan
(lanjutan)

Hak yang berkekuatan hukum berarti:

- a. tidak terdapat kontinjensi di masa yang akan datang, dan
- b. hak yang berkekuatan hukum pada kondisi-kondisi berikut ini:
 - i. kegiatan bisnis normal;
 - ii. kondisi kegagalan usaha; dan
 - iii. kondisi gagal bayar atau bangkrut.

Pendapatan dan beban disajikan dalam jumlah bersih hanya jika diperkenankan oleh standar akuntansi.

Nilai wajar instrumen keuangan

Nilai wajar adalah harga yang akan diterima untuk menjual suatu aset atau harga yang akan dibayar untuk mengalihkan suatu liabilitas dalam transaksi teratur antara pelaku pasar pada tanggal pengukuran. Pengukuran nilai wajar mengasumsikan bahwa transaksi untuk menjual aset atau mengalihkan liabilitas terjadi:

- Di pasar utama untuk aset dan liabilitas tersebut, atau
- Jika tidak terdapat pasar utama, di pasar yang paling menguntungkan untuk aset atau liabilitas tersebut.

Perusahaan harus memiliki akses ke pasar utama atau pasar yang paling menguntungkan.

Nilai wajar aset atau liabilitas diukur menggunakan asumsi yang akan digunakan pelaku pasar ketika menentukan harga aset atau liabilitas tersebut, dengan asumsi bahwa pelaku pasar bertindak dalam kepentingan ekonomi terbaiknya.

Perusahaan menggunakan teknik penilaian yang tepat sesuai keadaan dan dimana tersedia kecukupan data untuk mengukur nilai wajar, memaksimalkan penggunaan input yang dapat diobservasi yang relevan dan meminimalisir penggunaan input yang tidak dapat diobservasi.

2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)

o. Financial instruments (continued)

Off-setting of financial instruments
(continued)

This means that the right to set off:

- a. *must not be contingent on a future event, and*
- b. *must be legally enforceable in all of the following circumstances:*
 - i. *the normal course of the business;*
 - ii. *the event of default; and*
 - iii. *the event of insolvency or bankruptcy.*

Income and expenses are presented on a net basis only when permitted by accounting standards.

Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- *In the principal market for the asset or liability, or*
- *In the absence of a principal market, in the most advantageous market for the asset or liability.*

The principal or the most advantageous market must be accessible to by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

o. Instrumen keuangan (lanjutan)

Nilai wajar instrumen keuangan (lanjutan)

Semua aset dan liabilitas yang nilai wajarnya diukur atau diungkapkan dalam laporan keuangan dikategorikan dalam hirarki nilai wajar, sebagaimana dijelaskan di bawah ini, berdasarkan tingkatan level input yang terendah yang signifikan terhadap pengukuran nilai wajar secara keseluruhan:

- Level 1 - harga kuotasian (tanpa penyesuaian) di pasar aktif untuk aset atau liabilitas yang identik.
- Level 2 - teknik penilaian di mana tingkat level input terendah yang signifikan terhadap pengukuran nilai wajar dapat diobservasi baik secara langsung atau tidak langsung.
- Level 3 - teknik penilaian di mana tingkat level input terendah yang signifikan terhadap pengukuran nilai wajar tidak dapat diobservasi baik secara langsung atau tidak langsung.

Untuk aset dan liabilitas yang diakui pada laporan keuangan secara berulang, Perusahaan menentukan apakah terjadi transfer antara Level di dalam hirarki dengan cara mengevaluasi kategori (berdasarkan input level terendah yang signifikan dalam pengukuran nilai wajar) setiap akhir tahun pelaporan.

p. Informasi segmen

Jumlah setiap unsur segmen dilaporkan merupakan ukuran yang dilaporkan kepada pengambil keputusan operasional untuk tujuan pengambilan keputusan untuk mengalokasikan sumber daya kepada segmen dan menilai kinerjanya.

Pendapatan, beban, hasil, aset dan liabilitas segmen termasuk item-item yang dapat diatribusikan langsung kepada suatu segmen serta hal-hal yang dapat dialokasikan dengan dasar yang sesuai kepada segmen tersebut.

q. Laba per saham dasar

Laba per saham dasar dihitung dengan membagi laba tahun berjalan yang dapat diatribusikan kepada pemegang saham dengan jumlah rata-rata tertimbang saham beredar selama tahun yang bersangkutan.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

o. Financial instruments (continued)

**Fair value of financial instruments
(continued)**

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

p. Segment information

The amount of each segment item reported shall be the measure reported to the chief operating decision maker for the purposes of making decisions about allocating resources to the segment and assessing its performance.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment.

q. Basic earnings per share

Basic earnings per share is calculated by dividing income for the year attributable to the shareholders by the weighted average number of shares outstanding during the year.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

r. Amandemen dan Penyesuaian Standar Akuntansi dan Interpretasi yang Berlaku Efektif pada Tahun 2016

Perusahaan telah menerapkan amandemen dan penyesuaian-penyesuaian berlaku efektif pada tanggal 1 Januari 2017 yang dianggap relevan:

- PSAK No. 1 (Amandemen 2016), "Penyajian Laporan Keuangan".
- PSAK No. 24 (Penyesuaian 2016) "Imbalan Kerja".
- PSAK No. 60 (Penyesuaian 2016) "Instrumen Keuangan: Pengungkapan".

Perusahaan telah menganalisa penerapan standar akuntansi tersebut di atas dan penerapan tersebut tidak memiliki pengaruh yang signifikan terhadap laporan keuangan.

s. Standar akuntansi yang telah disahkan namun belum berlaku efektif

Standar akuntansi dan interpretasi yang telah disahkan oleh DSAK, tetapi belum berlaku efektif untuk laporan keuangan tahun berjalan diungkapkan di bawah ini. Perusahaan bermaksud untuk menerapkan standar tersebut, jika dipandang relevan, saat telah menjadi efektif.

- PSAK 73: Sewa, yang diadopsi dari IFRS 16, berlaku efektif 1 Januari 2020 dengan penerapan dini diperkenankan untuk entitas yang juga telah menerapkan PSAK 72: Pendapatan dari Kontrak dengan Pelanggan.

PSAK ini menetapkan prinsip pengakuan, pengukuran, penyajian, dan pengungkapan atas sewa dengan memperkenalkan model akuntansi tunggal dengan mensyaratkan untuk mengakui aset hak-guna (*right-of-use assets*) dan liabilitas sewa. Terdapat 2 pengecualian opsional dalam pengakuan aset dan liabilitas sewa, yakni untuk: (i) sewa jangka-pendek dan (ii) sewa yang aset dasarnya (*underlying assets*) bernilai-rendah.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

r. Accounting Standards Amendments, Annual Improvements and Interpretation which Became Effective in 2016

The Company adopted the following amendment and annual improvements, which are considered relevant, starting on January 1, 2017:

- SFAS No. 1 (2016 Amendment), "Presentation of Financial Statements".
- SFAS No. 24 (2016 Improvement) "Employee Benefits".
- SFAS No. 60 (2016 Improvement) "Financial Instruments: Disclosures".

The Company has assessed that the adoption of the above mentioned accounting standards do not have significant impact to the financial statements.

s. Accounting standards issued but not yet effective

The standards and interpretations that are issued by the DSAK, but not yet effective for the current financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

- SFAS 73: Leases, adopted from IFRS 16, effective 1 January 2020 with earlier application is permitted, but not before an entity applies SFAS 72: Revenue from Contracts with Customers.

This SFAS establish the principles of recognition, measurement, presentation, and disclosure of the lease by introducing a single accounting model, with the requirement to recognize the right-of-use assets and liability of the lease; there are 2 optional exclusions in the recognition of the lease assets and liabilities: (i) short-term lease and (ii) lease with low-value underlying assets.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

**s. Standar akuntansi yang telah disahkan
namun belum berlaku efektif (lanjutan)**

Standar akuntansi dan interpretasi yang telah disahkan oleh DSAK, tetapi belum berlaku efektif untuk laporan keuangan tahun berjalan diungkapkan di bawah ini. Perusahaan bermaksud untuk menerapkan standar tersebut, jika dipandang relevan, saat telah menjadi efektif. (lanjutan)

- Amandemen PSAK 2: Laporan Arus Kas tentang Prakarsa Pengungkapan, berlaku efektif 1 Januari 2018 dengan penerapan dini diperkenankan.

Amandemen ini mensyaratkan entitas untuk menyediakan pengungkapan yang memungkinkan pengguna laporan keuangan untuk mengevaluasi perubahan pada liabilitas yang timbul dari aktivitas pendanaan, termasuk perubahan yang timbul dari arus kas maupun perubahan non-kas.

- Amandemen PSAK No. 46: "Pajak Penghasilan tentang Pengakuan Aset Pajak Tangguhan untuk Rugi yang Belum Direalisasi", berlaku efektif 1 Januari 2018 dengan penerapan dini diperkenankan.

Amandemen ini mengklarifikasi bahwa untuk menentukan apakah laba kena pajak akan tersedia sehingga perbedaan temporer yang dapat dikurangkan dapat dimanfaatkan; estimasi atas kemungkinan besar laba kena pajak masa depan dapat mencakup pemulihan beberapa aset entitas melebihi jumlah tercatatnya.

- PSAK 71: Instrumen Keuangan, yang diadopsi dari IFRS 9, berlaku efektif 1 Januari 2020 dengan penerapan dini diperkenankan.

PSAK ini mengatur klasifikasi dan pengukuran instrumen keuangan berdasarkan karakteristik dari arus kas kontraktual dan model bisnis entitas; metode kerugian kredit ekspektasian untuk penurunan nilai yang menghasilkan informasi yang lebih tepat waktu, relevan dan dimengerti oleh pemakai laporan keuangan; akuntansi untuk lindung nilai yang merefleksikan manajemen risiko entitas lebih baik dengan memperkenalkan persyaratan yang lebih umum berdasarkan pertimbangan manajemen.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**s. Accounting standards issued but not yet
effective (continued)**

The standards and interpretations that are issued by the DSAK, but not yet effective for the current financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. (continued)

- Amendments to SFAS 2: Statement of Cash Flows on the Disclosures Initiative, effective January 1, 2018 with earlier application is permitted.

The amendments require entities to provide disclosures that enable the financial statements users to evaluate the changes in liabilities arising from financing activities, including changes from cash flow and non-cash.

- Amendments to SFAS No. 46: "Income Taxes on the Recognition of Deferred Tax Assets for Unrealized Losses", effective January 1, 2018 with earlier application is permitted.

This amendments clarifies that to determine whether the taxable income will be available so that the deductible temporary differences can be utilized; estimates of the most likely future taxable income can include recovery of certain assets of the entity exceeds its carrying amount.

- SFAS 71: Financial Instruments, adopted from IFRS 9, effective 1 January 2020 with earlier application is permitted.

This SFAS provides for classification and measurement of financial instruments based on the characteristics of contractual cash flows and business model of the entity; expected credit loss impairment model that resulting information more timely, relevant and understandable to users of financial statements; accounting for hedging that reflect the entity's risk management better by introduce a more general requirements based on management's judgment.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

**s. Standar akuntansi yang telah disahkan
namun belum berlaku efektif (lanjutan)**

Standar akuntansi dan interpretasi yang telah disahkan oleh DSAK, tetapi belum berlaku efektif untuk laporan keuangan tahun berjalan diungkapkan di bawah ini. Perusahaan bermaksud untuk menerapkan standar tersebut, jika dipandang relevan, saat telah menjadi efektif. (lanjutan)

Perusahaan sedang mengevaluasi dampak dari standar akuntansi tersebut dan belum menentukan dampaknya terhadap laporan keuangan.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**s. Accounting standards issued but not yet
effective (continued)**

The standards and interpretations that are issued by the DSAK, but not yet effective for the current financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. (continued)

The Company is presently evaluating and has not yet determined the effects of these accounting standards on the financial statements.

**3. PENGGUNAAN PERTIMBANGAN, ESTIMASI
DAN ASUMSI SIGNIFIKAN**

Penyusunan laporan keuangan Perusahaan mengharuskan manajemen untuk membuat pertimbangan, estimasi dan asumsi yang mempengaruhi jumlah yang dilaporkan dari pendapatan, beban, aset dan liabilitas, dan pengungkapan atas liabilitas kontinjensi, pada akhir periode pelaporan. Ketidakpastian mengenai asumsi dan estimasi tersebut dapat mengakibatkan penyesuaian material terhadap nilai tercatat aset dan liabilitas yang terpengaruh pada periode pelaporan berikutnya.

Pertimbangan

Pertimbangan berikut ini dibuat oleh manajemen dalam rangka penerapan kebijakan akuntansi Perusahaan yang memiliki pengaruh paling signifikan atas jumlah yang diakui dalam laporan keuangan:

Aset sewa pembiayaan

Perusahaan mempunyai perjanjian sewa dimana Perusahaan bertindak sebagai lessee dalam hal transaksi jual dan sewa-balik mesin. Perusahaan mengevaluasi apakah terdapat risiko dan manfaat yang signifikan dari aset sewaan yang dialihkan berdasarkan PSAK No. 30 (Revisi 2014), yang mensyaratkan Perusahaan untuk membuat pertimbangan dan estimasi dari pengalihan risiko dan manfaat terkait dengan kepemilikan aset.

Berdasarkan hasil penelaahan yang dilakukan Perusahaan atas perjanjian jual dan sewa-balik, maka transaksi sewa tersebut diklasifikasikan sebagai sewa pembiayaan.

**3. SIGNIFICANT ACCOUNTING JUDGMENTS,
ESTIMATES AND ASSUMPTIONS**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount the asset and liability affected in future periods.

Judgments

The following judgments are made by management in the process of applying the Company's accounting policies that have the most significant effects on the amounts recognized in the financial statements:

Asset under finance lease

The Company has a lease whereby the Company act as lessee in respect of sales transaction and lease-back of machinery. The Company evaluates whether significant risks and rewards of ownership of the leased assets are transferred based on SFAS No. 30 (Revisi 2014) which requires the Company to make judgment and estimates of the transfer of risks and rewards related to the ownership of assets.

Based on the review performed by the Company for the current sales and lease-back agreement accordingly, the transactions were classified as finance lease.

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3. PENGGUNAAN PERTIMBANGAN, ESTIMASI DAN ASUMSI SIGNIFIKAN (lanjutan)

Pertimbangan (lanjutan)

Sewa Operasi

Perusahaan, sebagai lessee, mengadakan perjanjian sewa atas tempat yang digunakan untuk kegiatan operasinya. Perusahaan telah menentukan bahwa seluruh risiko dan manfaat atas tempat yang disewa sebagai sewa operasi tidak dapat dialihkan kepada Perusahaan.

Penentuan Mata Uang Fungsional

Mata uang fungsional Perusahaan adalah mata uang dari lingkungan ekonomi utama di mana entitas tersebut beroperasi. Mata uang tersebut adalah mata uang yang mempengaruhi pendapatan dan beban dari penjualan barang dan jasa yang dihasilkan serta sumber pendanaan. Penentuan mata uang fungsional bisa membutuhkan pertimbangan karena berbagai kompleksitas, antara lain, suatu entitas dapat bertransaksi dalam lebih dari satu mata uang dalam aktivitas usahanya sehari-hari.

Berdasarkan substansi ekonomi dari kondisi mendasari yang relevan, mata uang fungsional dan penyajian Perusahaan adalah Rupiah.

Klasifikasi aset dan liabilitas keuangan

Perusahaan menetapkan klasifikasi atas aset dan liabilitas tertentu sebagai aset keuangan dan liabilitas keuangan dengan mempertimbangkan apakah definisi yang ditetapkan PSAK No. 55 (Revisi 2014) dipenuhi. Dengan demikian, aset keuangan dan liabilitas keuangan diakui sesuai dengan kebijakan akuntansi Perusahaan seperti diungkapkan pada Catatan 2o.

Usaha yang berkelanjutan

Manajemen Perusahaan yang telah melakukan penilaian atas kemampuan Perusahaan untuk melanjutkan kelangsungan usahanya dan berkeyakinan bahwa Perusahaan memiliki sumber daya untuk melanjutkan usahanya di masa mendatang. Selain itu, manajemen tidak mengetahui adanya ketidakpastian material yang signifikan terhadap kemampuan Perusahaan untuk melanjutkan usahanya. Oleh karena itu, laporan keuangan yang disusun atas dasar usaha yang berkelanjutan.

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3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Judgments (continued)

Operating Leases

The Company, as lessee, has entered into lease on premises it uses for its operations. The Company has determined that all significant risks and rewards of ownerships of the properties it leases on operating lease are not transferrable to the Company.

Determination of Functional Currency

The functional currency of the Company is the currency from the primary economic environment where such entity operates. Those currencies are the currencies that influence the revenues and expenses from sale of goods and services rendered as well as source of financing. The determination of functional currency may require judgment due to various complexity, among others, the entity may transact in more than one currency in its daily business activities.

Based on the economic substance of the relevant underlying circumstances, the functional and presentation currency of the Company is the Rupiah.

Classification of financial assets and financial liabilities

The Company determine the classifications of certain assets and liabilities as financial assets and financial liabilities by judging if they meet the definition set forth in SFAS No. 55 (Revised 2014). Accordingly, the financial assets and financial liabilities are accounted for in accordance with the Company's accounting policies disclosed in Note 2o.

Going concern

The Company's management has made an assessment of the Company abilities to continue as a going concern and is satisfied that the Company has the resources to continue its business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cause significant doubt to the Company abilities to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

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**3. PENGGUNAAN PERTIMBANGAN, ESTIMASI
DAN ASUMSI SIGNIFIKAN (lanjutan)**

Estimasi dan Asumsi

Asumsi utama masa depan dan sumber utama estimasi ketidakpastian lain pada tanggal pelaporan yang memiliki risiko signifikan bagi penyesuaian yang material terhadap nilai tercatat aset dan liabilitas untuk tahun berikutnya, diungkapkan di bawah ini. Perusahaan mendasarkan asumsi dan estimasi pada parameter yang tersedia pada saat laporan keuangan disusun. Asumsi dan situasi mengenai perkembangan masa depan, mungkin berubah akibat perubahan pasar atau situasi di luar kendali Perusahaan. Perubahan tersebut dicerminkan dalam asumsi terkait pada saat terjadinya.

Liabilitas Imbalan Kerja Karyawan

Penentuan kewajiban dan biaya pensiun dan kewajiban imbalan kerja Perusahaan bergantung pada pemilihan asumsi yang digunakan oleh aktuaris independen dalam menghitung jumlah-jumlah tersebut. Asumsi tersebut termasuk antara lain, tingkat diskonto, tingkat kenaikan gaji tahunan, tingkat pengunduran diri karyawan tahunan, tingkat kecacatan, umur pensiun dan tingkat kematian.

Sementara Perusahaan berkeyakinan bahwa asumsi tersebut adalah wajar dan sesuai, perbedaan signifikan pada hasil aktual atau perubahan signifikan dalam asumsi yang ditetapkan Perusahaan dapat mempengaruhi secara material liabilitas diestimasi atas pensiun dan imbalan kerja dan beban imbalan kerja neto. Penjelasan lebih rinci diungkapkan dalam Catatan 26.

Penyusutan dan Estimasi Masa Manfaat Ekonomis Aset Tetap dan Amortisasi Beban Waralaba Ditanggungkan

Biaya perolehan aset tetap dan beban waralaba yang ditanggungkan disusutkan dengan menggunakan metode garis lurus berdasarkan taksiran masa manfaat ekonomisnya. Manajemen mengestimasi masa manfaat ekonomis aset tetap dan beban waralaba yang ditanggungkan antara 5 sampai dengan 20 tahun. Ini adalah umur yang secara umum diharapkan dalam industri dimana Perusahaan menjalankan bisnisnya. Perubahan tingkat pemakaian dan perkembangan teknologi dapat mempengaruhi masa manfaat ekonomis dan nilai sisa aset, dan karenanya beban penyusutan dan amortisasi masa depan mungkin direvisi. Penjelasan lebih rinci diungkapkan dalam Catatan 10 dan 11.

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**3. SIGNIFICANT ACCOUNTING JUDGMENTS,
ESTIMATES AND ASSUMPTIONS (continued)**

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions as they occur.

Employee Benefits Liabilities

The determination of the Company's obligations and cost for pension and employee benefits liabilities is dependent on its selection of certain assumptions used by the independent actuaries in calculating such amounts. Those assumptions include among others, discount rates, annual salary increase rate, annual employee turn-over rate, disability rate, retirement age and mortality rate.

While the Company believes that its assumptions are reasonable and appropriate, significant differences in the Company's and subsidiaries' actual results or significant changes in the Company's assumptions may materially affect its estimated liabilities for pension and employee benefits and net employee benefits expense. Further details are discussed in Note 26.

Depreciation and Estimated Useful Lives of Property and Equipment and Amortisation of Deferred Franchise Fee

The costs of property and equipment and deferred franchise fee are depreciated on a straight-line method over their estimated useful lives. Management estimates the useful lives of these property and equipment and deferred franchise fee to be within 5 to 20 years. These are common life expectancies applied in the industries where the Company conducts its businesses. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, and therefore future depreciation and amortisation charges could be revised. Further details are disclosed in Notes 10 and 11.

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**3. PENGGUNAAN PERTIMBANGAN, ESTIMASI
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Estimasi dan Asumsi (lanjutan)

Pajak Penghasilan

Pertimbangan signifikan dilakukan dalam menentukan provisi atas pajak penghasilan badan. Terdapat transaksi dan perhitungan tertentu yang penentuan pajak akhirnya adalah tidak pasti sepanjang kegiatan usaha normal. Perusahaan mengakui liabilitas atas pajak penghasilan badan berdasarkan estimasi apakah akan terdapat tambahan pajak penghasilan badan. Penjelasan lebih rinci diungkapkan dalam Catatan 16.

Aset Pajak Tangguhan

Aset pajak tangguhan diakui atas seluruh rugi fiskal yang belum digunakan sepanjang besar kemungkinannya bahwa penghasilan kena pajak akan tersedia sehingga rugi fiskal tersebut dapat digunakan. Estimasi signifikan oleh manajemen disyaratkan dalam menentukan jumlah aset pajak tangguhan yang dapat diakui, berdasarkan saat penggunaan dan tingkat penghasilan kena pajak dan strategi perencanaan pajak masa depan (Catatan 16).

Tagihan Pengembalian Pajak

Berdasarkan peraturan perpajakan yang berlaku saat ini, manajemen mengestimasi bahwa jumlah yang tercatat dalam akun di atas dapat dipulihkan dan direstitusi oleh kantor pajak. Nilai tercatat atas tagihan dan keberatan atas hasil pemeriksaan pajak Perusahaan pada tanggal 31 Desember 2015 beserta penjelasan terkait diungkapkan pada Catatan 16.

Penurunan nilai aset non-keuangan

Perusahaan mengevaluasi penurunan nilai aset apabila terdapat kejadian atau perubahan keadaan yang mengindikasikan bahwa nilai tercatat aset tidak dapat dipulihkan kembali. Faktor-faktor penting yang dapat menyebabkan penelaahan penurunan nilai adalah sebagai berikut:

- Performa yang tidak tercapai secara signifikan terhadap ekspektasi historis atau proyeksi hasil operasi di masa yang akan datang;
- perubahan yang signifikan dalam cara penggunaan aset atau strategi bisnis secara keseluruhan; dan
- industri atau tren ekonomi yang secara signifikan bernilai negatif.

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**3. SIGNIFICANT ACCOUNTING JUDGMENTS,
ESTIMATES AND ASSUMPTIONS (continued)**

Estimates and Assumptions (continued)

Income Tax

Significant judgment is involved in determining the provision for corporate income tax. There are certain transactions and computation for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for expected corporate income tax issues based on estimates of whether additional corporate income tax will be due. Further details are disclosed in Note 16.

Deferred Tax Assets

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management estimates are required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies (Note 16).

Claims for Tax Refund

Based on the tax regulations currently enacted, the management estimates if the amounts recorded under the above accounts are recoverable and refundable by the tax office. The carrying amounts of the Company's claims for tax refund and tax assessments under appeal as of December 31, 2015 and related explanations are disclosed in Note 16.

Impairment of non-financial assets

The Company assesses impairment of assets whenever events or changes in circumstances that would indicate that the carrying amount of an asset may not be recoverable. The factors that the Bank considers important which could trigger an impairment review include the following:

- significant underperformance relative to expected historical or projected future operating results;
- significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- significant negative industry or economic trends.

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Estimasi dan Asumsi (lanjutan)

Penurunan nilai aset non-keuangan (lanjutan)

Perusahaan mengakui kerugian penurunan nilai apabila nilai tercatat aset melebihi nilai yang dapat dipulihkan. Jumlah terpulihkan adalah nilai yang lebih tinggi antara nilai wajar dikurang biaya untuk menjual dengan nilai pakai aset (atau unit penghasil kas). Jumlah terpulihkan diestimasi untuk aset individual atau, jika tidak memungkinkan, untuk unit penghasil kas yang mana aset tersebut merupakan bagian daripada unit tersebut.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Estimates and Assumptions (continued)

Impairment of non-financial assets (continued)

The Company recognizes an impairment loss whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or cash-generating unit's) fair value less costs to sell and its value in use. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.

4. KAS DAN BANK

Akun ini terdiri dari:

4. CASH ON HAND AND IN BANKS

This account is consists of:

	31 Desember/December 31			
	2017	2016	2015	
Kas	44.118.339.807	29.735.506.574	25.357.437.648	Cash on hand
Bank - Pihak ketiga				Cash in banks - Third parties
Rupiah				Rupiah
PT Bank Central Asia Tbk	11.279.990.543	14.018.551.896	9.320.541.749	PT Bank Central Asia Tbk
PT Bank Mandiri (Persero) Tbk	8.315.275.788	29.796.712.006	10.035.058.762	PT Bank Mandiri (Persero) Tbk
PT Bank CIMB Niaga Tbk	7.157.235.682	33.431.095.978	14.215.469.671	PT Bank CIMB Niaga Tbk
PT Bank Rakyat Indonesia (Persero) Tbk	1.138.731.015	936.091.741	1.097.442.296	PT Bank Rakyat Indonesia (Persero) Tbk
PT Bank Tabungan Negara (Persero) Tbk	1.078.535.031	1.080.769.232	578.522.640	PT Bank Tabungan Negara (Persero) Tbk
PT Bank Negara Indonesia (Persero) Tbk	964.071.086	981.136.288	858.059.991	PT Bank Negara Indonesia (Persero) Tbk
PT Bank Artha Graha Internasional Tbk	811.610.801	2.214.355.890	1.267.648.280	PT Bank Artha Graha Internasional Tbk
PT Bank Mega Tbk	267.117.604	49.612.681	47.888.541	PT Bank Mega Tbk
PT Bank HSBC Indonesia	47.635.722	-	-	PT Bank HSBC Indonesia
The Bank of Tokyo-Mitsubishi UFJ, Ltd., cabang Jakarta	12.379.872	14.810.761	14.588.872	The Bank of Tokyo-Mitsubishi UFJ, Ltd., Jakarta branch
Sub-total	31.072.583.144	82.523.136.473	37.435.220.802	Sub-total
Dolar Amerika Serikat				United States Dollar
PT Bank Mandiri (Persero) Tbk (US\$10.510 pada tahun 2017, US\$11.472 pada tahun 2016 dan US\$Nihil pada tahun 2015)	142.385.687	154.130.402	-	PT Bank Mandiri (Persero) Tbk US\$10,510 in 2017, US\$11,472 in 2016 and US\$Nil in 2015)
PT Bank Central Asia Tbk (US\$8.608 pada tahun 2017, US\$8.092 pada tahun 2016 dan US\$5.210 pada tahun 2015)	116.626.332	108.726.530	71.875.399	PT Bank Central Asia Tbk (US\$8,608 in 2017, US\$8,092 in 2016 and US\$5,210 in 2015)
PT Bank CIMB Niaga Tbk (US\$901 pada tahun 2017, US\$1.060 pada tahun 2016, dan US\$6.626 pada tahun 2015)	12.200.651	14.238.801	91.400.014	PT Bank CIMB Niaga Tbk (US\$901 in 2017, (US\$1,060 in 2016, US\$6,626 in 2015)
Sub-total	271.212.670	277.095.733	163.275.413	Sub-total
Total Bank	31.343.795.814	82.800.232.206	37.598.496.215	Total Cash in Banks
Total	75.462.135.621	112.535.738.780	62.955.933.863	Total

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4. KAS DAN BANK (lanjutan)

Rekening di bank memiliki tingkat bunga mengambang sesuai dengan tingkat penawaran pada masing-masing bank.

Pada tanggal 31 Desember 2017, 2016 dan 2015 kas dan bank tidak dijaminkan kepada pihak manapun.

Pada tanggal 31 Desember 2017, 2016 dan 2015 Perusahaan tidak memiliki deposito berjangka.

4. CASH ON HAND AND IN BANKS (continued)

Accounts in banks earn interest at floating rates based on the offering rates from each bank.

In December 31, 2017, 2016 and 2015, cash on hand and in banks are not pledged to any party.

In December 31, 2017, 2016 and 2015, the Company has no time deposits.

5. PIUTANG USAHA DAN LAIN-LAIN

Akun ini terdiri dari:

5. TRADE AND OTHER RECEIVABLES

This account is consists of:

31 Desember/December 31				
	2017	2016	2015	
<u>Pihak Ketiga</u>				<u>Third Parties</u>
Penerbit kartu kredit	13.427.896.879	10.976.077.803	7.773.668.125	Credit card issuers
Lain-lain (masing-masing dibawah Rp1.000.000.000)	1.075.363.475	655.317.346	1.204.637.592	Others (each below Rp1,000,000,000)
Total	14.503.260.354	11.631.395.149	8.978.305.717	Total

Seluruh piutang usaha adalah dalam mata uang Rupiah.

All trade receivables are denominated in Rupiah.

Analisa umur piutang usaha adalah sebagai berikut:

The aging analysis of trade receivables are as follows:

31 Desember/December 31				
	2017	2016	2015	
Lancar	12.747.517.218	8.821.449.331	8.654.016.201	Current
Jatuh tempo 30 - 90 hari	517.954.998	1.128.622.328	310.339.516	Overdue 30 - 90 days
Jatuh tempo > 90 hari	1.237.788.138	1.681.323.490	13.950.000	Overdue > 90 days
Total	14.503.260.354	11.631.395.149	8.978.305.717	Total

Berdasarkan hasil penelaahan terhadap kolektibilitas piutang usaha pada tanggal-tanggal 31 Desember 2017, 2016 dan 2015, manajemen berpendapat bahwa cadangan kerugian penurunan nilai tidak diperlukan.

Based on the review of the collectibility of the trade receivables as of December 31, 2017, 2016 and 2015, management believes that allowance for impairment losses is not necessary.

Piutang usaha tidak dijaminkan, tidak dibebani bunga dan penyelesaiannya akan dilakukan secara tunai.

Trade receivables are unsecured, non interest bearing and will be settled in cash.

Piutang lain-lain terdiri dari:

Other receivables consists of:

31 Desember/December 31				
	2017	2016	2015	
<u>Pihak Berelasi (Catatan 6)</u>				<u>Related Parties (Note 6)</u>
PT Sriboga Boat Noodle	1.607.837.544	-	-	PT Sriboga Boat Noodle
PT Sriboga Marugame Indonesia	1.117.586.642	4.355.782.392	10.164.282.645	PT Sriboga Marugame Indonesia
PT Sriboga Flour Mill	142.038.176	98.001.156	-	PT Sriboga Flour Mill
Sub - total	2.867.462.362	4.453.783.548	10.164.282.645	Sub - total
Pihak Ketiga	988.007.100	1.271.885.508	814.654.119	Third parties
Total	3.855.469.462	5.725.669.056	10.978.936.764	Total

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5. PIUTANG USAHA DAN LAIN-LAIN (lanjutan)

Analisa umur piutang lain-lain adalah sebagai berikut:

	31 Desember/December 31		
	2017	2016	2015
Lancar	2.128.881.459	4.418.232.554	1.598.888.792
Jatuh tempo 30 - 90 hari	579.147.638	582.954.744	4.717.178.474
Jatuh tempo > 90 hari	1.147.440.365	724.481.762	4.662.869.498
Total	3.855.469.462	5.725.669.056	10.978.936.764

Piutang lain-lain tidak dijamin, tidak dibebani bunga dan penyelesaiannya akan dilakukan secara tunai dalam waktu kurang dari satu tahun.

Berdasarkan hasil penelaahan terhadap kolektibilitas piutang lain-lain pada tanggal-tanggal 31 Desember 2017, 2016 dan 2015, manajemen berpendapat bahwa cadangan kerugian penurunan nilai tidak diperlukan.

5. TRADE AND OTHER RECEIVABLES (continued)

The aging analysis of other receivables are as follows:

	2017	2016	2015	
Lancar	2.128.881.459	4.418.232.554	1.598.888.792	Current
Jatuh tempo 30 - 90 hari	579.147.638	582.954.744	4.717.178.474	Overdue 30 - 90 days
Jatuh tempo > 90 hari	1.147.440.365	724.481.762	4.662.869.498	Overdue > 90 days
Total	3.855.469.462	5.725.669.056	10.978.936.764	Total

Other receivables are unsecured, non interest bearing, will be settled in cash in less than one year.

Based on the review of the collectibility of the other receivables as of December 31, 2017, 2016 and 2015, management believes that allowance for impairment losses is not necessary.

6. TRANSAKSI DENGAN PIHAK BERELASI

Dalam kegiatan usaha normal, Perusahaan melakukan transaksi yang berkelanjutan dengan pihak berelasi berdasarkan syarat dan ketentuan yang disepakati oleh kedua belah pihak.

Pihak berelasi Perusahaan adalah sebagai berikut:

Pihak Berelasi/ Related Parties	Sifat Hubungan/ Nature of Relationships	Transaksi/Nature of Transaction
PT Sriboga Raturaya (SRR)	Pemegang saham mayoritas Perusahaan/ Majority shareholder of the Company	Utang kepada pemegang saham / Due to related party
PT Sriboga Flour Mill (SFM)	Entitas yang pemegang saham mayoritasnya sama dengan pemegang saham Perusahaan/ A Company with the same majority shareholders on the Company	Piutang lain-lain, pembelian, utang usaha, dan utang lain-lain/ Other receivables, purchases, trade payables and other payables
PT Sriboga Marugame Indonesia (SMI)	Entitas yang pemegang saham mayoritasnya sama dengan pemegang saham Perusahaan/ A Company with the same majority shareholders on the Company	Piutang lain-lain, pendapatan operasi lainnya, utang usaha, pembelian dan utang lain-lain/ Other receivables, other operating income, trade payable, purchases and other payables
PT Sriboga Boat Noodle (SBN)	Entitas yang pemegang saham mayoritasnya sama dengan pemegang saham Perusahaan/ A Company with the same majority shareholders on the Company	Piutang lain-lain/ Other receivables
Dewan Komisaris dan Direksi/ Board of Commissioners and Directors	Manajemen Kunci/ Key Management	Imbalan jangka pendek/ Short-term benefit

Ringkasan saldo dengan pihak-pihak berelasi dan persentase terhadap jumlah aset, liabilitas serta pendapatan dan beban atas saldo dengan pihak-pihak berelasi adalah sebagai berikut:

6. TRANSACTIONS WITH RELATED PARTIES

In the normal course of business, the Company has certain continuing transactions with related parties based on terms and conditions as agreed by both parties.

The Company's related parties are as follows:

The summary of related parties balances and percentages of related parties balances to total assets, liabilities, revenues and expenses are as follows:

	31 Desember/December 31						
				Persentase terhadap Total Aset/ Percentage to Total Assets			
	2017	2016	2015	2017	2016	2015	
Piutang lain-lain							Other receivables
PT Sriboga Boat Noodle	1.607.837.544	-	-	0,10%	-	-	PT Sriboga Boat Noodle
PT Sriboga Marugame Indonesia	1.117.586.642	4.355.782.392	10.164.282.645	0,08%	0,38%	0,97%	PT Sriboga Marugame Indonesia
PT Sriboga Flour Mill	142.038.176	98.001.156	-	0,01%	0,01%	-	PT Sriboga Flour Mill
Total	2.867.462.362	4.453.783.548	10.164.282.645	0,19%	0,39%	0,97%	Total

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**6. TRANSAKSI DENGAN PIHAK BERELASI
(lanjutan)**

Ringkasan saldo dengan pihak-pihak berelasi dan persentase terhadap jumlah aset, liabilitas serta pendapatan dan beban atas saldo dengan pihak-pihak berelasi adalah sebagai berikut: (lanjutan)

**6. TRANSACTIONS WITH RELATED PARTIES
(continued)**

The summary of related parties balances and percentages of related parties balances to total assets, liabilities, revenues and expenses are as follows: (continued)

31 Desember/December 31						
	Persentase terhadap Total Pendapatan Operasi Lainnya/ Percentage to Other Operating Income					
	2017	2016	2015	2017	2016	2015
<u>Pendapatan operasi lainnya</u>						<u>Other operating income</u>
<u>Pendapatan dari jasa manajemen dan lainnya</u>						<u>Income from management service and others</u>
PT Sriboga Marugame Indonesia	16.037.398.552	12.300.289.589	9.933.862.789	26,89%	20,10%	16,00%
						Marugame Indonesia

Piutang lain-lain dari SBN dan SMI adalah transaksi yang timbul akibat beban-beban operasional yang dibayarkan terlebih dahulu oleh Perusahaan.

Other receivables from SBN and SMI are transactions arising from operating expenses paid by the Company.

Pada tanggal 1 April 2015, Perusahaan menandatangani perjanjian pinjaman sementara dengan SMI untuk kebutuhan operasional SMI. Pinjaman diberikan dengan total maksimal Rp13.000.000.000 akan dicairkan sesuai dengan kebutuhan SMI. Pinjaman ini dikenakan bunga sebesar 12% per tahun. Pinjaman dan bunga tersebut dicatat sebagai bagian dari piutang lain-lain SMI.

On April 1, 2015, the Company entered into a temporary loan receivable agreement with SMI for the operational needs of SMI. Loans are granted for a maximum of Rp13,000,000,000 and will be disbursed in accordance with SMI's need. This loan bears interest at 12% per year. Loan and interest arising from this transaction were recorded as part of other receivables from SMI.

Pada tanggal 27 Desember 2016, SMI sudah melunasi seluruh pokok pinjaman tersebut.

On December 27, 2016, SMI has fully paid the principal of the loan.

Selain itu, piutang lain-lain SMI terdiri dari piutang atas perjanjian jasa manajemen dari Perusahaan untuk mendukung pertumbuhan restoran-restoran Marugame Udon, dimana SMI memiliki hak waralaba atas merek tersebut di Indonesia. Jasa manajemen yang dimaksud adalah keahlian dan sumber daya Perusahaan dalam bidang pengembangan restoran baru, standar operasi, pemeliharaan peralatan, dan manajemen administrasi. SMI membayar biaya manajemen secara bulanan atas dasar jumlah outlet dan nilai berdasarkan perjanjian tersebut.

Other than that, other receivables from SMI contains of receivables of management services agreement provided by the Company to support the growth of Marugame Udon restaurants, where SMI has a franchise on the brand in Indonesia. The management services rendered are the Company's expertise and resources in the development of new restaurants, operating standards, maintenance of equipment, and administration management. SMI pays a monthly management fee based on the number of outlets and the amount is based on the agreement.

Perjanjian ini berlaku dari tanggal 1 Februari 2014 sampai dengan 31 Maret 2015 dan telah diperpanjang beberapa kali, yang terakhir sampai dengan tanggal 31 Maret 2019.

This agreement was effective from February 1, 2014 until March 31, 2015 and has been extended, the latest extension is until March 31, 2019.

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**6. TRANSAKSI DENGAN PIHAK BERELASI
(lanjutan)**

Ringkasan saldo dengan pihak-pihak berelasi dan persentase terhadap jumlah aset, liabilitas serta pendapatan dan beban atas saldo dengan pihak-pihak berelasi adalah sebagai berikut: (lanjutan)

Pendapatan atas jasa manajemen tersebut disajikan sebagai bagian dari "Pendapatan Operasi Lainnya" pada laporan laba rugi dan penghasilan komprehensif lain pada tanggal 31 Desember 2017, 2016 dan 2015.

Selain itu, Perusahaan juga memberikan jasa pengelolaan persediaan kepada SMI. Pendapatan atas jasa pengelolaan tersebut disajikan sebagai bagian dari "Pendapatan Operasi Lainnya" pada laporan laba rugi dan penghasilan komprehensif lain pada tanggal 31 Desember 2017, 2016 dan 2015.

Perusahaan juga memiliki piutang/(utang) lain-lain dari SFM terkait dengan laba (rugi) kurs untuk pembelian gandum dengan harga jual tepung terigu yang diberikan (ditagihkan) oleh SFM kepada Perusahaan.

**6. TRANSACTIONS WITH RELATED PARTIES
(continued)**

The summary of related parties balances and percentages of related parties balances to total assets, liabilities, revenues and expenses are as follows: (continued)

The management services income are presented as "Other Operating Income" in the statements of profit and other comprehensive income in December 31, 2017, 2016 and 2015.

Other than that, the Company also provides inventory management services to SMI. The management services income are presented as "Other Operating Income" in the statements of profit or loss and other comprehensive income in December 31, 2017, 2016 and 2015.

The Company also had other receivables/(payables) from SFM, related to gain (loss) on exchange rate fee for purchase price of wheat and selling price of flour paid (charged) by SFM to the Company.

31 Desember/December 31

				Persentase terhadap Total Liabilitas/ Percentage to Total Liabilities		
	2017	2016	2015	2017	2016	2015
Utang usaha						
PT Sriboga Flour Mill	5.508.121.999	10.941.139.999	8.373.093.999	0,49%	1,34%	1,10%
PT Sriboga Marugame Indonesia	48.600.001	126.187.600	-	0,01%	0,02%	-
Total	5.556.722.000	11.067.327.599	8.373.093.999	0,50%	1,36%	1,10%

Trade payables
PT Sriboga Flour Mill
PT Sriboga Marugame Indonesia

Total

31 Desember/December 31

				Persentase terhadap Total Pembelian/ Percentage to Total Purchases		
	2017	2016	2015	2017	2016	2015
Pembelian						
PT Sriboga Flour Mill	42.263.504.000	37.659.816.000	38.011.885.000	3,77%	4,44%	4,43%
PT Sriboga Marugame Indonesia	48.600.001	126.187.600	-	0,00%	0,01%	-
Biaya kurs: PT Sriboga Flour Mill	(44.037.020)	(1.167.232.869)	1.069.231.713	3,77%	4,44%	4,43%
Total	42.268.066.981	36.618.770.731	39.081.116.713	3,77%	4,45%	4,43%

Purchases
PT Sriboga Flour Mill
PT Sriboga Marugame Indonesia
Exchange rate fee:
PT Sriboga Flour Mill

Total

31 Desember/December 31

	Persentase terhadap Total Liabilitas/ Percentage to Total Liabilities	
	2017	2017
Utang pihak berelasi		
PT Sriboga Raturaya	23.688.022.826	2,11%

Due to related party
PT Sriboga Raturaya

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6. TRANSAKSI DENGAN PIHAK BERELASI (lanjutan)

Ringkasan saldo dengan pihak-pihak berelasi dan persentase terhadap jumlah aset, liabilitas serta pendapatan dan beban atas saldo dengan pihak-pihak berelasi adalah sebagai berikut: (lanjutan)

Utang pihak berelasi merupakan transaksi di luar usaha dengan pemegang saham yang digunakan untuk operasional Perusahaan. Saldo utang dari transaksi ini adalah dalam Rupiah, tidak dikenakan beban bunga, tanpa jaminan dan penyelesaiannya akan dilakukan secara tunai dalam waktu kurang dari satu tahun.

6. TRANSACTIONS WITH RELATED PARTIES (continued)

The summary of related parties balances and percentages of related parties balances to total assets, liabilities, revenues and expenses are as follows: (continued)

Due to related party represents non-trade transactions with shareholder which is used for the Company's operations. The balance of liabilities from these transactions is in Rupiah, non-interest bearing, unsecured and will be settled in cash in less than one year.

31 Desember/December 31

	2017	2016	2015	Persentase terhadap Total Liabilitas/ Percentage to Total Liabilities			
				2017	2016	2015	
Utang lain-lain							Other payables
PT Sriboga Marugame							PT Sriboga Marugame
Indonesia	108.382.319	114.892.574	180.022.324	0,01%	0,01%	0,02%	Indonesia
PT Sriboga Boat Noodle	7.896.351	-	-	0,00%	-	-	PT Sriboga Boat Noodle
PT Sriboga Flour Mill	-	-	1.069.231.713	-	-	0,14%	PT Sriboga Flour Mill
Total	116.278.670	114.892.574	1.249.254.037	0,01%	0,01%	0,16%	Total

Utang lain-lain dari SMI dan SBN terdiri dari transaksi terkait biaya operasional Perusahaan serta penjualan voucher nominal yang belum digunakan kepada SMI.

Other payables from SMI dan SBN consists of transactions related to the Company's operational cost and also an outstanding nominal voucher sold to SMI.

Pada tahun 2017, 2016 dan 2015, remunerasi yang dibayarkan kepada personil manajemen kunci Perusahaan (termasuk dewan komisaris dan direksi) masing-masing sebesar Rp13.971.849.799, Rp13.026.462.313 dan Rp11.844.221.939.

In 2017, 2016 and 2015, remunerations paid to the Company's key management personnel (including Boards of Commissioners and Directors) amounted to Rp13,971,849,799, Rp13,026,462,313 and Rp11,844,221,939, respectively.

7. PERSEDIAAN

Akun ini terdiri dari:

7. INVENTORIES

This account consists of:

31 Desember/December 31

	2017	2016	2015	
Makanan	222.433.667.140	107.271.755.080	138.551.040.929	Foods
Perlengkapan	18.430.715.729	15.417.593.120	12.330.767.240	Guest supplies
Minuman	13.485.837.666	12.506.429.637	9.522.611.400	Beverages
Sub - total	254.350.220.535	135.195.777.837	160.404.419.569	Sub - total
Perlengkapan operasi	14.392.129.821	13.038.103.107	12.014.619.001	Operating supplies
Total	268.742.350.356	148.233.880.944	172.419.038.570	Total

Berdasarkan hasil penelaahan atas nilai realisasi neto persediaan dan keadaan fisik persediaan pada akhir periode pelaporan, manajemen Perusahaan berpendapat bahwa cadangan penyisihan untuk persediaan usang tidak diperlukan pada tanggal 31 Desember 2017, 2016 dan 2015.

Based on the review of the net realizable value and physical condition of inventories at the end of the reporting period, the management of the Company is of the opinion that no allowance for inventories obsolescence is required as of December 31, 2017, 2016 and 2015.

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7. PERSEDIAAN (lanjutan)

Pada tanggal-tanggal 31 Desember 2017, 2016 dan 2015, persediaan dan aset tetap (Catatan 10) telah diasuransikan terhadap risiko kebakaran dan risiko lainnya melalui PT Asuransi Allianz Utama Indonesia, pihak ketiga, dengan nilai pertanggungan asuransi masing-masing sebesar Rp1.164.037.368.326, Rp1.089.207.346.682 dan Rp979.148.237.897.

Manajemen berpendapat bahwa nilai pertanggungan tersebut cukup untuk menutupi kemungkinan kerugian yang timbul dari risiko-risiko tersebut.

Persediaan tertentu digunakan sebagai jaminan atas fasilitas pinjaman bank (Catatan 13 dan 18).

Persediaan yang diakui sebagai beban untuk tahun yang berakhir pada tanggal 31 desember 2017, 2016 dan 2015 masing - masing disajikan sebagai beban pokok penjualan pada laporan laba rugi dan penghasilan komprehensif lain (Catatan 22).

7. INVENTORIES (continued)

As of December 31, 2017, 2016 and 2015, inventories and property and equipment (Note 10) are covered by insurance against losses from fire and other risks through PT Asuransi Allianz Utama Indonesia, third party, with an insurance coverage amounting to Rp1,164,037,368,326, Rp1,089,207,346,682, and Rp979,148,237,897, respectively.

Management believes that the insurance coverage is adequate to cover possible losses arising from such risks.

Certain inventories are used as collateral for bank loan facilities (Notes 13 and 18).

Inventories recognized as expenses for the years ended 31 December 2017, 2016 and 2015 are presented as cost of goods sold in the statements of profit or loss and other comprehensive income (Note 22), respectively.

8. BEBAN DIBAYAR DI MUKA

Akun ini terdiri dari:

8. PREPAID EXPENSES

This account consists of:

	31 Desember/December 31			
	2017	2016	2015	
Sewa bangunan dibayar dimuka				Prepaid building rent
- bagian jatuh tempo				- current portion
dalam satu tahun	124.463.248.409	98.006.961.499	96.403.559.351	
Perijinan	8.683.422.602	6.783.096.225	5.943.042.297	License
Asuransi	1.330.692.612	1.147.478.626	1.037.813.437	Insurance
Lain-lain (masing-masing				Others (each
dibawah Rp400.000.000)	3.339.218.797	2.836.865.020	3.045.145.621	below Rp400,000,000)
Total	137.816.582.420	108.774.401.370	106.429.560.706	Total
Sewa bangunan dibayar di muka	427.391.480.601	357.781.378.891	322.695.951.823	Prepaid building rent
Dikurangi amortisasi	(147.957.668.569)	(135.952.892.611)	(130.732.538.530)	Less amortization
Neto	279.433.812.032	221.828.486.280	191.963.413.293	Net
Dikurangi bagian jangka panjang	(154.970.563.623)	(123.821.524.781)	(95.559.853.942)	Less long-term portion
Bagian jatuh tempo				
dalam satu tahun	124.463.248.409	98.006.961.499	96.403.559.351	Current portion

Hak sewa tertentu digunakan sebagai jaminan atas fasilitas pinjaman bank (Catatan 18).

Certain rental rights are used as collateral for bank loan facilities (Note 18).

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9. UANG MUKA PEMASOK

Akun ini terdiri dari:

9. ADVANCES TO SUPPLIERS

This account consists of:

31 Desember/December 31				
	2017	2016	2015	
Pihak ketiga				Third parties
Pembelian makanan dan minuman	7.587.791.429	4.596.764.939	4.969.940.846	Purchases of foods and beverages
Pemasaran dan pengembangan	3.485.031.810	1.670.351.365	1.428.756.642	Marketing and development
Perjalanan dinas	612.872.313	915.864.783	1.556.612.299	Travelling
Lain-lain (masing-masing dibawah Rp300.000.000)	2.462.237.536	1.212.430.006	433.737.271	Others (each below Rp300,000,000)
Total	14.147.933.088	8.395.411.093	8.389.047.058	Total

10. ASET TETAP - NETO

Akun ini terdiri dari:

10. PROPERTY AND EQUIPMENT - NET

This account consists of:

31 Desember/December 31, 2017					
	Saldo Awal/ Beginning Balance	Penambahan/ Additions	Pengurangan/ Deductions	Saldo akhir/ Ending Balance	
Biaya Perolehan					At Cost
Pemilikan langsung					Direct ownership
Tanah	15.014.978.952	20.186.023.109	-	35.201.002.061	Land
Bangunan	25.034.241.108	6.709.510.602	-	31.743.751.710	Buildings
Renovasi bangunan sewa	507.261.851.346	147.222.462.589	9.337.210.796	645.147.103.139	Leasehold improvements
Perlengkapan restoran	301.171.963.357	63.020.848.886	5.102.978.855	359.089.833.388	Restaurant equipment
Perabot dan perlengkapan	71.020.813.038	13.491.023.900	992.963.282	83.518.873.656	Furniture and fixtures
Peralatan kantor	86.665.719.290	17.070.861.896	5.347.773.208	98.388.807.978	Office equipment
Kendaraan	69.412.375.826	13.655.824.580	1.333.235.000	81.734.965.406	Vehicles
Aset sewa pembiayaan					Asset under finance lease
Renovasi bangunan sewa	18.853.996.875	-	-	18.853.996.875	Leasehold improvements
Perlengkapan restoran	7.989.274.468	-	-	7.989.274.468	Restaurant equipment
Perabot dan perlengkapan	2.085.437.071	-	-	2.085.437.071	Furniture and fixtures
Peralatan kantor	940.126.441	-	-	940.126.441	Office equipment
Total Biaya Perolehan	1.105.450.777.772	281.356.555.562	22.114.161.141	1.364.693.172.193	Total Cost
Akumulasi Penyusutan					Accumulated Depreciation
Pemilikan langsung					Direct ownership
Bangunan	10.267.764.044	2.806.671.264	-	13.074.435.308	Buildings
Renovasi bangunan sewa	254.778.724.862	47.840.748.937	7.277.480.358	295.341.993.441	Leasehold improvements
Perlengkapan restoran	185.206.006.008	25.030.722.391	4.664.570.859	205.572.157.540	Restaurant equipment
Perabot dan perlengkapan	47.043.098.279	6.092.582.194	830.611.764	52.305.068.709	Furniture and fixtures
Peralatan kantor	66.205.905.038	8.787.952.205	5.060.084.423	69.933.772.820	Office equipment
Kendaraan	39.260.242.764	11.702.045.585	1.008.878.203	49.953.410.146	Vehicles
Aset sewa pembiayaan					Asset under finance lease
Renovasi bangunan sewa	2.137.236.030	2.137.210.200	-	4.274.446.230	Leasehold improvements
Perlengkapan restoran	1.081.382.714	1.080.079.266	-	2.161.461.980	Restaurant equipment
Perabot dan perlengkapan	298.919.112	298.919.160	-	597.838.272	Furniture and fixtures
Peralatan kantor	249.704.676	248.962.977	-	498.667.653	Office equipment
Total Akumulasi Penyusutan	606.528.983.527	106.025.894.179	18.841.625.607	693.713.252.099	Total Accumulated Depreciation
Nilai Tercatat	498.921.794.245			670.979.920.094	Carrying Amount

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10. ASET TETAP - neto (lanjutan)

Akun ini terdiri dari: (lanjutan)

10. PROPERTY AND EQUIPMENT - net (continued)

This account consists of: (continued)

31 Desember/December 31, 2016				
	Saldo Awal/ Beginning Balance	Penambahan/ Additions	Pengurangan/ Deductions	Saldo akhir/ Ending Balance
Biaya Perolehan				At Cost
Pemilikan langsung				Direct ownership
Tanah	8.167.687.427	6.847.291.525	-	15.014.978.952
Bangunan	18.143.182.633	6.891.058.475	-	25.034.241.108
Renovasi bangunan sewa	490.452.270.500	50.026.227.166	33.216.646.320	507.261.851.346
Perlengkapan restoran	286.353.689.056	26.710.786.073	11.892.511.772	301.171.963.357
Perabot dan perlengkapan	69.354.104.474	4.690.114.713	3.023.406.149	71.020.813.038
Peralatan kantor	77.771.874.672	11.005.948.324	2.112.103.706	86.665.719.290
Kendaraan	57.966.954.126	12.176.051.700	730.630.000	69.412.375.826
Aset sewa pembiayaan				Asset under finance lease
Renovasi bangunan sewa	-	18.853.996.875	-	18.853.996.875
Perlengkapan restoran	-	7.989.274.468	-	7.989.274.468
Perabot dan perlengkapan	-	2.085.437.071	-	2.085.437.071
Peralatan kantor	-	940.126.441	-	940.126.441
Total Biaya Perolehan	1.008.209.762.888	148.216.312.831	50.975.297.947	1.105.450.777.772
Akumulasi Penyusutan				Accumulated Depreciation
Pemilikan langsung				Direct ownership
Bangunan	8.741.729.904	1.526.034.140	-	10.267.764.044
Renovasi bangunan sewa	223.866.293.136	41.271.590.619	10.359.158.893	254.778.724.862
Perlengkapan restoran	166.433.607.549	21.950.161.478	3.177.763.019	185.206.006.008
Perabot dan perlengkapan	41.873.175.910	5.991.641.077	821.718.708	47.043.098.279
Peralatan kantor	57.938.641.223	9.222.725.203	955.461.388	66.205.905.038
Kendaraan	28.731.248.303	11.158.481.444	629.486.983	39.260.242.764
Aset sewa pembiayaan				Asset under finance lease
Renovasi bangunan sewa	-	2.137.236.030	-	2.137.236.030
Perlengkapan restoran	-	1.081.382.714	-	1.081.382.714
Perabot dan perlengkapan	-	298.919.112	-	298.919.112
Peralatan kantor	-	249.704.676	-	249.704.676
Total Akumulasi Penyusutan	527.584.696.025	94.887.876.493	15.943.588.991	606.528.983.527
Nilai Tercatat	480.625.066.863			498.921.794.245

31 Desember/December 31, 2015				
	Saldo Awal/ Beginning Balance	Penambahan/ Additions	Pengurangan/ Deductions	Saldo akhir/ Ending Balance
Biaya Perolehan				At Cost
Pemilikan langsung				Direct ownership
Tanah	5.183.975.189	2.983.712.238	-	8.167.687.427
Bangunan	17.112.972.139	1.030.210.494	-	18.143.182.633
Renovasi bangunan sewa	447.942.930.279	53.993.708.742	11.484.368.521	490.452.270.500
Perlengkapan restoran	263.158.108.207	25.297.433.808	3.101.852.959	286.353.689.056
Perabot dan perlengkapan	66.333.144.405	5.057.504.839	2.036.544.770	69.354.104.474
Peralatan kantor	74.148.480.778	6.011.749.455	2.388.355.561	77.771.874.672
Kendaraan	43.340.604.126	15.815.680.000	1.189.330.000	57.966.954.126
Total Biaya Perolehan	917.220.215.123	110.189.999.576	19.200.451.811	1.008.209.762.888
Akumulasi Penyusutan				Accumulated Depreciation
Pemilikan langsung				Direct ownership
Bangunan	7.586.148.508	1.155.581.396	-	8.741.729.904
Renovasi bangunan sewa	191.073.946.012	40.719.334.561	7.926.987.437	223.866.293.136
Perlengkapan restoran	146.067.679.066	22.267.142.749	1.901.214.266	166.433.607.549
Perabot dan perlengkapan	37.427.898.305	6.325.244.963	1.879.967.358	41.873.175.910
Peralatan kantor	50.663.706.591	9.513.051.204	2.238.116.572	57.938.641.223
Kendaraan	20.460.424.404	9.325.014.587	1.054.190.688	28.731.248.303
Total Akumulasi Penyusutan	453.279.802.886	89.305.369.460	15.000.476.321	527.584.696.025
Nilai Tercatat	463.940.412.237			480.625.066.863

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10. ASET TETAP - neto (lanjutan)

Penyusutan aset tetap yang dibebankan pada operasi adalah sebagai berikut:

	Tahun yang Berakhir pada tanggal 31 Desember/ Year ended December 31		
	2017	2016	2015
Beban penjualan (Catatan 23)	97.594.533.111	86.628.253.455	81.327.925.727
Beban umum dan administrasi (Catatan 23)	8.431.361.068	8.259.623.038	7.977.443.733
Total	106.025.894.179	94.887.876.493	89.305.369.460

Pada tanggal 31 Desember 2017, 2016 dan 2015, Perusahaan memiliki uang muka atas pembelian aset tetap kepada pihak ketiga masing-masing sebesar Rp14.459.990.838, Rp20.365.495.788 dan Rp9.501.322.900, yang dicatat sebagai "Uang Muka Pembelian Aset Tetap" pada laporan posisi keuangan.

Pada tanggal 31 Desember 2017, 2016 dan 2015, Perusahaan memiliki peralatan yang belum digunakan dalam operasi, yang merupakan aset yang belum digunakan seperti perlengkapan restoran yang dibeli untuk digunakan pada gerai baru oleh Perusahaan, masing-masing sebesar Rp9.806.428.802, Rp5.670.208.821 dan Rp4.623.331.696, yang dicatat sebagai "Peralatan yang Belum Digunakan dalam Operasi" pada laporan posisi keuangan.

Pada tanggal-tanggal 31 Desember 2017, 2016 dan 2015, aset tetap dan persediaan (Catatan 7) telah diasuransikan terhadap risiko kebakaran dan risiko lainnya melalui PT Asuransi Allianz Utama Indonesia, pihak ketiga, dengan nilai pertanggungan asuransi masing-masing sebesar Rp1.164.037.368.326, Rp1.089.207.346.682 dan Rp979.148.237.897.

Manajemen berpendapat bahwa nilai pertanggungan tersebut cukup untuk menutupi kemungkinan kerugian atas aset yang dipertanggungjawabkan.

Pada tanggal 31 Desember 2017, nilai wajar atas tanah dan bangunan Perusahaan yang dinilai berdasarkan penilaian yang dilakukan oleh beberapa penilai independen adalah sebesar Rp62.406.800.000.

Pada tanggal 31 Desember 2017, 2016 dan 2015, tidak terdapat aset tetap yang tidak dipakai sementara.

Pada tanggal 31 Desember 2017, 2016 dan 2015, tidak terdapat aset tetap yang dihentikan dari penggunaan aktif dan tidak diklasifikasikan sebagai tersedia untuk dijual.

10. PROPERTY AND EQUIPMENT - net (continued)

Depreciation of fixed assets charged to operations are as follows:

Selling expenses (Note 23)
General and administrative expenses (Note 23)

As of December 31, 2017, 2016 and 2015, the Company had advances for purchase of property and equipment from third parties amounting to Rp14,459,990,838, Rp20,365,495,788 and Rp9,501,322,900, respectively, which are presented as part of "Advances for purchases of property and equipment" in the statements of financial position.

As of December 31, 2017, 2016 and 2015, the Company had equipment not yet use in operation, representing unused assets such as store equipment purchased to be used for new outlets by the Company amounting to Rp9,806,428,802, Rp5,670,208,821 and Rp4,623,331,696, respectively, which are presented as part of "Equipment not yet Use in Operation" in the statements of financial position.

As of December 31, 2017, 2016 and 2015, property, equipment and inventories (Note 7) are covered by insurance against losses from fire and other risks through PT Asuransi Allianz Utama Indonesia, third party, with an insurance coverage amounting to Rp1,164,037,368,326, Rp1,089,207,346,682, and Rp979,148,237,897, respectively.

Management believed that the insurance coverage are adequate to cover possible losses arising from such risks.

As of December 31, 2017, the fair value of the Company's land and buildings based on valuation conducted by independent appraisals amounted to Rp62,406,800,000.

As of December 31, 2017, 2016 and 2015, there is no property and equipment that not used temporarily.

As of December 31, 2017, 2016 and 2015, there is no property and equipment that discontinued from active use and is not classified as available for sale.

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10. ASET TETAP - neto (lanjutan)

Berdasarkan penilaian manajemen Perusahaan, tidak ada kejadian-kejadian atau perubahan-perubahan keadaan yang mengindikasikan adanya penurunan nilai aset tetap pada tanggal-tanggal 31 Desember 2017, 2016 dan 2015.

Aset tetap seperti bangunan, renovasi bangunan sewa, perlengkapan restoran, perabot dan perlengkapan dan peralatan kantor digunakan sebagai jaminan atas fasilitas pinjaman bank (Catatan 13 dan 18).

Aset tetap seperti renovasi bangunan sewa, perlengkapan restoran, perabot dan perlengkapan dan peralatan kantor tertentu yang dimiliki oleh Perusahaan diperoleh melalui fasilitas jual dan sewa-balik dengan PT Mitsubishi UFJ Lease & Finance Indonesia dan dijaminan terhadap liabilitas terkait. Utang terkait disajikan sebagai "Utang Sewa Pembiayaan" (Catatan 19) dalam laporan posisi keuangan pada tanggal 31 Desember 2017 dan 2016.

Rincian rugi penjualan aset tetap dan penghapusan aset adalah sebagai berikut:

	Tahun yang Berakhir pada tanggal 31 Desember/ Years ended December 31		
	2017	2016	2015
Hasil penjualan	867.119.920	30.430.314.238	714.939.293
Nilai buku penjualan	(807.948.882)	(30.291.106.153)	(711.369.321)
Laba penjualan aset tetap	59.171.038	139.208.085	3.569.972
Penghapusan aset tetap	(2.464.586.652)	(4.740.602.803)	(3.488.606.169)
Rugi penjualan dan penghapusan aset tetap	(2.405.415.614)	(4.601.394.718)	(3.485.036.197)

Pada tanggal-tanggal 31 Desember 2017, 2016 dan 2015, rugi penjualan dan penghapusan aset tetap dicatat sebagai bagian dari "Beban operasi lainnya" pada laporan laba rugi dan penghasilan komprehensif lain. Penghapusan aset tetap timbul sehubungan dengan penutupan beberapa gerai Perusahaan.

Rincian transaksi jual dan sewa-balik aset adalah sebagai berikut:

	Tahun yang Berakhir pada tanggal 31 Desember 2016/ Year ended December 31, 2016
Hasil penjualan	29.868.834.855
Nilai buku	(29.868.834.855)
Rugi penjualan aset tetap	-

10. PROPERTY AND EQUIPMENT - net (continued)

Based on the evaluation of the Company's management, there are no events or changes in circumstances which may indicate impairment in value of property and equipment as of December 31, 2017, 2016 and 2015.

Certain property and equipment such as buildings, leasehold improvements, restaurant equipment, furniture and fixtures and office equipment are used as collateral for bank loan facilities (Notes 13 and 18).

Certain property and equipment such as leasehold improvements, restaurant equipment, furniture and fixtures and office equipment owned by the Company are acquired through sale and lease-back facility with PT Mitsubishi UFJ Lease & Finance Indonesia and repledge against the related liabilities. The related payables are presented as "Finance Lease Payable" (Notes 19) in the statements of financial position as of December 31, 2017 and 2016.

The details of loss on sale of property and equipment are as follows:

Proceeds from sale
Net book value

Gain on sale of
property and equipment
Write-off of property and equipment

Loss on sale and write-off of
property and equipment

As of December 31, 2017, 2016 and 2015, loss on sale and write-off of property and equipment are recorded as part of the account "Other operating expenses" in the statements of profit or loss and other comprehensive income. Written-off property and equipment are related to closure of several Company's outlets.

The details of sale and lease-back transaction follows:

Proceeds from sale
Net book value

Loss on sale of
property and equipment

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10. ASET TETAP - neto (lanjutan)

Pada tanggal 31 Desember 2017, 2016 dan 2015, nilai perolehan aset tetap Perusahaan yang telah disusutkan penuh namun masih digunakan adalah masing-masing sebesar Rp293.370.194.806, Rp237.819.428.418 dan Rp197.754.297.981, yang terutama terdiri atas bangunan, renovasi bangunan sewa, perlengkapan restoran, perabot dan perlengkapan, peralatan kantor dan kendaraan.

10. PROPERTY AND EQUIPMENT - net (continued)

As of December 31, 2017, 2016 and 2015, the costs of the Company's property and equipment that have been fully depreciated but still being utilized were amounted Rp293,370,194,806, Rp237,819,428,418 and Rp197,754,297,981, respectively, which mainly consist of buildings, leasehold improvements, restaurant equipment, furniture and fixtures, office equipment and vehicles.

11. BEBAN WARALABA YANG DITANGGUHKAN

Rincian dan mutasi akun ini adalah sebagai berikut:

11. DEFERRED FRANCHISE FEE

Details and movements of this account are as follows:

	31 Desember/December 31			
	2017	2016	2015	
Beban waralaba yang ditangguhkan	147.462.405.359	121.503.093.519	108.175.720.559	Deferred franchise fee
Penambahan	15.949.278.785	25.959.311.840	13.327.372.960	Addition
Dikurangi akumulasi amortisasi (Catatan 23)	(88.984.651.851)	(76.943.835.654)	(65.691.021.446)	Less accumulated amortization (Note 23)
Neto	74.427.032.293	70.518.569.705	55.812.072.073	Net

Pada tahun 2017, 2016 dan 2015, beban amortisasi yang dibebankan pada beban penjualan masing-masing sebesar Rp12.040.816.197, Rp11.252.814.208 dan Rp9.905.544.380 (Catatan 23).

In 2017, 2016 and 2015, amortization expense charged to selling expenses amounted to Rp12,040,816,197, Rp11,252,814,208 and Rp9,905,544,380, respectively (Note 23).

12. SETORAN JAMINAN

Akun ini terdiri dari:

12. SECURITY DEPOSITS

This account consists of:

	31 Desember/December 31			
	2017	2016	2015	
Sewa Telepon	19.442.314.067	17.092.094.792	16.186.197.163	Rental Telephone
	1.014.933.713	1.040.433.713	976.076.650	
Total	20.457.247.780	18.132.528.505	17.162.273.813	Total

13. UTANG BANK JANGKA PENDEK

Akun ini terdiri dari:

13. SHORT-TERM BANK LOANS

This account consists of:

	31 Desember/December 31			
	2017	2016	2015	
PT Bank CIMB Niaga Tbk	71.335.334.076	50.934.901.153	61.943.988.025	PT Bank CIMB Niaga Tbk
The Bank of Tokyo-Mitsubishi UFJ, Ltd., Cabang Jakarta	50.000.000.000	50.000.000.000	50.000.000.000	The Bank of Tokyo-Mitsubishi UFJ, Ltd., Jakarta Branch
PT Bank Mandiri (Persero) Tbk	25.631.902.185	33.916.122.630	14.158.625.516	PT Bank Mandiri (Persero) Tbk
Total	146.967.236.261	134.851.023.783	126.102.613.541	Total

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13. UTANG BANK JANGKA PENDEK (lanjutan)

PT Bank CIMB Niaga Tbk (Bank CIMB)

- a. Pada tanggal 27 Februari 2012, Perusahaan memperoleh fasilitas dari Bank CIMB berupa Fasilitas Pinjaman Rekening Koran yang bersifat berulang ("revolving") dengan jumlah maksimum sebesar Rp35.000.000.000.

Fasilitas tersebut digunakan untuk operasional Perusahaan.

Pinjaman ini dikenakan bunga tahunan masing-masing sebesar 11% pada tahun 2017, 12% pada tahun 2016 dan 2015, dan dikenakan provisi sebesar 0,25% per tahun. Fasilitas telah diperpanjang beberapa kali, yang terakhir sampai dengan tanggal 17 Juni 2018.

Pada tanggal-tanggal 31 Desember 2017, 2016, dan 2015, saldo pinjaman atas fasilitas ini adalah masing-masing sebesar Rp28.348.991.048, Rp31.956.462.048, dan Rp5.004.972.831.

Fasilitas ini merupakan bagian yang tidak terpisahkan dari fasilitas pinjaman investasi dari bank yang sama (Catatan 18).

- b. Pada tanggal 20 November 2012, Perusahaan memperoleh beberapa fasilitas kredit dari Bank CIMB yang terdiri dari:

- i. Fasilitas *Sight Letters of Credit (L/C)* dari Bank CIMB yang bersifat berulang ("revolving") dengan jumlah maksimum sebesar US\$3.500.000 dan digunakan untuk fasilitas impor dari Australia, Selandia Baru dan Amerika Serikat. Pinjaman ini dikenakan bunga tahunan sebesar 2% di atas biaya dana.

Pada tanggal 7 April 2015 fasilitas L/C telah dihapuskan.

- ii. Fasilitas Pinjaman Transaksi Khusus yang bersifat berulang ("revolving") dengan jumlah maksimum sebesar Rp25.000.000.000, dan merupakan sublimit dari Fasilitas *Sight Letters of Credit (L/C)* di atas. Fasilitas tersebut digunakan untuk *Sight Letters of Credit settlement* dan *TT payment*.

Pada tanggal 7 April 2015 terdapat penambahan plafon atas fasilitas tersebut semula jumlah maksimum sebesar Rp25.000.000.000, menjadi US\$5.000.000 dan bukan merupakan sublimit dari Fasilitas *Sight Letters of Credit (L/C)*.

13. SHORT-TERM BANK LOANS (continued)

PT Bank CIMB Niaga Tbk (Bank CIMB)

- a. On February 27, 2012, the Company obtained Overdraft Facility from Bank CIMB, which is revolving with a maximum amount of Rp35,000,000,000.

This facility is used for the Company's operations.

This loan bears an annual interest of 11% in 2017, 12% in 2016 and 2015, and provision fee of 0.25% per annum. This facility has been extended several times, the latest is until June 17, 2018.

As of December 31, 2017, 2016, and 2015, the outstanding balance under this facility amounted to Rp28,348,991,048, Rp31,956,462,048, and Rp5,004,972,831, respectively.

This facility is integral part of the investment facility obtained from the same bank (Note 18).

- b. On November 20, 2012, the Company obtained several credit facilities from Bank CIMB consisting of:

- i. *Sight Letters of Credit (L/C) facility from Bank CIMB which is revolving with maximum amount of US\$3,500,000 and is used as facilities for importations from Australia, New Zealand and United States. This loan bears annual interest at 2% above the cost of fund.*

On April 7, 2015, the L/C facility has been abolished.

- ii. *Specific Transaction Loan facility which is revolving with a maximum amount of Rp25,000,000,000, and is a sublimit of Sight Letters of Credit (L/C) facility above. This facility is used for Sight Letters of Credit settlement and TT payment.*

On April 7, 2015 there was an increase in the plafond of this facilities from the original maximum amount of Rp25,000,000,000, to US\$5,000,000 which was not a sublimit of Sight Letters of Credit (L/C) facility.

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13. UTANG BANK JANGKA PENDEK (lanjutan)

**PT Bank CIMB Niaga Tbk (Bank CIMB)
(lanjutan)**

Pinjaman ini dikenakan bunga tahunan sebesar 10% pada tahun 2017 dan 2016 dan antara 10% sampai dengan 12% pada tahun 2015.

Pada tanggal-tanggal 31 Desember 2017, 2016, dan 2015, saldo pinjaman atas fasilitas ini adalah masing-masing sebesar Rp42.986.343.028, Rp18.978.439.105, dan Rp56.939.015.194.

Seluruh fasilitas tersebut berlaku sampai dengan tanggal 17 Desember 2014 dan telah diperpanjang beberapa kali, yang terakhir sampai dengan tanggal 17 Juni 2018.

- c. Pada tanggal 19 Juni 2017, Perusahaan memperoleh beberapa fasilitas kredit dari Bank CIMB yang terdiri dari:
- i. Fasilitas jual beli valuta asing dengan batas total settlement maksimum sebesar US\$500.000. Fasilitas ini bersifat tidak mengikat (*uncommitted lines*) dan berlaku sampai dengan 17 Maret 2018 dan telah diperpanjang sampai dengan tanggal 17 Juni 2018.
 - ii. Fasilitas *Standby Letter of Credit* (SBLC) sampai dengan nilai maksimum sebesar US\$2.500.000. Fasilitas ini digunakan untuk jaminan pembayaran kepada Yum!/ Pizza Hut Restaurant Asia Pte. Ltd. dan berlaku sampai dengan 17 Maret 2018 dan telah diperpanjang sampai dengan tanggal 17 Juni 2018.

Pada tanggal-tanggal 31 Desember 2017, saldo pinjaman atas fasilitas ini adalah sebesar RpNihil.

Seluruh fasilitas pinjaman yang diberikan oleh Bank CIMB dijamin dengan beberapa bidang tanah dan bangunan yang dimiliki oleh Perusahaan dan fidusia peralatan ekuivalen 100% dari plafon pinjaman jangka panjang yang ada dan seluruh pengalihan hak sewa yang dijaminkan kepada Bank CIMB. Fidusia perlengkapan dan peralatan minimum sebesar Rp150.000.000.000 dan *cash collateral* sebesar 20% pada saat penerbitan SBLC dalam mata uang yang sama.

13. SHORT-TERM BANK LOANS (continued)

**PT Bank CIMB Niaga Tbk (Bank CIMB)
(continued)**

This loan bears an annual interest 10% in 2017 and 2016 and ranging from 10% to 12% in 2015.

As of December 31, 2017, 2016 and 2015, the outstanding balance under this facility amounted to Rp42,986,343,028, Rp18,978,439,105 and Rp56,939,015,194, respectively.

These facilities were valid until December 17, 2014 and has been extended for several times, the latest is until June 17, 2018.

- c. On June 19, 2017, the Company obtained several credit facilities from Bank CIMB consisting of:
- i. *Buying and selling foreign currency facility with maximum amount of US\$500,000. This facility is uncommitted lines and valid until March 17, 2018 and has been extended until June 17, 2018.*
 - ii. *Standby Letter of Credit facility with maximum amount of US\$2,500,000. This facility is used as guarantee of payment to Yum!/ Pizza Hut Restaurant Asia Pte. Ltd. and valid until March 17, 2018 and has been extended until June 17, 2018.*

As of December 31, 2017, the outstanding balance under this facility amounted to RpNil.

All loan facilities obtained from Bank CIMB are secured by certain land and building owned by the Company and fiduciary transfer of equipment with a value equivalent to 100% of plafond existing long-term loans and assignment of rental rights pledges to Bank CIMB. Equipment fiduciary amounted to Rp150,000,000,000 and 20% cash collateral of the issuing SBLC in the same foreign currency.

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13. UTANG BANK JANGKA PENDEK (lanjutan)

**PT Bank CIMB Niaga Tbk (Bank CIMB)
(lanjutan)**

Jaminan-jaminan tersebut diikat secara "cross collateralized" terhadap seluruh fasilitas kredit yang diberikan oleh Bank CIMB kepada Perusahaan.

Kepatuhan pada syarat pinjaman

Perjanjian pinjaman tersebut mencakup pembatasan-pembatasan dimana Perusahaan, tanpa persetujuan tertulis dari Bank CIMB, tidak diperbolehkan, antara lain, mengubah status kelembagaan, anggaran dasar, susunan Direksi, Dewan Komisaris dan pemegang saham, serta membagikan dividen dalam jumlah melebihi 50% dari laba tahun berjalan.

Perusahaan juga diminta untuk memenuhi kewajiban untuk menjaga rasio keuangan dengan total liabilitas/total ekuitas maksimal 3 (tiga) kali, Debt Service Coverage Ratio (DSCR) minimal 1,5 (satu koma lima) kali, dan total pinjaman bank/*Earnings Before Interest, Tax, Depreciation and Amortization* (EBITDA) maksimal 2 (dua) kali.

Pada tahun 2017, Perusahaan melakukan perubahan anggaran dasar Perusahaan dengan pembagian dividen melebihi 50% dari laba tahun berjalan yang kemudian disetorkan kembali sebagai setoran modal (Catatan 1). Atas peristiwa tersebut, pelanggaran atas *negative covenant* yang dipersyaratkan oleh Bank CIMB telah disetujui untuk dihapuskan untuk tahun 2017.

Perusahaan juga telah mendapatkan persetujuan dari Bank CIMB sehubungan dengan rencana penawaran umum perdana saham PT Sarimelati Kencana di Bursa Efek Indonesia (Catatan 33), dengan ketentuan Perusahaan tetap menjaga rasio keuangan yang dipersyaratkan dan tetap aktif melakukan aktifitas operasional di Bank CIMB.

Pada tanggal 31 Desember 2015, Perusahaan telah mendapatkan persetujuan dari Bank CIMB untuk penghapusan rasio keuangan yang dipersyaratkan oleh Bank CIMB.

Pada tanggal 31 Desember 2017 dan 2016, Perusahaan telah memenuhi persyaratan sebagaimana diatur dalam perjanjian terkait.

13. SHORT-TERM BANK LOANS (continued)

**PT Bank CIMB Niaga Tbk (Bank CIMB)
(continued)**

All of these collaterals are cross collateralized to all credit facilities granted by Bank CIMB to the Company.

Compliance with loan covenants

The credit agreement includes restrictions and covenants whereby the Company, without prior written consent from Bank CIMB, is not permitted to change the status of the institution, articles of association, the composition of the Board of Directors, Commissioners, and shareholders, as well as distribute dividend exceeding 50% of income for the year.

The Company is also required to meet the obligation of maintain financial ratios with maximum 3 (three) times in total liabilities/total equity, minimum 1.5 (one point five) times in Debt Service Coverage Ratio (DSCR), and maximum 2 (two) times in total bank loan/*Earnings Before Interest, Tax, Depreciation and Amortization* (EBITDA).

In 2017, the Company amended its articles of association by distributing dividend exceeding 50% of income for the year which is thereafter deposited back as additional paid-in capital (Note 1). With this, the breach of the negative covenant required by Bank CIMB has been approved to be waived in 2017.

The Company also had approval from Bank CIMB in connection with the initial public offering of PT Sarimelati Kencana on Indonesia Stock Exchange (Note 33), with the condition the Company maintains the required financial ratio and remains actively engaged in operational activities at Bank CIMB.

As of December 31, 2015, the Company had approval from Bank CIMB to waive the financial ratio required by Bank CIMB.

As of December 31, 2017 and 2016, the Company has complied with all of the covenants as stipulated in the loan agreement.

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13. UTANG BANK JANGKA PENDEK (lanjutan)

**The Bank of Tokyo-Mitsubishi UFJ, Ltd.,
Cabang Jakarta (BOTM)**

Pada tanggal 23 Desember 2011, Perusahaan memperoleh fasilitas pinjaman modal kerja tanpa komitmen dari BOTM dengan nilai maksimum sebesar Rp50.000.000.000.

Fasilitas tersebut akan digunakan untuk modal kerja dan dikenakan bunga sebesar 1,75% di atas biaya dana.

Pada tanggal 26 Juli 2012, Perusahaan memperoleh penambahan plafon pinjaman menjadi sebesar Rp100.000.000.000.

Pinjaman ini dikenakan bunga tahunan berkisar antara 9,8% sampai 10,5% pada tahun 2017, antara 11,3% sampai dengan 12% pada tahun 2016 dan antara 10,8% sampai dengan 12,05% pada tahun 2015.

Fasilitas tersebut dijamin dengan fidusia persediaan dan peralatan sebesar 120% dari plafon.

Pada tanggal 23 Desember 2015, BOTM dan Perusahaan menyetujui untuk menurunkan batas fasilitas ini dari Rp100.000.000.000 menjadi Rp50.000.000.000.

Fasilitas tersebut berlaku sampai dengan tanggal 23 Desember 2012 dan telah diperpanjang beberapa kali, yang terakhir sampai dengan tanggal 23 Desember 2018.

Pada tanggal-tanggal 31 Desember 2017, 2016 dan 2015, saldo pinjaman atas fasilitas ini adalah masing-masing sebesar Rp50.000.000.000.

Kepatuhan pada syarat pinjaman

Perjanjian pinjaman tersebut mencakup pembatasan-pembatasan dimana Perusahaan, tanpa persetujuan tertulis dari Bank BOTM, tidak diperbolehkan, antara lain, mengubah susunan permodalan, anggaran dasar, susunan Direksi, Dewan komisaris dan pemegang saham, serta membagikan dividen dalam jumlah sama atau melebihi 50% dari laba tahun berjalan.

13. SHORT-TERM BANK LOANS (continued)

**The Bank of Tokyo-Mitsubishi UFJ, Ltd.,
Jakarta Branch (BOTM)**

On December 23, 2011, the Company obtained working capital loan with an uncommitted facility from BOTM with maximum amount of Rp50,000,000,000.

This facility was used for working capital and had interest at 1.75% above the cost of fund.

On July 26, 2012, the Company obtained additional credit plafond up to Rp100,000,000,000.

This loan had an annual interest at rates ranging from 9.8% to 10.5% in 2017, from 11.3% to 12% in 2016 and from 10.8% to 12.05% in 2015.

The facility was secured by fiduciary transfer assignment over inventory and equipment amounting to 120% of plafond.

On December 23, 2015, BOTM and the Company agreed to reduce this facility limit from Rp100,000,000,000 to Rp50,000,000,000.

This facility was valid up to December 23, 2012 and has been extended for several times, the latest is until December 23, 2018.

As of December 31, 2017, 2016 and 2015, the outstanding balance under this facility amounted to Rp50,000,000,000.

Compliance with loan covenants

The credit agreement includes restrictions and covenants whereby the Company, without prior written consent from Bank BOTM, is not permitted to change the capital structure, association of articles, the composition of the Board of Directors, Commissioners, and shareholders, as well as distribute dividend equal to or exceeding 50% of income for the year.

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13. UTANG BANK JANGKA PENDEK (lanjutan)

**The Bank of Tokyo-Mitsubishi UFJ, Ltd.,
Cabang Jakarta (BOTM) (lanjutan)**

Kepatuhan pada syarat pinjaman (lanjutan)

Perusahaan juga diminta untuk memenuhi kewajiban untuk menjaga rasio keuangan dengan *Debt to Equity Ratio* (DER) maksimal 2 (dua) kali, *Earnings Before Interest, Tax, Depreciation and Amortization* (EBITDA) pada beban bunga minimal 3,5 (tiga koma lima) kali, dan total pinjaman bank/*Earnings Before Interest, Tax, Depreciation and Amortization* (EBITDA) maksimal 2 (dua) kali.

Pada tahun 2017, Perusahaan melakukan perubahan anggaran dasar Perusahaan dengan pembagian dividen melebihi 50% dari laba tahun berjalan yang kemudian disetorkan kembali sebagai setoran modal (Catatan 1). Atas peristiwa tersebut, pelanggaran atas *negative covenant* yang dipersyaratkan oleh Bank BOTM telah disetujui untuk dihapuskan untuk tahun 2017.

Pada tanggal 31 Desember 2017, 2016 dan 2015 Perusahaan telah memenuhi persyaratan-persyaratan Bank.

PT Bank Mandiri (Persero) Tbk (Bank Mandiri)

Pada tanggal 28 April 2015 ini Perusahaan memperoleh beberapa fasilitas kredit dari Bank Mandiri yang terdiri dari:

- i. Fasilitas Kredit Modal Kerja *Revolving Rekening Koran* dari Bank Mandiri yang digunakan untuk tambahan modal kerja termasuk *take over* fasilitas Fasilitas Pinjaman Rekening Koran dari PT Bank Permata Tbk dengan limit kredit sebesar Rp35.000.000.000 dan telah diperpanjang beberapa kali, yang terakhir sampai dengan tanggal 27 April 2018.

Pinjaman ini dikenakan bunga tahunan sebesar 10,5% pada tahun 2017, 10,5% sampai dengan 10,75% pada tahun 2016 dan 10,75% pada tahun 2015, tidak dikenakan biaya provisi pada tahun pertama dan 0,25% dari limit untuk tahun setelahnya.

Pada tanggal-tanggal 31 Desember 2017, 2016, dan 2015, saldo pinjaman atas fasilitas tersebut adalah masing-masing adalah sebesar Rp25.631.902.185, Rp33.916.122.630 dan Rp14.158.625.516.

13. SHORT-TERM BANK LOANS (continued)

**The Bank of Tokyo-Mitsubishi UFJ, Ltd.,
Jakarta Branch (BOTM) (continued)**

Compliance with loan covenants (continued)

The Company is also required to meet the obligation of maintain financial ratios with maximum 2 (two) times in *Debt to Equity Ratio* (DER), minimum 3,5 (three point five) time in *Earnings Before Interest, Tax, Depreciation and Amortization* (EBITDA) to interest expense and maximum 2 (two) times in total bank loan/*Earnings Before Interest, Tax, Depreciation and Amortization* (EBITDA).

In 2017, the Company amended its articles of association by distributing dividend exceeding 50% of income for the year which is thereafter deposited back as additional paid-in capital (Note 1). With this, the breach of the *negative covenant* required by Bank BOTM has been approved to be waived in 2017.

As of December 31, 2017, 2016 and 2015, the Company has complied with the Bank's requirements.

PT Bank Mandiri (Persero) Tbk (Bank Mandiri)

On April 28, 2015, the Company obtained several credit facilities from Bank Mandiri consisting of:

- i. *Revolving Working Capital Overdraft Credit facility* from Bank Mandiri which is used for additional working capital and take over of the *Overdraft facility* from PT Bank Permata Tbk with credit limit of Rp35,000,000,000 and has been extended for several times, the latest is until April 27, 2018.

This loan had an annual interest ranging from 10.5% in 2017, 10.5% to 10.75% in 2016 and 10.75% in 2015, without provision fee for the first year, and a 0.25% of the limit for the next years.

As of December 31, 2017, 2016, and 2015, the outstanding balance under this facility amounted to Rp25,631,902,185, Rp33,916,122,630 and Rp14,158,625,516, respectively.

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13. UTANG BANK JANGKA PENDEK (lanjutan)

PT Bank Mandiri Tbk (Bank Mandiri) (lanjutan)

- ii. Fasilitas *Treasury Line* dengan limit kredit sebesar US\$3.000.000 yang dipergunakan untuk hedging untuk melindungi transaksi pembelian bahan baku, membayar fee waralaba, pembelian mesin dan peralatan terhadap risiko fluktuatif kurs dollar Amerika Serikat/Rupiah dengan jangka waktu satu (1) tahun sejak penandatanganan perjanjian, dengan jangka waktu per transaksi maksimal 6 bulan.

Pada tanggal 28 April 2017 terdapat penambahan plafon atas fasilitas tersebut semula jumlah maksimum sebesar US\$3.000.000 menjadi US\$5.000.000.

Fasilitas-fasilitas tersebut dijamin dengan fidusia berupa beberapa bidang tanah dan bangunan, perabot dan perlengkapan gerai-gerai dan persediaan tertentu yang dimiliki Perusahaan dengan nilai objek 100% dari plafon yang dimiliki Perusahaan.

Jaminan-jaminan tersebut diikat secara "cross collateralized" terhadap seluruh fasilitas kredit yang diberikan oleh Bank Mandiri kepada Perusahaan.

Fasilitas ini merupakan bagian yang tidak terpisahkan dari fasilitas pinjaman investasi dari bank yang sama (Catatan 18).

Kepatuhan pada syarat pinjaman

Perjanjian pinjaman tersebut mencakup pembatasan-pembatasan dimana Perusahaan, tanpa persetujuan tertulis dari Bank Mandiri, tidak diperbolehkan, antara lain, mengubah susunan pengurus dan pemegang saham, mengubah nama, maksud dan tujuan kegiatan usaha serta status Perusahaan, serta membagikan dividen dalam jumlah melebihi 50% dari laba tahun berjalan.

Perusahaan juga diminta untuk memenuhi kewajiban untuk menjaga rasio keuangan dengan *Debt to Equity Ratio* (DER) maksimal 2,3 (dua koma tiga) kali, *Debt Service Coverage Ratio* (DSCR) minimal 1 (satu) kali, dan total pinjaman bank/*Earnings Before Interest, Tax, Depreciation and Amortization* (EBITDA) maksimal 3,5 (tiga koma lima) kali.

13. SHORT-TERM BANK LOANS (continued)

**PT Bank Mandiri Tbk (Bank Mandiri)
(continued)**

- ii. *Treasury Line* facility with credit limit amounting to US\$3,000,000 which is used to hedge - the purchase of raw materials, payment of franchise fees, purchase of machineries and equipment - against the risk of fluctuating exchange rate of the US Dollar/Rupiah with a period of one (1) year from the signing of the agreement, at maximum period of 6 months per transaction.

On April 28, 2017, there was an increase in the plafond of this facilities from the original maximum amount of US\$3,000,000, to US\$5,000,000

The facility is secured by fiduciary transfer assignment over land and building, furniture and fixtures of outlets and certain inventories of the company with a value amounting to 100% of plafond.

All of these collaterals are cross collateralized to all credit facilities granted by Bank Mandiri to the Company.

This facility is integral with the investment facility obtained from the same bank (Note 18).

Compliance with loan covenants

The credit agreement includes restrictions and covenants whereby the Company, without prior written consent from Bank Mandiri, is not permitted to change its composition of the shareholders, change name, nature and purpose of the business activity and the status of the Company as well as distribute dividend exceeding 50% of income for the year.

The Company is also required to meet the obligation of maintain financial ratios with maximum 2.3 (two point three) times in Debt to Equity Ratio (DER), minimum 1 (one) time in Debt Service Coverage Ratio (DSCR), and maximum 3.5 (three point five) times in total bank loan/*Earnings Before Interest, Tax, Depreciation and Amortization* (EBITDA).

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PT Bank Mandiri Tbk (Bank Mandiri) (lanjutan)

Kepatuhan pada syarat pinjaman (lanjutan)

Pada tahun 2017, Perusahaan melakukan perubahan anggaran dasar Perusahaan dengan pembagian dividen melebihi 50% dari laba tahun berjalan yang kemudian disetorkan kembali sebagai setoran modal (Catatan 1). Atas peristiwa tersebut, pelanggaran atas *negative covenant* yang dipersyaratkan oleh Bank Mandiri telah disetujui untuk dihapuskan untuk tahun 2017.

Perusahaan juga telah mendapatkan persetujuan dari Bank Mandiri sehubungan dengan rencana penawaran umum perdana saham PT Sarimelati Kencana di Bursa Efek Indonesia (Catatan 33), dengan ketentuan Perusahaan melakukan perubahan anggaran dasar dengan melakukan peningkatan modal dengan cara pembagian dividen maksimal sebesar Rp300.000.000.000 dari saldo laba yang kemudian disetorkan kembali, persentase penawaran umum perdana maksimal sebesar 35% dari modal ditempatkan dan disetor, serta dana dari penawaran umum perdana saham akan digunakan untuk pelunasan sebagai fasilitas kredit dan pengembangan bisnis perusahaan.

Pada tanggal 31 Desember 2017, 2016 dan 2015, Perusahaan telah memenuhi persyaratan-persyaratan Bank.

14. UTANG USAHA

Akun ini merupakan utang yang timbul dari pembelian makanan, minuman dan perlengkapan. Rinciannya adalah sebagai berikut:

	31 Desember/December 31		
	2017	2016	2015
Pihak Berelasi (Catatan 6)			
PT Sriboga Flour Mill	5.508.121.999	10.941.139.999	8.373.093.999
PT Sriboga Marugame Indonesia	48.600.001	126.187.600	-
Sub - total	5.556.722.000	11.067.327.599	8.373.093.999

13. SHORT-TERM BANK LOANS (continued)

PT Bank Mandiri Tbk (Bank Mandiri) (continued)

Compliance with loan covenants (continued)

In 2017, the Company amended its articles of association by distributing dividend exceeding 50% of income for the year which is thereafter deposited back as additional paid-in capital (Note 1). With this, the breach of the negative covenant required by Bank Mandiri has been approved to be waived in 2017.

The Company also had approval from Bank Mandiri in connection with the initial public offering of PT Sarimelati Kencana on Indonesia Stock Exchange (Note 33) with the condition that the Company change its articles of association by increasing its share capital by distributing dividend with maximum amount of Rp300,000,000,000 from retained earnings that is thereafter deposited back, maximum percentage of initial public offering is 35% from subscribed and fully paid shares, as well as the proceeds from initial public offering will be used to repay credit facilities and develop the Company's business.

As of December 31, 2017, 2016 dan 2015, the Company has complied with the Bank requirements.

14. TRADE PAYABLES

This account represents payables arising from purchases of food, beverages and supplies. The details are as follows:

Related Parties (Note 6)
PT Sriboga Flour Mill
PT Sriboga Marugame Indonesia
Sub - total

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14. UTANG USAHA (lanjutan)

Akun ini merupakan utang yang timbul dari pembelian makanan, minuman dan perlengkapan. Rinciannya adalah sebagai berikut (lanjutan):

14. TRADE PAYABLES (continued)

This account represents payables arising from purchases of food, beverages and supplies. The details are as follows (continued):

31 Desember/December 31					
	2017	2016	2015		
Pihak Ketiga				Third Parties	
PT Lasallefood Indonesia	10.078.000.477	8.870.563.981	7.637.764.766	PT Lasallefood Indonesia	
PT Unilever Indonesia Tbk	7.516.436.242	3.890.996.187	4.477.308.303	PT Unilever Indonesia Tbk	
PT Jaya Abadi Packindo	7.020.468.485	4.562.375.283	2.830.849.163	PT Jaya Abadi Packindo	
PT Soejasch Bali	6.283.477.800	5.319.798.900	2.803.338.100	PT Soejasch Bali	
PT Charoen Pokphand Indonesia Tbk	5.586.228.078	4.633.828.413	5.936.544.234	PT Charoen Pokphand Indonesia Tbk	
PT San Miguel Pure Food Indonesia	5.245.806.345	3.018.637.193	3.172.527.981	PT San Miguel Pure Food Indonesia	
PT Macrocentra Niagaboga	4.179.537.301	6.579.630.798	-	PT Macrocentra Niagaboga	
PT Eka Timur Raya	3.645.000.000	2.163.186.000	1.560.532.750	PT Eka Timur Raya	
PT Belfoods Indonesia	2.727.333.600	710.640.000	886.819.500	PT Belfoods Indonesia	
PT SAF Indonusa	2.692.184.394	4.464.185.179	1.921.521.075	PT SAF Indonusa	
PT Kartikawira Adisukses	2.555.053.050	1.712.002.600	-	PT Kartikawira Adisukses	
PT Cimas Adisatwa	2.431.434.984	1.763.743.241	1.100.240.714	PT Cimas Adisatwa	
PT Ultrajaya Milk Industry Tbk	2.200.046.200	1.766.831.000	1.856.007.500	PT Ultrajaya Milk Industry Tbk	
PT Estika Tata Tiara	2.109.235.927	3.609.455.927	5.618.165.927	PT Estika Tata Tiara	
PT Jaya Gas Indonesia	2.101.561.142	911.629.642	1.686.123.642	PT Jaya Gas Indonesia	
PT Mulia Raya Prima	2.044.334.208	1.504.800.257	1.673.825.932	PT Mulia Raya Prima	
PT Nirwana Lestari	1.785.199.772	847.885.027	1.196.272.004	PT Nirwana Lestari	
PT Dwi Selaras Jayapack Surabaya	1.735.861.100	-	-	PT Dwi Selaras Jayapack Surabaya	
PT Pangan Lestari	1.545.140.000	1.721.973.000	683.022.000	PT Pangan Lestari	
PT Indolacto	1.529.409.852	1.289.562.692	1.129.519.892	PT Indolacto	
PT Ecolab Indonesia	1.510.641.857	1.666.591.684	1.127.801.819	PT Ecolab Indonesia	
PT Sisma Inti Utama	1.281.126.000	417.075.000	1.272.900.000	PT Sisma Inti Utama	
PT Indomarco Adi Prima	1.256.219.040	572.052.000	579.855.000	PT Indomarco Adi Prima	
PT Kraft Ultrajaya Indonesia	1.250.567.537	800.575.547	1.566.978.120	PT Kraft Ultrajaya Indonesia	
PT Bumi Menara Internusa	1.150.368.492	6.828.969.492	1.462.600.492	PT Bumi Menara Internusa	
PT iClean Indonesia	1.121.714.148	-	-	PT iClean Indonesia	
PT Buana Distrindo	993.081.845	751.825.239	-	PT Buana Distrindo	
PT Dagsap Endura Eatore	960.788.440	839.371.438	1.386.426.178	PT Dagsap Endura Eatore	
PT Agro Boga Utama	887.691.807	161.172.861	111.033.640	PT Agro Boga Utama	
PT Jaya Latexindo Internusa	863.500.000	1.057.875.000	487.500.000	PT Jaya Latexindo Internusa	
HD & Tek, Co., Ltd.	831.270.055	215.373.747	-	HD & Tek, Co., Ltd	
PT Solusi Prima Packaging	775.170.000	-	-	PT Solusi Prima Packaging	
CV Mekar Plastik	768.951.594	589.762.444	478.079.593	CV Mekar Plastik	
PT Sukanda Jaya	764.138.205	603.859.304	682.051.203	PT Sukanda Jaya	
PT Foodindo Dwivestamas	745.450.578	1.071.485.623	830.534.470	PT Foodindo Dwivestamas	
PT Sinarmas Distribusi Nusantara	722.800.000	569.136.000	549.186.500	PT Sinarmas Distribusi Nusantara	
PT Foodex Inti Ingredients	717.959.100	484.247.600	346.521.010	PT Foodex Inti Ingredients	
PT Sanpak Unggul	689.065.500	150.549.000	552.271.000	PT Sanpak Unggul	
PT Suparma Tbk	634.375.496	684.209.750	440.331.488	PT Suparma Tbk	
PT Globe MZM	585.084.113	660.929.934	442.768.192	PT Globe MZM	
PT Volensa Indonesia	569.149.742	412.700.419	143.736.000	PT Volensa Indonesia	
PT So Good Fresh	539.100.000	-	-	PT So Good Fresh	
PT Biru Hujan Pelangi	531.700.000	336.050.000	-	PT Biru Hujan Pelangi	
PT Segar Mas Prima	521.069.249	298.319.939	340.233.996	PT Segar Mas Prima	
PT Anugrah Abadi	515.472.500	634.159.000	532.093.500	PT Anugrah Abadi	
Lain-lain (masing-masing dibawah Rp500.000.000)	35.489.228.331	46.027.107.249	33.056.265.498	Others (each below Rp500,000,000)	
Sub - total	131.687.432.586	125.175.123.590	92.559.551.182	Sub - total	
Total	137.244.154.586	136.242.451.189	100.932.645.181	Total	

Utang usaha tidak dijamin, tidak dibebani bunga dan penyelesaiannya akan dilakukan secara tunai.

Trade payables are unsecured, non-interest bearing and the settlement will be in cash.

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14. UTANG USAHA (lanjutan)

Analisa umur utang usaha adalah sebagai berikut:

14. TRADE PAYABLES (continued)

The aging analysis of trade payables are as follows:

	31 Desember/December 31			
	2017	2016	2015	
Lancar	90.716.563.545	95.746.928.801	74.175.257.501	Current
Jatuh tempo 30 - 90 hari	34.241.085.603	30.255.319.840	22.503.906.142	Overdue 30 - 90 days
Jatuh tempo > 90 hari	12.286.505.438	10.240.202.548	4.253.481.538	Overdue > 90 days
Total	137.244.154.586	136.242.451.189	100.932.645.181	Total

Rincian utang usaha berdasarkan jenis mata uang adalah sebagai berikut:

The details of trade payables based on currency are as follows:

	31 Desember/December 31			
	2017	2016	2015	
<u>Rupiah</u>				<u>Rupiah</u>
Pihak berelasi	5.556.722.000	11.067.327.599	8.373.093.999	Related parties
Pihak ketiga	130.587.681.815	118.185.427.469	90.306.781.636	Third parties
Sub-total	136.144.403.815	129.252.755.068	98.679.875.635	Sub-total
<u>Dolar AS</u>				<u>US Dollar</u>
Pihak ketiga				Third parties
(US\$81.174 pada 2017, US\$520.222 pada 2016 dan US\$163.303 pada 2015)	1.099.750.771	6.989.696.121	2.252.769.546	(US\$81,174 in 2017, US\$520,222 in 2016, US\$163,303 in 2015)
Total	137.244.154.586	136.242.451.189	100.932.645.181	Total

15. UTANG LAIN-LAIN

Utang lain-lain merupakan utang atas transaksi seperti biaya operasional Perusahaan, saldo terutang voucher nominal untuk ditukarkan dan renovasi bangunan sewa kepada:

15. OTHER PAYABLES

Other payables represents payables for transactions such as the Company's operational cost, outstanding gift voucher to be redeemed and renovation of rented buildings to:

	31 Desember/December 31			
	2017	2016	2015	
<u>Pihak Berelasi (Catatan 6)</u>				<u>Related Parties (Note 6)</u>
PT Sriboga Marugame Indonesia	108.382.319	114.892.574	180.022.324	PT Sriboga Marugame Indonesia
PT Sriboga Boat Noodle	7.896.351	-	-	PT Sriboga Boat Noodle
PT Sriboga Flour Mill	-	-	1.069.231.713	PT Sriboga Flour Mill
Sub - total	116.278.670	114.892.574	1.249.254.037	Sub - total
<u>Pihak Ketiga</u>				<u>Third Parties</u>
Penerbit kartu kredit	4.433.231.343	5.530.705.199	4.003.381.880	Credit card issuers
Astek	4.202.728.608	3.316.020.896	2.983.368.322	Astek
PT Wira Pamungkas	1.756.029.983	1.470.173.885	5.919.360.595	PT Wira Pamungkas
Voucher nominal	1.594.338.001	1.565.998.338	1.147.139.408	Gift voucher
PT Trisarana Prima	1.235.416.760	508.607.519	544.998.680	PT Trisarana Prima
Kas Negara	1.175.484.000	-	-	Kas Negara
PT Gama Pratama	932.727.273	-	-	PT Gama Pratama
PT Karya Mandiri Sejahtera	766.279.984	-	-	PT Karya Mandiri Sejahtera
PT Cipta Gemilang Teknik Mandiri	636.133.672	-	-	PT Cipta Gemilang Teknik Mandiri
PT Griya Idaman Sejahtera	609.532.388	-	-	PT Griya Idaman Sejahtera
PT Sinar Indah	580.498.750	-	-	PT Sinar Indah

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15. UTANG LAIN-LAIN (lanjutan)

Utang lain-lain merupakan utang atas transaksi seperti biaya operasional Perusahaan, saldo terutang voucher nominal untuk ditukarkan dan renovasi bangunan sewa kepada: (lanjutan)

15. OTHER PAYABLES (continued)

Other payables represents payables for transactions such as the Company's operational cost, outstanding gift voucher to be redeemed and renovation of rented buildings to: (continued)

	31 Desember/December 31			
	2017	2016	2015	
Pihak Ketiga (lanjutan)				Third Parties (continued)
PT Kharisma Bayu Mandiri	520.828.243	529.708.006	-	PT Kharisma Bayu Mandiri
PT Real Lustrum (Laura Olivia)	506.052.571	-	-	PT Real Lustrum (Laura Olivia)
Lain-lain (masing-masing dibawah Rp500.000.000)	16.820.900.093	15.844.596.079	10.753.524.554	Others (each below Rp500,000,000)
Sub - total	35.770.181.669	28.765.809.922	25.351.773.439	Sub - total
Total	35.886.460.339	28.880.702.496	26.601.027.476	Total

Analisa umur utang usaha adalah sebagai berikut:

The aging analysis of trade payables are as follows:

	31 Desember/December 31			
	2017	2016	2015	
Lancar	26.437.451.534	27.312.396.932	20.971.995.441	Current
Jatuh tempo 30 - 90 hari	2.309.439.229	600.968.727	781.836.869	Overdue 30 - 90 days
Jatuh tempo > 90 hari	7.139.569.576	967.336.837	4.947.195.166	Overdue > 90 days
Total	35.886.460.339	28.880.702.496	26.701.027.476	Total

Seluruh utang lain-lain adalah dalam mata uang Rupiah.

All other payables are denominated in Rupiah.

Utang lain-lain tidak dikenakan beban bunga, tanpa jaminan dan penyelesaiannya akan dilakukan secara tunai dalam waktu kurang dari satu tahun.

Other payables are non-interest bearing, unsecured and will be settled in cash in less than one year.

16. PERPAJAKAN

16. TAXATION

a. Pajak dibayar di muka

a. Prepaid taxes

	31 Desember/December 31			
	2017	2016	2015	
Pajak penghasilan - Pasal 21	141.174.075	1.241.799.956	734.997.638	Income tax - Article 21

b. Taksiran tagihan pajak

b. Estimated claims for tax refund

	31 Desember/ December 31, 2015	
Pajak hotel dan restoran (PB1) 2011 dan 2010	30.862.800	Hotel and restaurant tax (PB1) 2011 and 2010
Pajak penghasilan 2014	4.227.060.282	Income Tax 2014
Total	4.257.923.082	Total

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16. PERPAJAKAN (lanjutan)

b. Taksiran tagihan pajak (lanjutan)

Pada tanggal 19 April 2016, Perusahaan menerima Surat Ketetapan Pajak Lebih Bayar ("SKPLB") dari Direktorat Jendral Pajak ("DJP") atas Pajak Penghasilan Badan untuk tahun pajak 2014 sebesar Rp3.482.440.522 dari Rp4.227.060.282 taksiran tagihan pajak dan telah diterima oleh Perusahaan pada 1 Juni 2016. Perusahaan telah membebaskan selisih sebesar Rp744.619.760 sebagai bagian dari "Beban Pajak, neto" dalam laporan laba rugi dan penghasilan komprehensif lain tahun 2016.

Pada tahun 2016, Perusahaan juga memutuskan untuk membebaskan taksiran tagihan pajak hotel dan restoran (PB1) 2011 dan 2010 sebesar Rp30.862.800 dan dicatat sebagai bagian dari "Beban Operasi Lainnya" dalam laporan laba rugi dan penghasilan komprehensif lain tahun 2016.

c. Utang pajak

Akun ini terdiri dari:

16. TAXATION (continued)

b. Estimated claims for tax refund (continued)

On April 19, 2016, the Company received Tax Assessment Letter on Overpayment ("SKPLB") from Directorate General of Taxes ("DGT") on Corporate Income Tax for fiscal year 2014 amounting to Rp3,482,440,522 out of the Rp4,227,060,282 estimated claim for tax refund and received the amount on June 1, 2016. The Company charged the remaining amount of Rp744,619,760 as part of "Tax Expense, net" in the statements of profit or loss and other comprehensive income in 2016.

In 2016, the Company decided to charged the estimated claims for tax refund of hotel and restaurant tax (PB1) 2011 and 2010 amounting to Rp30,862,800 and recorded as part of "Other operating expenses" in the statements of profit or loss and other comprehensive income in 2016.

c. Taxes payable

This account consists of:

	31 Desember/December 31			
	2017	2016	2015	
Pajak hotel dan restoran (PB 1)	34.400.253.832	28.478.052.066	25.889.007.287	Hotel and restaurant tax (PB 1)
Pajak pertambahan nilai	2.427.793.940	1.984.597.727	1.905.441.927	Value-added tax
Pajak penghasilan				Income tax
Pasal 26	2.738.587.939	2.340.202.577	1.955.617.867	Article 26
Pasal 4 (2)	2.269.792.911	3.837.254.981	1.696.245.687	Article 4 (2)
Pasal 23	400.017.182	224.767.549	223.786.742	Article 23
Pasal 25	6.008.329.279	-	564.502.183	Article 25
Pasal 29	7.736.474.641	27.372.421.231	13.355.671.976	Article 29
Total	55.981.249.724	64.237.296.131	45.590.273.669	Total

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16. PERPAJAKAN (lanjutan)

16. TAXATION (continued)

d. Rekonsiliasi fiskal

d. Fiscal reconciliation

Rekonsiliasi antara laba sebelum beban pajak menurut laporan laba rugi dan penghasilan komprehensif lain dengan taksiran penghasilan kena pajak adalah sebagai berikut:

The reconciliation between income before tax expense per statements of profit or loss and other comprehensive income and estimated taxable income are as follows:

	Tahun yang Berakhir pada tanggal 31 Desember/ Year ended December 31			
	2017	2016	2015	
Laba sebelum beban pajak berdasarkan laporan laba rugi dan penghasilan komprehensif lain	189.456.568.486	176.295.148.481	83.113.157.869	Income before tax expense per statements of profit or loss and other comprehensive income
<u>Beda temporer:</u>				<u>Temporary differences:</u>
Liabilitas imbalan kerja karyawan	45.143.867.211	29.694.249.437	24.472.162.173	Employee benefits liabilities
Amortisasi waralaba yang ditangguhkan	(2.086.971.174)	(2.553.412.444)	(1.026.678.915)	Amortization of deferred franchise fee
Aset tetap	(4.431.034.659)	209.472.542	(6.768.970.233)	Property and equipment
Aset sewa pembiayaan	(1.901.890.153)	(869.489.424)	-	Asset under finance lease
<u>Beda tetap:</u>				<u>Permanent differences:</u>
Beban yang tidak dapat dikurangkan	3.633.225.283	6.081.700.580	4.547.942.822	Non-deductible expenses
Penghasilan dikenakan pajak final	(699.265.459)	(2.357.563.221)	(895.068.951)	Income subjected to final tax
Pajak final atas penghasilan dikenakan pajak final	139.853.092	471.512.644	179.013.770	Final tax of income subjected to final tax
Taksiran penghasilan kena pajak	229.254.352.627	206.971.618.595	103.621.558.535	Estimated taxable income
Taksiran penghasilan kena pajak (pembulatan)	229.254.352.000	206.971.618.000	103.621.558.000	Estimated taxable income (rounded)
Pajak kini	57.313.588.000	51.742.904.500	25.905.389.500	Current tax
Dikurangi pajak penghasilan dibayar di muka:				Less pre-payments of Income tax:
Pasal 25	39.497.601.513	16.645.650.258	6.580.519.647	Article 25
Pasal 22	9.675.650.160	4.929.561.705	5.523.580.760	Article 22
Pasal 23	403.861.686	795.271.306	445.617.117	Article 23
Uang muka PPh pasal 29	-	2.000.000.000	-	Advance article 29
Total	49.577.113.359	24.370.483.269	12.549.717.524	Total
Taksiran utang pajak	7.736.474.641	27.372.421.231	13.355.671.976	Estimated tax payable

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16. PERPAJAKAN (lanjutan)

16. TAXATION (continued)

e. Aset pajak tangguhan - neto

e. Deferred tax assets - net

Rincian aset pajak tangguhan - neto adalah sebagai berikut:

The details of deferred tax assets - net are as follows:

31 Desember/ December 31, 2017					
	Saldo Awal/ Beginning Balance	Dikreditkan (Dibebankan)/ ke Laporan Laba Rugi dan Penghasilan Komprehensif Lain/ Credited/ (Charged) to Statements of profit or Loss and Other Comprehensive Income	Dikreditkan ke Laporan Perubahan Ekuitas/ Credited to Statements of Changes in Equity	Saldo Akhir/ Ending Balance	
Aset (liabilitas) pajak tangguhan:					Deferred tax assets (liabilities):
Liabilitas imbalan kerja karyawan	52.832.028.013	11.285.966.802	8.069.543.081	72.187.537.896	Employee benefits liabilities
Aset tetap	(31.020.831.767)	(1.107.758.665)	-	(32.128.590.432)	Property and equipment
Aset sewa pembiayaan	(217.372.356)	(475.472.538)	-	(692.844.894)	Asset under finance lease
Amortisasi beban waralaba yang tangguhkan	(5.222.919.720)	(521.742.794)	-	(5.744.662.514)	Amortization of deferred franchise fee
Aset pajak tangguhan, neto	16.370.904.170	9.180.992.805	8.069.543.081	33.621.440.056	Deferred tax asset, net

31 Desember/ December 31, 2016					
	Saldo Awal/ Beginning Balance	Dikreditkan (Dibebankan)/ ke Laporan Laba Rugi dan Penghasilan Komprehensif Lain/ Credited/ (Charged) to Statements of profit or Loss and Other Comprehensive Income	Dikreditkan ke Laporan Perubahan Ekuitas/ Credited to Statements of Changes in Equity	Saldo Akhir/ Ending Balance	
Aset (liabilitas) pajak tangguhan:					Deferred tax assets (liabilities):
Liabilitas imbalan kerja karyawan	41.705.730.214	7.423.562.359	3.702.735.440	52.832.028.013	Employee benefits liabilities
Aset tetap	(31.073.199.903)	52.368.136	-	(31.020.831.767)	Property and equipment
Aset sewa pembiayaan	-	(217.372.356)	-	(217.372.356)	Asset under finance lease
Amortisasi beban waralaba yang tangguhkan	(4.584.566.609)	(638.353.111)	-	(5.222.919.720)	Amortization of deferred franchise fee
Aset pajak tangguhan, neto	6.047.963.702	6.620.205.028	3.702.735.440	16.370.904.170	Deferred tax asset, net

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16. PERPAJAKAN (lanjutan)

16. TAXATION (continued)

e. Aset pajak tangguhan - neto (lanjutan)

Rincian aset pajak tangguhan - neto adalah sebagai berikut: (lanjutan)

e. Deferred tax assets - net (continued)

The details of deferred tax assets - net as follows: (continued)

31 Desember/ December 31, 2015					
	Saldo Awal/ Beginning Balance	Dikreditkan/ (Dibebankan) ke Laporan Laba Rugi dan Penghasilan Komprehensif Lain/ Credited to/ (Charged) Statements of profit or Loss and Other Comprehensive Income	Dibebankan ke Laporan Perubahan Ekuitas/ Charged to Statements of Changes in Equity	Saldo Akhir/ Ending Balance	
Aset (liabilitas) pajak tangguhan:					Deferred tax assets (liabilities):
Liabilitas imbalan kerja					Employee benefits liabilities
karyawan	39.763.274.541	6.118.040.543	(4.175.584.870)	41.705.730.214	Property and equipment
Aset tetap	(29.380.957.345)	(1.692.242.558)	-	(31.073.199.903)	Amortization of deferred franchise fee
Amortisasi beban waralaba yang ditangguhkan	(4.327.896.880)	(256.669.729)	-	(4.584.566.609)	
Aset pajak tangguhan, neto	6.054.420.316	4.169.128.256	(4.175.584.870)	6.047.963.702	Deferred tax asset, net

Pada tanggal-tanggal 31 Desember 2017, 2016 dan 2015, Manajemen berpendapat bahwa seluruh aset pajak tangguhan dapat terealisasi di masa yang akan datang.

As of December 31, 2017, 2016 and 2015, Management believes that all the deferred tax assets can be realized in the future.

f. Beban pajak

Rincian beban pajak seperti yang disajikan dalam laporan laba rugi dan penghasilan komprehensif lain adalah sebagai berikut:

f. Tax expense

The details of tax expense as shown in the statements of profit or loss and other comprehensive income are as follows:

Tahun yang Berakhir pada tanggal 31 Desember/ Years ended December 31				
	2017	2016	2015	
Beban pajak - kini	(57.313.588.000)	(51.742.904.500)	(25.905.389.500)	Income tax expense - current year
Penyesuaian atas pajak penghasilan badan yang berasal dari tahun sebelumnya	-	(744.619.760)	-	Adjustments in respect of corporate income tax of the previous year
Manfaat pajak tangguhan	9.180.992.805	6.620.205.028	4.169.128.256	Deferred tax benefit
Beban pajak - neto	(48.132.595.195)	(45.867.319.232)	(21.736.261.244)	Tax expense - net

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16. PERPAJAKAN (lanjutan)

f. Beban pajak (lanjutan)

Rekonsiliasi antara beban pajak yang dihitung dengan menggunakan tarif pajak berdasarkan peraturan pajak yang berlaku terhadap laba sebelum beban pajak dan beban pajak adalah sebagai berikut:

	Tahun yang Berakhir pada tanggal 31 Desember/ Years ended December 31			
	2017	2016	2015	
Laba sebelum beban pajak	189.456.568.486	176.295.148.481	83.113.157.869	Income before tax expense
Beban pajak dengan tarif pajak yang berlaku	(47.364.142.121)	(44.073.787.120)	(20.778.289.468)	Tax expense at the applicable tax rates
Pengaruh pajak atas beda tetap	(768.453.229)	(1.048.912.501)	(957.971.910)	Tax effects on permanent differences
Penyesuaian atas pajak penghasilan badan yang berasal dari tahun sebelumnya	-	(744.619.760)	-	Adjustments in respect of corporate income tax of the previous years
Pembulatan	155	149	134	Rounding
Beban pajak - neto	(48.132.595.195)	(45.867.319.232)	(21.736.261.244)	Tax expense - net

Tarif tunggal pajak penghasilan badan adalah 25%.

Perusahaan akan melaporkan penghasilan kena pajak dan beban pajak penghasilan tahun berjalan untuk tahun 2017, sebagaimana disebutkan di atas, dalam Surat Pemberitahuan Tahunan Pajak Penghasilan Badan ("SPT PPh Badan") ke Kantor Pajak. Perusahaan telah melaporkan penghasilan kena pajak dan beban penghasilan tahun berjalan untuk tahun 2016 dan 2015, sebagaimana disebutkan di atas.

Pada tahun 2017, Perusahaan mengikuti program pengampunan pajak dan menyampaikan Surat Pernyataan Harta sebesar Rp1.273.501.198 berupa aset tetap. Pada tanggal 30 Januari 2017, Kantor Pajak telah menyetujui dan menerbitkan Surat Keterangan Pengampunan Pajak No.KET-138/PP/WPJ.19/2017. Perusahaan telah membayar uang tebusan tersebut dan membebarkannya pada laporan laba rugi dan penghasilan komprehensif lain tahun 2017.

16. TAXATION (continued)

f. Tax expense (continued)

The reconciliation between the tax expense calculated by applying the applicable tax rates based on the existing tax regulations to the income before tax expense and tax expense are as follows:

The single rate for corporate income tax is 25%.

The Company will report taxable income and current income tax expense for 2017, as stated above, in its income tax return ("SPT PPh Badan") to be submitted to the Tax Office. The Company has reported taxable income and current income tax expense for 2016 and 2015.

In 2017, the Company participated in the tax amnesty program and submitted the Asset Declaration Letter amounting to Rp1,273,501,198 in form of property and equipment. On January 30, 2017, the Tax Office approved and issued Tax Amnesty Letter No.KET-138/PP/WPJ.19/2017. The Company paid the tax redemption money and charged to the 2017 statements of profit or loss and other comprehensive income.

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17. BEBAN MASIH HARUS DIBAYAR

Akun ini terdiri dari:

17. ACCRUED EXPENSES

This account consists of:

	31 Desember/December 31			
	2017	2016	2015	
Sewa dan fasilitas	75.669.984.070	30.097.302.749	28.264.927.353	Rental and facilities
Periklanan dan promosi	25.375.094.605	26.601.586.479	25.111.185.277	Advertising and promotions
Gaji	22.647.509.462	16.875.165.567	12.394.797.803	Salaries
Beban waralaba yang berkelanjutan (Catatan 23 dan 25)	21.872.842.084	17.448.424.005	15.357.952.193	Continuing franchise fee (Notes 23 and 25)
Bunga pinjaman	2.011.602.466	800.335.390	1.617.382.420	Interest on loan
Jasa profesional	1.148.354.766	456.005.000	415.800.000	Professional fee
Total	148.725.387.453	92.278.819.190	83.162.045.046	Total

18. UTANG BANK JANGKA PANJANG

Akun ini terdiri dari:

18. LONG-TERM BANK LOANS

This account consists of:

	31 Desember/December 31			
	2017	2016	2015	
PT Bank CIMB Niaga Tbk	120.369.919.572	18.214.999.993	66.381.666.660	PT Bank CIMB Niaga Tbk
PT Bank Mandiri (Persero) Tbk	110.430.224.163	107.819.715.687	143.541.207.211	PT Bank Mandiri (Persero) Tbk
PT Bank HSBC Indonesia	42.674.840.402	-	-	PT Bank HSBC Indonesia
Total	273.474.984.137	126.034.715.680	209.922.873.871	Total
Dikurangi bagian jatuh tempo dalam satu tahun	(54.378.902.124)	(60.604.491.518)	(85.552.158.192)	Less current maturities
Bagian jangka panjang	219.096.082.013	65.430.224.162	124.370.715.679	Long-term portion

PT Bank CIMB Niaga Tbk (Bank CIMB)

a. Pada tanggal 27 Februari 2012, Perusahaan memperoleh beberapa fasilitas kredit dari Bank CIMB yang terdiri dari:

- i. Fasilitas Pinjaman Transaksi Khusus dengan jumlah maksimum sebesar Rp70.000.000.000 yang digunakan untuk mengambil alih fasilitas kredit di Bank BCA.

Pinjaman ini dikenakan bunga tahunan sebesar 11% pada tahun 2017, 2016, dan 2015 dan berlaku selama 5 tahun sampai dengan 5 Maret 2017.

Pada tanggal-tanggal 31 Desember 2017, 2016, dan 2015, saldo pinjaman atas fasilitas ini adalah masing-masing sebesar RpNihil, Rp3.499.999.981 dan Rp17.499.999.985.

Pada tanggal 5 Maret 2017, Perusahaan telah melunasi fasilitas ini.

Total pembayaran pinjaman atas fasilitas ini selama tahun 2017, 2016 dan 2015 masing-masing sebesar Rp3.499.999.981, Rp14.000.000.004 dan Rp14.000.000.004.

PT Bank CIMB Niaga Tbk (Bank CIMB)

a. On February 27, 2012, the Company obtained several credit facilities from Bank CIMB consisting of:

- i. Specific Transaction Loan facility with a maximum amount of Rp70,000,000,000 which was used to take over credit facility from Bank BCA.

This loan had an annual interest at the rate of 11% in 2017, 2016 and 2015 and is valid for 5 years until March 5, 2017.

As of December 31, 2017, 2016 and 2015, the outstanding balance under this facility amounted to RpNil, Rp3,499,999,981 and Rp17,499,999,985, respectively.

On March 5, 2017, the Company fully paid this facility.

Total payment of this facility during 2017, 2016 and 2015 amounted to Rp3,499,999,981, Rp14,000,000,004 and Rp14,000,000,004, respectively.

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18. UTANG BANK JANGKA PANJANG (lanjutan)

PT Bank CIMB Niaga Tbk (Bank CIMB) (lanjutan)

- a. Pada tanggal 27 Februari 2012, Perusahaan memperoleh beberapa fasilitas kredit dari Bank CIMB yang terdiri dari: (lanjutan)
- ii. Fasilitas Pinjaman Rekening Koran yang bersifat berulang ("revolving") dengan jumlah maksimum sebesar Rp35.000.000.000 dan digunakan untuk pembiayaan operasional Perusahaan (Catatan 13).
- iii. Fasilitas Investasi dengan jumlah maksimum sebesar Rp65.000.000.000 yang digunakan untuk membuka gerai baru Pizza Hut atau Pizza Hut Delivery.

Pinjaman ini dikenakan bunga tahunan sebesar 11% pada tahun 2017, 2016 dan 2015 serta dikenakan provisi tahunan sebesar 0,25% per tahun. Fasilitas tersebut berlaku selama 5 tahun sampai dengan 5 Maret 2017.

Pada tanggal-tanggal 31 Desember 2017, 2016, dan 2015, saldo pinjaman atas fasilitas investasi masing-masing sebesar RpNihil, Rp5.416.666.654, dan Rp27.083.333.325.

Pada tanggal 5 Maret 2017, Perusahaan telah melunasi fasilitas ini.

Total pembayaran pinjaman atas fasilitas ini selama tahun 2017, 2016 dan 2015 masing-masing sebesar Rp5.416.666.654, Rp21.666.666.671 dan Rp21.666.666.671.

- b. Pada tanggal 20 November 2012, Perusahaan memperoleh Fasilitas Investasi 2 dari Bank CIMB dengan jumlah maksimum sebesar Rp50.000.000.000 yang digunakan untuk membuka gerai baru Pizza Hut atau Pizza Hut Delivery.

Pinjaman ini dikenakan bunga tahunan berkisar antara antara 10,5% sampai dengan 11% pada tahun 2017, 11% pada tahun 2016 dan 2015 berlaku sampai dengan tanggal 5 Oktober 2017.

Pada tanggal 5 Oktober 2017, Perusahaan telah melunasi fasilitas ini.

18. LONG-TERM BANK LOANS (continued)

PT Bank CIMB Niaga Tbk (Bank CIMB) (continued)

- a. On February 27, 2012, the Company obtained several credit facilities from Bank CIMB consisting of: (continued)
- ii. Overdraft facility which was revolving with maximum amount of Rp35,000,000,000 and was used for the Company's operations (Note 13).
- iii. Investment facility with maximum amount of Rp65,000,000,000 which was used to open new Pizza Hut or Pizza Hut Delivery outlet.

This loan had an annual interest at the rate of 11% in 2017, 2016 and 2015 with annual provision fee of 0.25% per annum. This facility was valid for 5 years until March 5, 2017.

As of December 31, 2017, 2016, and 2015, the outstanding balance under investment facility amounted to RpNil, Rp5,416,666,654 and Rp27,083,333,325, respectively.

On March 5, 2017, the Company fully paid this facility.

Total payment of this facility during 2017, 2016 and 2015 amounted to Rp5,416,666,654, Rp21,666,666,671 and Rp21,666,666,671, respectively.

- b. On November 20, 2012, the Company obtained investment facility 2 from Bank CIMB with a maximum amount of Rp50,000,000,000 which was used to open new Pizza Hut or Pizza Hut Delivery outlets.

This loan had an annual interest at rates ranging from 10.5% to 11% in 2017, 11% in 2016 and 2015 valid until October 5, 2017.

On October 5, 2017, the Company has fully paid this facility.

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18. UTANG BANK JANGKA PANJANG (lanjutan)

PT Bank CIMB Niaga Tbk (Bank CIMB) (lanjutan)

Pada tanggal-tanggal 31 Desember 2017, 2016 dan 2015, saldo pinjaman atas fasilitas ini adalah masing-masing sebesar RpNilai, Rp9.298.333.358 dan Rp21.798.333.350.

Total pembayaran pinjaman atas fasilitas ini selama tahun 2017, 2016 dan 2015 masing-masing sebesar Rp9.298.333.358, Rp12.499.999.992 dan Rp12.499.999.992.

- c. Pada tanggal 19 Juni 2017, Perusahaan memperoleh Fasilitas Investasi 3 dari Bank CIMB dengan jumlah maksimum sebesar Rp150.000.000.000 yang digunakan untuk membuka gerai baru Pizza Hut, Pizza Hut Delivery, Kitchen by Pizza Hut dan Pizza Hut Kiosks Periode 2017 - 2018.

Pinjaman ini dikenakan bunga tahunan 10,5% per tahun (dapat berubah) pada tahun 2017 dan berlaku sampai dengan 18 Juni 2022.

Pada tanggal 31 Desember 2017 saldo pinjaman atas fasilitas ini adalah Rp120.369.919.572.

Pembayaran cicilan pertama akan dilakukan mulai Juli 2018.

Seluruh fasilitas pinjaman yang diberikan oleh Bank CIMB dijamin dengan beberapa bidang tanah dan bangunan yang dimiliki oleh Perusahaan dan fidusia peralatan ekuivalen 100% dari plafon pinjaman jangka panjang yang ada dan seluruh pengalihan hak sewa yang dijaminkan kepada Bank CIMB. Fidusia perlengkapan dan peralatan minimum sebesar Rp150.000.000.000 dan *cash collateral* sebesar 20% pada saat penerbitan SBLC dalam mata uang yang sama (Catatan 13).

Jaminan-jaminan tersebut diikat secara "*cross collateralized*" terhadap seluruh fasilitas kredit yang diberikan oleh Bank CIMB kepada Perusahaan.

Kepatuhan pada syarat pinjaman

Perjanjian pinjaman tersebut mencakup pembatasan-pembatasan dimana Perusahaan, tanpa persetujuan tertulis dari Bank CIMB, tidak diperbolehkan, antara lain, mengubah status kelembagaan, anggaran dasar, susunan Direksi dan Dewan komisaris, pemegang saham, serta membagikan dividen dalam jumlah melebihi 50% dari laba tahun berjalan.

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18. LONG-TERM BANK LOANS (continued)

**PT Bank CIMB Niaga Tbk (Bank CIMB)
(continued)**

As of December 31, 2017, 2016 and 2015, the outstanding balance under this facility amounted to RpNilai, Rp9,298,333,358, and Rp21,798,333,350, respectively.

Total payment of this facility during 2017, 2016 and 2015 amounted to Rp9,298,333,358, Rp12,499,999,992 and Rp12,499,999,992, respectively.

- c. On June 19, 2017, the Company obtained investment facility 3 from Bank CIMB with a maximum amount of Rp150,000,000,000 which is used to open new Pizza Hut, Pizza Hut Delivery, Kitchen by Pizza Hut, and Pizza Hut Kiosks outlets for period 2017 - 2018.

This loan bears an annual interest 10.5% per annum (subject to change) in 2017 valid until June 18, 2022.

As of December 31, 2017, the outstanding balance under this facility amounted to Rp120,369,919,572.

The first installment will start on July 2018.

All loan facilities obtained from Bank CIMB are secured by certain land and building owned by the Company and fiduciary transfer of equipment with a value equivalent to 100% of plafond existing long-term loans and assignment of rental rights pledges to Bank CIMB. Equipment fiduciary amounted to Rp150,000,000,000 and 20% cash collateral of the issuing SBLC in the same foreign currency (Note 13).

All of these collaterals are cross collateralized to all credit facilities granted by Bank CIMB to the Company.

Compliance with loan covenants

The credit agreement includes restrictions and covenants whereby the Company, without prior written consent from Bank CIMB, is not permitted to change the status of the institution, articles of association, the composition of the Boards of Directors and Commissioners, and shareholders, as well as distribute dividend exceeding 50% of income for the year.

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18. UTANG BANK JANGKA PANJANG (lanjutan)

PT Bank CIMB Niaga Tbk (Bank CIMB) (lanjutan)

Kepatuhan pada syarat pinjaman (lanjutan)

Perusahaan juga diminta untuk memenuhi kewajiban untuk menjaga rasio keuangan dengan total liabilitas/total ekuitas maksimal 3 (tiga) kali, Debt Service Coverage Ratio (DSCR) minimal 1,5 (satu koma lima) kali, dan total pinjaman bank/*Earnings Before Interest, Tax, Depreciation and Amortization* (EBITDA) maksimal 2 (dua) kali.

Pada tahun 2017, Perusahaan melakukan perubahan anggaran dasar Perusahaan dengan pembagian dividen melebihi 50% dari laba tahun berjalan yang kemudian disetorkan kembali sebagai setoran modal (Catatan 1). Atas peristiwa tersebut, pelanggaran atas *negative covenant* yang dipersyaratkan oleh Bank CIMB telah disetujui untuk dihapuskan untuk tahun 2017.

Perusahaan juga telah mendapatkan persetujuan dari Bank CIMB sehubungan dengan rencana penawaran umum perdana saham PT Sarimelati Kencana di Bursa Efek Indonesia (Catatan 33), dengan ketentuan Perusahaan tetap menjaga rasio keuangan yang dipersyaratkan dan tetap aktif melakukan aktifitas operasional di Bank CIMB.

Pada tanggal 31 Desember 2015, Perusahaan telah mendapatkan persetujuan dari Bank CIMB untuk penghapusan rasio keuangan yang dipersyaratkan oleh Bank CIMB.

Pada tanggal 31 Desember 2017 dan 2016, Perusahaan telah memenuhi persyaratan sebagaimana diatur dalam perjanjian terkait.

PT Bank Mandiri (Persero) Tbk (Bank Mandiri)

a. Pada tanggal 28 April 2015, Perusahaan memperoleh beberapa fasilitas kredit dari Bank Mandiri yang terdiri dari:

- i. Fasilitas Kredit Modal Kerja *Revolving* yang digunakan untuk tambahan modal kerja dengan limit kredit sebesar Rp35.000.000.000 dan akan jatuh tempo pada tanggal 27 April 2018 (Catatan 13).

18. LONG-TERM BANK LOANS (continued)

**PT Bank CIMB Niaga Tbk (Bank CIMB)
(continued)**

Compliance with loan covenants (continued)

The Company is also required to meet the obligation to maintain financial ratios with maximum 3 (three) times in total liabilities/total equity, minimum 1.5 (one point five) times in Debt Service Coverage Ratio (DSCR), and maximum 2 (two) times in total bank loan/*Earnings Before Interest, Tax, Depreciation and Amortization* (EBITDA).

In 2017, the Company amended the Company's articles of association by distributing dividend exceeding 50% of income for the year which is thereafter deposited back as additional paid-in capital (Note 1). With this, the breach of the negative covenant required by Bank CIMB has been approved to be waived in 2017.

The Company also had approval from Bank CIMB in connection with the initial public offering of PT Sarimelati Kencana on Indonesia Stock Exchange (Note 33) with the condition that the Company maintains the required financial ratio and remains actively engaged in operational activities at Bank CIMB.

As of December 31, 2015, the Company had approval from Bank CIMB to waive the financial ratio required by Bank CIMB.

As of December 31, 2017 and 2016, the Company has complied with all of the covenants as stipulated in the loan agreement.

PT Bank Mandiri (Persero) Tbk (Bank Mandiri)

a. On April 28, 2015, the Company obtained several credit facilities from Bank Mandiri consisting of:

- i. *Revolving Working Capital Credit facility* which is used as an additional working capital with credit limit of Rp35,000,000,000 and will be due in April 27, 2018 (Note 13).

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18. UTANG BANK JANGKA PANJANG (lanjutan)

**PT Bank Mandiri (Persero) Tbk (Bank Mandiri)
(lanjutan)**

a. Pada tanggal 28 April 2015, Perusahaan memperoleh beberapa fasilitas kredit dari Bank Mandiri yang terdiri dari: (lanjutan)

ii. Fasilitas Pinjaman Transaksi Khusus I dengan limit kredit sebesar Rp50.000.000.000, yang dipergunakan untuk tambahan modal kerja, khususnya untuk biaya sewa outlet (untuk menurunkan limit Fasilitas Kredit Modal kerja di Bank of Tokyo – Mitsubishi UFJ, Ltd. Fasilitas tersebut berlaku selama 5 tahun sampai 27 April 2020.

Pinjaman ini dikenakan bunga tahunan sebesar 10,5% pada tahun 2017, antara 10,5% sampai dengan 10,75% pada tahun 2016 dan 10,75% pada tahun 2015.

Pada tanggal-tanggal 31 Desember 2017, 2016, dan 2015, saldo pinjaman atas fasilitas tersebut masing-masing adalah sebesar Rp23.728.813.563, Rp33.898.305.087 dan Rp44.067.796.611.

Total pembayaran pinjaman atas fasilitas ini selama tahun 2017, 2016 dan 2015 masing-masing sebesar Rp10.169.491.524, Rp10.169.491.524 dan Rp5.932.203.389.

iii. Fasilitas Kredit Investasi I dengan limit kredit sebesar Rp77.100.000.000 yang digunakan untuk mengambil alih fasilitas kredit di Bank Permata. Fasilitas tersebut berlaku sampai dengan 11 Januari 2018.

Pinjaman ini dikenakan bunga tahunan sebesar 10,5% pada tahun 2017, 10,5% sampai dengan 10,75% pada tahun 2016 dan 10,75% pada tahun 2015.

Pada tanggal-tanggal 31 Desember 2017, 2016, dan 2015, saldo pinjaman atas fasilitas tersebut masing-masing adalah sebesar Rp41.410.600, Rp27.257.410.600, dan Rp54.473.410.600.

Total pembayaran pinjaman atas fasilitas ini selama tahun 2017, 2016 dan 2015 masing-masing sebesar Rp27.216.000.000, Rp27.216.000.000 dan Rp18.144.000.000.

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18. LONG-TERM BANK LOANS (continued)

**PT Bank Mandiri (Persero) Tbk (Bank Mandiri)
(continued)**

a. On April 28, 2015, the Company obtained several credit facilities from Bank Mandiri consisting of: (continued)

ii. Specific Transaction Loan I facility with credit limit of Rp50,000,000,000, which is used as an additional working capital, specifically to rent outlets (to reduce limit on the working capital credit facility from Bank of Tokyo - Mitsubishi UFJ, Ltd). This facility is valid for 5 years until April 27, 2020.

This loan had an annual interest at rates 10.5% in 2017, ranging from 10.5% to 10.75% in 2016 and 10.75% in 2015.

As of December 31, 2017, 2016, and 2015, the outstanding balance under this facility amounted to Rp23,728,813,563, Rp33,898,305,087, and Rp44,067,796,611, respectively.

Total payment of this facility during 2017, 2016 and 2015 amounted to Rp10,169,491,524, Rp10,169,491,524 and Rp5,932,203,389, respectively.

iii. Credit Investment I facility with credit limit amounting to Rp77,100,000,000 which is used to take over credit facility from Bank Permata. This facility is valid until January 11, 2018.

This loan had an annual interest at rates 10.5% in 2017, 10.5% to 10.75% in 2016 and 10.75% in 2015.

As of December 31, 2017, 2016, and 2015, the outstanding balance under this facility amounted to Rp41,410,600, Rp27,257,410,600, and Rp54,473,410,600, respectively.

Total payment of this facility during 2017, 2016 and 2015 amounted to Rp27,216,000,000, Rp27,216,000,000 and Rp18,144,000,000, respectively.

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18. UTANG BANK JANGKA PANJANG (lanjutan)

**PT Bank Mandiri (Persero) Tbk (Bank Mandiri)
(lanjutan)**

- iv. Fasilitas Kredit Investasi II (*Refinancing*) dengan limit kredit sebesar Rp50.000.000.000, yang akan digunakan untuk pembiayaan kembali outlet Pizza Hut dan Pizza Hut Delivery. Fasilitas tersebut berlaku selama 5 tahun sampai 27 April 2020.

Pinjaman ini dikenakan bunga tahunan sebesar 10,5% pada tahun 2017, 10,5% sampai dengan 10,75% pada tahun 2016 dan 10,75% pada tahun 2015.

Pada tanggal-tanggal 31 Desember 2017, 2016, dan 2015, saldo pinjaman atas fasilitas tersebut masing-masing adalah sebesar Rp36.660.000.000, Rp46.664.000.000, dan Rp45.000.000.000.

Total pembayaran pinjaman atas fasilitas ini selama tahun 2017, 2016 dan 2015 masing-masing sebesar Rp10.004.000.000, Rp3.336.000.000 dan RpNihil.

- v. Fasilitas Treasury Line dengan limit kredit sebesar US\$3.000.000 yang dipergunakan untuk *hedging* untuk melindungi transaksi pembelian bahan baku, membayar fee waralaba, pembelian mesin dan peralatan terhadap risiko fluktuatif kurs dollar Amerika Serikat/Rupiah dengan jangka waktu satu (1) tahun sejak penandatanganan perjanjian, dengan jangka waktu per transaksi maksimal 6 bulan (Catatan 13).
- b. Pada tanggal 30 Mei 2017, Perusahaan memperoleh Fasilitas Pinjaman Transaksi Khusus II dari Bank Mandiri dengan limit kredit sebesar Rp50.000.000.000, yang dipergunakan untuk pembiayaan defisit arus kas. Fasilitas tersebut berlaku selama 4 tahun sampai 29 Mei 2021.

Pinjaman ini dikenakan bunga tahunan 10,5% pada tahun 2017.

Pada tanggal 31 Desember 2017, saldo pinjaman atas fasilitas tersebut adalah sebesar Rp50.000.000.000.

Pembayaran cicilan pertama akan dilakukan mulai Januari 2018.

18. LONG-TERM BANK LOANS (continued)

**PT Bank Mandiri (Persero) Tbk (Bank Mandiri)
(continued)**

- iv. Credit Investment II facility with credit limit amounting to Rp50,000,000,000, which is used to refinance Pizza Hut and Pizza Hut Delivery's outlet. This facility is valid for 5 years until April 27, 2020.

This loan had an annual interest at rates 10.5% in 2017, 10.5% to 10.75% in 2016 and 10.75% in 2015.

As of December 31, 2017, 2016, and 2015, the outstanding balance under this facility amounted to Rp36,660,000,000, Rp46,664,000,000, and Rp45,000,000,000.

Total payment of this facility during 2017, 2016 and 2015 amounted to Rp10,004,000,000, Rp3,336,000,000 and RpNil, respectively.

- v. Treasury Line facility with credit limit amounting to US\$3,000,000 which is used to hedge - purchase of raw materials, payment of franchise fees, purchase of machineries and equipment - against the risk of fluctuating exchange rate of the US Dollar/Rupiah with a period of one (1) year from the signing of the agreement, at maximum period of 6 months per transaction (Note 13).
- b. On May 30, 2017, the Company obtained Specific Transaction Loan II facility from Bank Mandiri with credit limit of Rp50,000,000,000, which is used for financing of deficit cash flow. This facility is valid for 4 years until May 29, 2021.

This loan had an annual interest at rate of 10.5% in 2017.

As of December 31, 2017, the outstanding balance under this facility amounted to Rp50,000,000,000.

The first installment will start in January 2018.

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18. UTANG BANK JANGKA PANJANG (lanjutan)

**PT Bank Mandiri (Persero) Tbk (Bank Mandiri)
(lanjutan)**

Fasilitas-fasilitas tersebut dijamin dengan fidusia berupa beberapa bidang bangunan, serta perabot dan perlengkapan outlet-outlet dan persediaan tertentu yang dimiliki Perusahaan dengan nilai objek 100% dari plafon yang dimiliki Perusahaan.

Jaminan-jaminan tersebut diikat secara "cross collateralized" terhadap seluruh fasilitas kredit yang diberikan oleh Bank Mandiri kepada Perusahaan.

Kepatuhan pada syarat pinjaman

Perjanjian pinjaman tersebut mencakup pembatasan-pembatasan dimana Perusahaan, tanpa persetujuan tertulis dari Bank Mandiri, tidak diperbolehkan, antara lain, mengubah susunan pengurus dan pemegang saham, mengubah nama, maksud dan tujuan kegiatan usaha serta status Perusahaan, serta membagikan dividen dalam jumlah melebihi 50% dari laba tahun berjalan.

Perusahaan juga diminta untuk memenuhi kewajiban untuk menjaga rasio keuangan dengan *Debt to Equity Ratio* (DER) maksimal 2,3 (dua koma tiga) kali, *Debt Service Coverage Ratio* (DSCR) minimal 1 (satu) kali, dan total pinjaman bank/*Earnings Before Interest, Tax, Depreciation and Amortization* (EBITDA) maksimal 3,5 (tiga koma lima) kali.

Pada tahun 2017, Perusahaan melakukan perubahan anggaran dasar Perusahaan dengan pembagian dividen melebihi 50% dari laba tahun berjalan yang kemudian disetorkan kembali sebagai setoran modal (Catatan 1). Atas peristiwa tersebut, pelanggaran atas *negative covenant* yang dipersyaratkan oleh Bank Mandiri telah disetujui untuk dihapuskan untuk tahun 2017.

Perusahaan juga telah mendapatkan persetujuan dari Bank Mandiri sehubungan dengan rencana penawaran umum perdana saham PT Sarimelati Kencana di Bursa Efek Indonesia (Catatan 33), dengan ketentuan Perusahaan melakukan perubahan anggaran dasar dengan melakukan peningkatan modal dengan cara pembagian dividen maksimal sebesar Rp300.000.000.000 dari saldo laba yang kemudian disetorkan kembali, persentase penawaran umum perdana maksimal sebesar 35% dari modal ditempatkan dan disetor, serta dana dari penawaran umum perdana saham akan digunakan untuk pelunasan sebagai fasilitas kredit dan pengembangan bisnis perusahaan.

Pada tanggal 31 Desember 2017, 2016 dan 2015 Perusahaan telah memenuhi persyaratan-persyaratan Bank.

18. LONG-TERM BANK LOANS (continued)

**PT Bank Mandiri (Persero) Tbk (Bank Mandiri)
(continued)**

The facility is secured by fiduciary transfer assignment over building, furniture and fixtures of outlets and certain inventories of the company with a value amounting to 100% of plafond.

All of these collaterals are cross collateralized to all credit facilities granted by Bank Mandiri to the Company.

Compliance with loan covenants

The credit agreement includes restrictions and covenants whereby the Company, without prior written consent from Bank Mandiri, is not permitted to change its composition of the shareholders, change name, nature and purpose of the business activity and the status of the Company, as well as distribute dividend exceeding 50% of income for the year.

The Company is also required to meet the obligation of maintain financial ratios with maximum 2.3 (two point three) times in Debt to Equity Ratio (DER), minimum 1 (one) time in Debt Service Coverage Ratio (DSCR), and maximum 3.5 (three point five) times in total bank loan/*Earnings Before Interest, Tax, Depreciation and Amortization* (EBITDA).

In 2017, the Company amended its articles of association by distributing dividend exceeding 50% of income for the year which is thereafter deposited back as additional paid-in capital (Note 1). With this, the breach of the negative covenant required by Bank Mandiri has been approved to be waived in 2017.

The Company also had approval from Bank Mandiri in connection with the initial public offering of PT Sarimelati Kencana on Indonesia Stock Exchange (Note 33), with the condition that the Company changed its articles of association by increasing its share capital by distributing dividend with maximum amount of Rp300,000,000,000 from retained earnings and thereafter deposited back, maximum percentage of initial public offering is 35% from subscribed and fully paid, also proceeds from initial public offering will be used to repay credit facilities and develop the Company's business.

As of December 31, 2017, 2016 and 2015, the Company has complied with the Bank requirements.

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18. UTANG BANK JANGKA PANJANG (lanjutan)

PT Bank HSBC Indonesia (Bank HSBC)

Pada tanggal 23 November 2017, Perusahaan memperoleh fasilitas kredit dari Bank HSBC dengan limit kredit sebesar Rp100.000.000.000, yang dipergunakan untuk pembiayaan sewa outlet dan pembelian outlet baru untuk Pizza Hut dan Pizza Hut Delivery. Fasilitas tersebut berlaku selama 5 tahun sampai 23 November 2022.

Fasilitas tersebut dijamin dengan aset yang dibiayai oleh Bank HSBC dan beberapa bidang tanah dan bangunan milik Perusahaan.

Pinjaman ini dikenakan bunga tahunan sebesar 10,25% pada tahun 2017.

Pada tanggal 31 Desember 2017, saldo pinjaman atas fasilitas tersebut adalah sebesar Rp42.674.840.402.

Pembayaran cicilan pertama akan dilakukan mulai Desember 2018.

Kepatuhan pada syarat pinjaman

Perjanjian pinjaman tersebut mencakup pembatasan-pembatasan dimana Perusahaan, tanpa persetujuan tertulis dari Bank HSBC, tidak diperbolehkan, antara lain, mengubah susunan pemegang saham dan membagikan dividen dalam jumlah melebihi 50% dari laba tahun berjalan.

Perusahaan juga diminta untuk memenuhi kewajiban untuk menjaga rasio keuangan dengan *Debt Service Coverage Ratio* (DSCR) minimal 1,2 (satu koma dua) kali, *External Gearing Ratio* maksimal 2,3 (dua koma tiga) kali dan total pinjaman bank/*Earnings Before Interest, Tax, Depreciation and Amortization* (EBITDA) maksimal 3 (tiga) kali.

Pada tahun 2017, Perusahaan melakukan perubahan anggaran dasar Perusahaan dengan pembagian dividen melebihi 50% dari laba tahun berjalan yang kemudian disetorkan kembali sebagai setoran modal (Catatan 1). Atas peristiwa tersebut, pelanggaran atas *negative covenant* yang dipersyaratkan oleh Bank HSBC telah disetujui untuk dihapuskan untuk tahun 2017.

Pada tanggal 31 Desember 2017, Perusahaan telah memenuhi persyaratan-persyaratan Bank.

18. LONG-TERM BANK LOANS (continued)

PT Bank HSBC Indonesia (Bank HSBC)

On November 23, 2017, the Company obtained credit facility from Bank HSBC with credit limit of Rp100,000,000,000, which is used for financing of outlet rent and purchasing new outlet for Pizza Hut and Pizza Hut Delivery. This facility is valid for 5 years until November 23, 2022.

The facility is secured by the assets financed by Bank HSBC and certain land and building owned by the Company.

This loan bears an annual interest at rate of 10.25% in 2017.

As of December 31, 2017, the outstanding balance under this facility amounted to Rp42,674,840,402.

The first installment will start on December 2018.

Compliance with loan covenants

The credit agreement includes restrictions and covenants whereby the Company, without prior written consent from Bank HSBC, is not permitted to change its composition of the shareholders and distribute dividend exceeding 50% of income for the year.

The Company is also required to meet the obligation to maintain financial ratios with minimum 1.2 (one point two) time in Debt Service Coverage Ratio (DSCR), maximum of 2.3 (two point three) times in External Gearing Ratio and maximum 3 (three) times in total bank loan/Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA).

In 2017, the Company amended its articles of association by distributing dividend exceeding 50% of income for the year which afterwards deposited back as additional paid-in capital (Note 1). With this, the breach of the negative covenant required by Bank HSBC has been approved to be waived in 2017.

As of December 31, 2017, the Company has complied with the Bank requirements.

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19. UTANG SEWA PEMBIAYAAN

Pada tanggal 23 Desember 2015, Perusahaan melakukan perjanjian jual dan sewa-balik dengan PT Mitsubishi UFJ Lease & Finance Indonesia (MULI) atas perlengkapan restoran Perusahaan sebesar Rp29.868.834.855. Perjanjian ini akan jatuh tempo pada tanggal 29 Januari 2020 dan dikenakan tingkat bunga mengambang sebesar antara 9,55% sampai dengan 11,7% pada tahun 2016. Pada tanggal 29 Januari 2016, Perusahaan telah membayar uang jaminan serta biaya administrasi sebesar Rp5.973.766.971 dan untuk cicilan pertama telah dibayarkan mulai tanggal 29 Februari 2016. Utang sewa pembiayaan ini dijamin dengan aset sewa pembiayaan yang bersangkutan (Catatan 10).

Pada tanggal 31 Desember 2017 dan 2016, saldo pinjaman atas fasilitas ini adalah masing-masing sebesar Rp13.591.274.173 dan Rp19.258.335.928.

Total pembayaran pinjaman atas fasilitas ini selama tahun 2017 dan 2016 masing-masing sebesar Rp5.667.061.755 dan Rp4.636.731.956.

Minimum pembayaran pada masa mendatang atas sewa pembiayaan adalah sebagai berikut:

Tahun	31 Desember/December 31		Year
	2017	2016	
2017	-	7.235.240.148	2017
2018	7.122.848.880	7.235.240.148	2018
2019	7.122.848.880	7.235.240.148	2019
2020	593.570.740	602.936.679	2020
Total pembayaran minimum	14.839.268.500	22.308.657.123	Total minimum payments
Dikurangi bagian bunga	(1.247.994.327)	(3.050.321.195)	Less interest portion
Utang sewa pembiayaan	13.591.274.173	19.258.335.928	Finance lease payable
Dikurangi bagian yang jatuh tempo dalam satu tahun	(6.233.784.996)	(5.638.638.750)	Less current maturities
Bagian jangka panjang	7.357.489.177	13.619.697.178	Long-term portion

Suku bunga atas fasilitas sewa pembiayaan pada tahun 2017 berkisar dari 8,25% sampai dengan 9,55% (2016: 9,6% sampai dengan 11,7%).

19. FINANCE LEASE PAYABLE

On December 23, 2015, the Company entered into sale and lease-back agreement with PT Mitsubishi UFJ Lease & Finance Indonesia (MULI) for the Company's restaurant equipment amounting to Rp29,868,834,855. This agreement will mature on January 29, 2020 and bears a floating interest rate at 9.55% to 11.7% in 2016. On January 29, 2016, the Company paid the security deposit along with the administration fee amounting to Rp5,973,766,971 and the first installment started on February 29, 2016. The finance lease payable is guaranteed by the asset under finance lease (Note 10).

As of December 31, 2017 and 2016, the outstanding balance under this facility amounted to Rp13,591,274,173 and Rp19,258,335,928, respectively.

Total payment of this facility during 2017 and 2016 amounted to Rp5,667,061,755 and Rp4,636,731,956, respectively.

Future minimum lease payments under finance leases are as follows:

Interest rates of obligations under finance leases facility in 2017 are ranging from 8.25% to 9.55% (2016: 9.6% to 11.7%).

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20. MODAL SAHAM

Rincian pemegang saham Perusahaan dan pemilikannya pada tanggal 31 Desember 2017 adalah sebagai berikut:

Pemegang Saham	Jumlah Saham/ Number of Shares	Persentase Kepemilikan/ Percentage of Ownership	Total	Shareholders
PT Sriboga Raturaya	2.199.683.250	90,99%	219.968.325.000	PT Sriboga Raturaya
Mountain High Investment Limited	217.816.750	9,01%	21.781.675.000	Mountain High Investment Limited
Total	2.417.500.000	100,00%	241.750.000.000	Total

Rincian pemegang saham Perusahaan dan pemilikannya pada tanggal 31 Desember 2016 dan 2015 adalah sebagai berikut:

Pemegang Saham	Jumlah Saham/ Number of Shares	Persentase Kepemilikan/ Percentage of Ownership	Total	Shareholders
PT Sriboga Raturaya	5.232	90,99%	5.232.000.000	PT Sriboga Raturaya
Mountain High Investment Limited	518	9,01%	518.000.000	Mountain High Investment Limited
Total	5.750	100,00%	5.750.000.000	Total

20. SHARE CAPITAL

The composition of the Company's shareholders and its ownership as of December 31, 2017, are as follows:

The composition of the Company's shareholders and its ownership as of December 31, 2016 and 2015, are as follows:

Berdasarkan risalah rapat Dewan Komisaris yang diadakan pada tanggal 19 Desember 2014, Perusahaan menyetujui untuk membagikan dividen interim untuk tahun 2014 sebesar Rp10.000.000.000, dicatat sebagai "Utang Dividen" pada laporan posisi keuangan dan telah dibayarkan pada tahun 2015.

Based on the minutes of the Board of Directors circular resolutions held on December 19, 2014, the Company decided to distribute interim dividends for the year 2014 amounting to Rp10,000,000,000, it was recorded as "Dividends Payable" in the statements of financial position and was paid in 2015.

Berdasarkan risalah rapat Dewan Komisaris dan Dewan Direksi yang diadakan pada tanggal 4 Mei 2015, Perusahaan menyetujui untuk membagikan tambahan dividen untuk tahun 2014 sebesar Rp4.000.000.000 dan telah dibayarkan pada tahun 2015.

Based on the minutes of the Board of Commissioners and Board of Directors circular resolutions held on May 4, 2015, the Company decided to distribute the additional dividends for the year 2014 amounting to Rp4,000,000,000, and was paid in 2015.

Berdasarkan risalah rapat Dewan Komisaris dan Dewan Direksi yang diadakan pada tanggal 14 Juli 2015, Perusahaan menyetujui untuk membagikan dividen interim untuk tahun 2015 sebesar Rp7.500.000.000 dan telah dibayarkan pada tahun 2015.

Based on the minutes of the Board of Commissioners and Board of Directors circular resolutions held on July 14, 2015, the Company decided to distribute the interim dividends for the year 2015 amounting to Rp7,500,000,000, and was paid in 2015.

Berdasarkan risalah rapat Dewan Komisaris dan Dewan Direksi yang diadakan pada tanggal 10 November 2015, Perusahaan menyetujui untuk membagikan tambahan dividen interim untuk tahun 2015 sebesar Rp7.500.000.000 dan telah dibayarkan pada tahun 2015.

Based on the minutes of the Board of Commissioners and Board of Directors circular resolutions held on November 10, 2015, the Company decided to distribute additional interim dividends for the year 2015 amounting to Rp7,500,000,000 and was paid in 2015.

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20. MODAL SAHAM (lanjutan)

Berdasarkan risalah rapat Dewan Komisaris dan Dewan Direksi yang diadakan pada tanggal 12 Februari 2016, Perusahaan menyetujui untuk membagikan dividen interim untuk tahun 2015 sebesar Rp12.000.000.000 dan telah dibayarkan pada tahun 2016.

Berdasarkan risalah rapat Dewan Komisaris dan Dewan Direksi yang diadakan pada tanggal 3 Mei 2016, Perusahaan menyetujui untuk membagikan tambahan dividen untuk tahun 2015 sebesar Rp3.000.000.000 dan telah dibayarkan pada tahun 2016.

Berdasarkan risalah Rapat Umum Pemegang Saham Tahunan (RUPST) yang diselenggarakan pada tanggal 3 Mei 2016, para pemegang saham telah meratifikasi pembagian dividen interim untuk tahun 2015 sebesar Rp27.000.000.000 yang telah dibayarkan (sesuai dengan yang telah disebutkan di atas) dan menyetujui pembagian tambahan dividen untuk tahun 2015 sebesar Rp3.000.000.000. RUPST tersebut juga menyatakan bahwa dividen final Perusahaan untuk tahun buku 2015 adalah sebesar Rp30.000.000.000.

Berdasarkan risalah rapat Dewan Komisaris dan Dewan Direksi yang diadakan pada tanggal 21 Juni 2016, Perusahaan menyetujui untuk membagikan dividen interim untuk tahun 2016 sebesar Rp14.000.000.000 dan telah dibayarkan pada tahun 2016.

Berdasarkan risalah rapat Dewan Komisaris dan Dewan Direksi yang diadakan pada tanggal 25 Agustus 2016, Perusahaan menyetujui untuk membagikan tambahan dividen interim untuk tahun 2016 sebesar Rp20.000.000.000 dan telah dibayarkan pada tahun 2016.

Berdasarkan risalah rapat Dewan Komisaris dan Dewan Direksi yang diadakan pada tanggal 15 Desember 2016, Perusahaan menyetujui untuk membagikan tambahan dividen interim untuk tahun 2016 sebesar Rp19.000.000.000 dan telah dibayarkan pada tahun 2016.

Berdasarkan risalah rapat Dewan Direksi dan Komisaris yang diadakan pada tanggal 14 Maret 2017, Perusahaan menyetujui untuk membagikan dividen interim untuk tahun 2016 sebesar Rp10.000.000.000 dan telah dibayarkan pada tahun 2017.

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20. SHARE CAPITAL (continued)

Based on the minutes of the Board of Commissioners and Board of Directors circular resolutions held on February 12, 2016, the Company decided to distribute the interim dividends for the year 2015 amounting to Rp12,000,000,000, and was paid in 2016.

Based on the minutes of the Board of Commissioners and Board of Directors circular resolutions held on May 3, 2016, the Company approved to distribute the additional dividends for the year 2015 amounting to Rp3,000,000,000, and was paid in 2016.

Based on the minutes of the Annual General Meeting of Shareholders (AGMOS) held on May 3, 2016, the Company ratified to distribute the interim dividends for the year 2015 amounting to Rp27,000,000,000 which was paid (as mentioned above) and decided to distribute the additional dividends for the 2015 amounting to Rp3,000,000,000. AGMOS also declared the final dividends of the Company for the year 2015 amounted Rp30,000,000,000.

Based on the minutes of the Board of Commissioners and Board of Directors circular resolutions held on June 21, 2016, the Company approved to distribute interim dividends for the year 2016 amounting to Rp14,000,000,000, and was paid in 2016.

Based on the minutes of the Board of Commissioners and Board of Directors circular resolutions held on August 25, 2016, the Company approved to distribute additional interim dividends for the year 2016 amounting to Rp20,000,000,000 and was paid in 2016.

Based on the minutes of the Board of Commissioners and Board of Directors circular resolutions held on December 15, 2016, the Company approved to distribute additional interim dividends for the year 2016 amounting to Rp19,000,000,000 and was paid in 2016.

Based on the minutes of the Board of Directors and Commissioners circular resolutions held on March 14, 2017, the Company approved to distribute interim dividends for the year 2016 amounting to Rp10,000,000,000 and was paid in 2017.

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20. MODAL SAHAM (lanjutan)

Berdasarkan risalah Rapat Umum Pemegang Saham Tahunan (RUPST) yang diselenggarakan pada tanggal 27 April 2017, para pemegang saham telah meratifikasi pembagian interim dividen untuk tahun 2016 sebesar Rp63.000.000.000 yang telah dibayarkan pada tahun 2016 dan menyetujui pembagian tambahan dividen untuk tahun 2016 sebesar Rp2.000.000.000 yang telah dibayarkan pada tahun 2017. RUPST tersebut juga menyatakan bahwa dividen final Perusahaan untuk tahun buku 2016 adalah sebesar Rp65.000.000.000 dan sisa dividen tahun buku 2016 sebesar Rp2.000.000.000 telah dibayarkan pada tahun 2017.

Berdasarkan risalah rapat Dewan Komisaris dan Dewan Direksi yang diadakan pada tanggal 21 Juni 2017, Perusahaan menyetujui untuk membagikan dividen interim untuk tahun 2017 sebesar Rp15.000.000.000 dan telah dibayarkan pada tahun 2017.

Berdasarkan Akta Pernyataan Keputusan Pemegang Saham Perubahan Anggaran Dasar No. 21 tanggal 12 September 2017 dari Notaris Aryanti Artisari, S.H., M.Kn para pemegang saham Perusahaan memutuskan dan menyetujui untuk membagikan dividen dari sebagian saldo laba ditahan Perusahaan tahun buku 2016 sebesar Rp295.000.000.000 yang dibagikan secara proporsional kepada masing-masing pemegang saham (Catatan 1).

Pengelolaan Modal

Tujuan utama pengelolaan modal Perusahaan adalah untuk memastikan terpeliharanya rasio modal yang sehat untuk mendukung usaha dan memaksimalkan imbalan bagi pemegang saham.

Perusahaan mengelola struktur permodalan dan melakukan penyesuaian, berdasarkan perubahan kondisi ekonomi. Untuk memelihara dan menyesuaikan struktur permodalan, Perusahaan dapat menyesuaikan pembayaran dividen kepada pemegang saham, menerbitkan saham baru atau mengusahakan pendanaan melalui pinjaman. Tidak ada perubahan atas tujuan, kebijakan maupun proses selama periode penyajian.

Kebijakan Perusahaan adalah mempertahankan struktur permodalan yang sehat untuk mengamankan akses terhadap pendanaan pada biaya yang wajar.

20. SHARE CAPITAL (continued)

Based on the minutes of the Annual General Meeting of Shareholders (AGMOS) held on April 27, 2017, the Company has ratified to distribute the interim dividends for the year 2016 amounting to Rp63,000,000,000 that was paid in 2016 and approved to distribute the additional dividends for the 2016 amounting to Rp2,000,000,000 that was paid in 2017. AGMOS also declared the final dividends of the Company for the year 2016 amounting to Rp65,000,000,000 and the remaining dividend for the year 2016 amounting to Rp2,000,000,000 which was paid in 2017.

Based on the minutes of the Board of Commissioners and Board of Directors circular resolutions held on June 21, 2017, the Company approved to distribute the interim dividends for the year 2017 amounting to Rp15,000,000,000, and was paid in 2017.

Based on the Notarial Deed of the Company's General Meeting of Shareholder No. 21 dated September 12, 2017 of Notary Aryanti Artisari, S.H., M.Kn the shareholders of the Company decided and agreed to distributed dividends from retained earnings of 2016 amounting to Rp295,000,000,000 which is distributed proportionally to each shareholder (Note 1).

Capital Management

The primary objective of the Company's capital management is to ensure that healthy capital ratios are maintained in order to support its business and maximize stockholders value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, issue new shares or raise debt financing. No changes were made in the objectives, policies or processes during the periods presented.

The Company's policy is to maintain a healthy capital structure in order to secure access to financing at a reasonable cost.

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20. MODAL SAHAM (lanjutan)

Laba per saham dasar

	Tahun yang Berakhir pada tanggal 31 Desember/ Year ended December 31		
	2017	2016	2015
Laba tahun berjalan	141.323.973.291	130.427.829.249	61.376.896.625
Rata-rata tertimbang jumlah saham biasa (lembar saham)	846.321.918	57.500.000	57.500.000
Laba per saham dasar - disajikan kembali	167	2.268	1.067

Laba bersih per saham dasar pada tanggal 31 Desember 2016 dan 2015 disajikan kembali setelah memperhitungkan pemecahan saham (Catatan 1). Laba Perusahaan dilusian memiliki jumlah yang sama dengan laba per saham dasar dikarenakan tidak adanya efek yang berpotensi dilutif.

20. SHARE CAPITAL (continued)

Basic earnings per share

	Tahun yang Berakhir pada tanggal 31 Desember/ Year ended December 31		
	2017	2016	2015
Income for the year	141.323.973.291	130.427.829.249	61.376.896.625
Weighted average number of ordinary shares (number of shares)	846.321.918	57.500.000	57.500.000
Basic earnings per share - as restated	167	2.268	1.067

Basic earnings per share for the years ended December 31, 2016 and 2015 are restated after considering the effect of stock split (Note 1). Diluted earnings per share has the same amount with basic earnings per share since there is no potential dilutive effect.

21. PENJUALAN NETO

Akun ini terdiri dari:

	Tahun yang Berakhir pada tanggal 31 Desember/ Year ended December 31		
	2017	2016	2015
Pihak Ketiga			
Makanan	2.604.879.695.297	2.288.543.227.488	2.109.606.938.288
Minuman	428.190.390.784	415.236.929.560	423.894.749.757
Sub-total	3.033.070.086.081	2.703.780.157.048	2.533.501.688.045
Potongan penjualan	(6.063.371.736)	(8.465.880.846)	(39.760.162.669)
Total Penjualan - Neto	3.027.006.714.345	2.695.314.276.202	2.493.741.525.376

Selama tahun yang berakhir pada tanggal-tanggal 31 Desember 2017, 2016 dan 2015, tidak ada penjualan kepada pelanggan secara individual yang melebihi 10% dari total penjualan.

21. NET SALES

This account is consists of:

	Tahun yang Berakhir pada tanggal 31 Desember/ Year ended December 31		
	2017	2016	2015
Third Parties			
Foods	2.604.879.695.297	2.288.543.227.488	2.109.606.938.288
Beverages	428.190.390.784	415.236.929.560	423.894.749.757
Sub-total	3.033.070.086.081	2.703.780.157.048	2.533.501.688.045
Sales discount	(6.063.371.736)	(8.465.880.846)	(39.760.162.669)
Total Sales - Net	3.027.006.714.345	2.695.314.276.202	2.493.741.525.376

During the years ended December 31, 2017, 2016 and 2015, there were no sales to individual customers with annual cumulative amount in excess of 10% of total sales.

22. BEBAN POKOK PENJUALAN

Akun ini terdiri dari:

	Tahun yang Berakhir pada tanggal 31 Desember/ Year ended December 31		
	2017	2016	2015
Persediaan awal (Catatan 7)	135.195.777.837	160.404.419.569	136.163.330.060
Pembelian			
Pihak berelasi (Catatan 6)	42.268.066.981	36.618.770.731	39.081.116.713
Pihak ketiga	1.078.422.519.799	810.773.243.969	817.330.736.039
Barang tersedia untuk dijual	1.255.886.364.617	1.007.796.434.269	992.575.182.812
Persediaan akhir (Catatan 7)	(254.350.220.535)	(135.195.777.837)	(160.404.419.569)
Total	1.001.536.144.082	872.600.656.432	832.170.763.243

Selama tahun yang berakhir pada tanggal-tanggal 31 Desember 2017, 2016 dan 2015, tidak ada pembelian kepada pelanggan secara individual yang melebihi 10% dari total penjualan.

22. COST OF GOODS SOLD

This account is consists of:

	Tahun yang Berakhir pada tanggal 31 Desember/ Year ended December 31		
	2017	2016	2015
Beginning inventories (Note 7)	135.195.777.837	160.404.419.569	136.163.330.060
Purchases			
Related parties (Note 6)	42.268.066.981	36.618.770.731	39.081.116.713
Third parties	1.078.422.519.799	810.773.243.969	817.330.736.039
Goods available for sale	1.255.886.364.617	1.007.796.434.269	992.575.182.812
Ending inventories (Note 7)	(254.350.220.535)	(135.195.777.837)	(160.404.419.569)
Total	1.001.536.144.082	872.600.656.432	832.170.763.243

During the years ended December 31, 2017, 2016 and 2015, there were no purchase to individual customers with annual cumulative amount in excess of 10% of total sales.

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23. BEBAN PENJUALAN DAN UMUM DAN ADMINISTRASI

a. Beban penjualan

Akun ini terdiri dari:

Tahun yang Berakhir pada tanggal 31 Desember/ Years ended December 31			
	2017	2016	2015
Gaji dan kesejahteraan (Catatan 26)	704.356.192.186	633.504.719.088	565.146.716.290
Beban waralaba yang berkelanjutan (Catatan 17 dan 25)	193.913.928.806	176.540.035.641	162.950.507.674
Listrik, air dan gas	151.458.021.183	137.854.110.966	144.808.513.135
Sewa bangunan	168.396.921.300	156.108.988.497	151.230.967.133
Iklan dan promosi	117.055.845.628	97.439.559.268	107.446.585.188
Penyusutan (Catatan 10)	97.594.533.111	86.628.253.455	81.327.925.727
Perlengkapan operasi	65.317.453.111	54.237.859.932	55.865.671.013
Transportasi	44.539.406.103	39.295.478.246	38.442.457.096
Pemeliharaan dan perbaikan	43.973.300.182	39.465.188.574	38.879.741.518
Perbaikan gedung	38.904.367.040	37.023.243.657	35.746.994.791
Amortisasi beban waralaba yang ditangguhkan (Catatan 11 dan 25)	12.040.816.197	11.252.814.208	9.905.544.380
Sewa perlengkapan	11.055.161.185	15.704.061.912	21.146.975.100
Jasa profesional	10.664.265.170	2.640.140.223	2.402.153.254
Komunikasi	10.484.844.370	10.153.078.288	9.971.001.911
Beban kartu kredit	10.065.773.365	9.081.283.061	8.849.482.186
Perizinan	9.564.717.294	9.570.553.531	9.211.309.203
Asuransi	5.515.156.466	6.552.132.341	12.121.549.308
Pelatihan dan perekrutan	3.616.334.891	2.700.770.640	3.592.196.893
Seragam	2.376.059.013	2.175.882.892	2.398.007.336
Lainnya (masing-masing dibawah Rp600.000.000)	3.675.557.266	1.249.999.079	6.638.202.032
Total	1.704.568.653.867	1.529.178.153.499	1.468.082.501.168

Salary and benefits (Note 26)
Continuing franchise fee
(Notes 17 and 25)
Electricity, water and gas
Rental of buildings
Advertising and promotions
Depreciation (Note 10)
Operating supplies
Transportation
Repairs and maintenance
Building services
Amortization of deferred
franchise fee (Notes 11 and 25)
Equipment rental
Professional fees
Communication
Credit card fees
License
Insurance
Training and recruitment
Uniform
Others (each below
Rp600,000,000)

b. Beban umum dan administrasi

Akun ini terdiri dari:

Tahun yang Berakhir pada tanggal 31 Desember/ Years ended December 31			
	2017	2016	2015
Gaji dan kesejahteraan	95.684.127.441	83.032.330.704	76.027.938.125
Penyusutan (Catatan 10)	8.431.361.068	8.259.623.038	7.977.443.733
Pelatihan dan perekrutan	8.048.236.922	7.057.406.720	5.204.002.891
Jasa profesional	7.394.752.095	6.734.321.311	3.473.740.144
Perjalanan dinas	7.313.869.792	6.944.381.366	7.107.900.959
Sewa bangunan	4.150.336.579	3.754.305.972	3.388.278.139
Transportasi	3.824.054.322	3.384.195.970	3.525.062.392
Perlengkapan operasi	2.367.043.173	3.182.902.560	2.804.446.351
Komunikasi	1.571.334.791	1.505.628.835	1.368.014.447
Sumbangan	1.348.465.826	994.756.905	828.486.971
Asuransi	1.310.935.825	1.317.296.987	2.069.733.323
Perizinan	1.086.447.274	1.201.292.942	933.561.270
Pemeliharaan dan perbaikan	871.160.672	1.086.262.711	982.730.046
Donasi	421.992.146	649.489.921	1.600.907.789
Lainnya (masing-masing dibawah Rp600.000.000)	1.734.654.481	1.713.915.165	2.261.832.209
Total	145.558.772.407	130.818.111.107	119.554.078.789

Salary and benefits
Depreciation (Note 10)
Training and recruitment
Professional fees
Travel
Building rental
Transportation
Operating supplies
Communication
Subscriptions
Insurance
Licenses
Repairs and maintenance
Donation
Others (each below
Rp600,000,000)

23. SELLING AND GENERAL AND ADMINISTRATIVE EXPENSES

a. Selling expenses

This account is consists of:

b. General and administrative expenses

This account is consists of:

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24. PENDAPATAN (BEBAN) OPERASI LAIN-LAIN

a. Pendapatan operasi lain-lain

Akun ini terdiri dari:

**Tahun yang Berakhir pada tanggal 31 Desember/
Years ended December 31**

	2017	2016	2015
Jasa antar	32.854.189.895	35.459.837.232	34.911.399.936
Jasa manajemen dan jasa lainnya (Catatan 6)	16.510.008.519	12.755.855.174	9.933.862.789
Sponsor	6.792.361.554	12.691.584.144	15.867.841.802
Laba klaim asuransi	1.458.765.824	-	-
Lainnya (masing-masing dibawah Rp600.000.000)	2.028.328.646	266.947.866	1.367.194.056
Total	59.643.654.438	61.174.224.416	62.080.298.583

*Delivery fee
Management service
and other services (Note 6)
Sponsorship
Gain on insurance claim
Others (each below
Rp600,000,000)*

Total

b. Beban lain-lain

Akun ini terdiri dari:

**Tahun yang Berakhir pada tanggal 31 Desember/
Years ended December 31**

	2017	2016	2015
Biaya provisi dan bank	9.213.035.004	8.200.603.581	10.349.316.871
Rugi penjualan dan penghapusan aset tetap (Catatan 10)	2.405.415.614	4.601.394.718	3.485.036.197
Rugi klaim asuransi	-	2.271.272.339	-
Lainnya (masing-masing dibawah Rp600.000.000)	851.409.536	1.931.414.965	-
Total	12.469.860.154	17.004.685.603	13.834.353.068

*Provision fee and bank charges
Loss on sale and
and write-off of
property and equipment (Note 10)
Loss on insurance claim
Others (each below
Rp600,000,000)*

Total

24. OTHER OPERATING INCOME (EXPENSES)

a. Other operating income

This account is consists of:

b. Other expenses

This account is consists of:

25. PERJANJIAN SIGNIFIKAN

Perjanjian Franchise Outlet

Perusahaan memperoleh hak dari Yum! Asia Franchise Pte. Ltd. (Yum!) untuk mendirikan dan mengoperasikan gerai Pizza Hut. Aktivitas operasional dari setiap gerai yang dimiliki harus dijalankan sesuai dengan *Initial Franchise Fee Agreement (IFA)*.

25. SIGNIFICANT AGREEMENTS

Franchise Outlet Agreement

The Company obtained the right from Yum! Asia Franchise Pte. Ltd. (Yum!), holder of Pizza Hut License, to establish and operate Pizza Hut outlets. Operational activities from each outlet must be in accordance with Initial Franchise Fee Agreement (IFA).

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25. PERJANJIAN SIGNIFIKAN (lanjutan)

Perjanjian Franchise Outlet (lanjutan)

Sebagai imbalannya, Perusahaan diharuskan membayar kepada Yum! beban waralaba (*franchise fee*) untuk setiap gerai baru dengan pelayanan di tempat (PHR) dan pelayanan ambil di tempat dan diantar (PHD). Setiap gerai baru yang beroperasi diberikan hak waralaba untuk beroperasi selama periode 10 (sepuluh) tahun dan dapat diperpanjang untuk periode 10 (sepuluh) tahun berikutnya. Perusahaan diharuskan juga membayar kepada Yum! *renewal fee* atas setiap gerai restoran yang diperpanjang. *Initial fee* dan *renewal fee* atas setiap gerai baru setiap tahunnya adalah sebagai berikut:

	31 Desember/December 31				
	Initial fee setiap gerai/ Initial fee per outlet		Renewal fee setiap gerai/ Renewal fee per outlet		
	Pizza Hut Restaurant	Pizza Hut Delivery	Pizza Hut Restaurant	Pizza Hut Delivery	
2017	US\$50.100	US\$25.100	US\$25.500	US\$12.550	2017
2016	US\$49.100	US\$24.600	US\$24.550	US\$12.300	2016
2015	US\$48.800	US\$24.400	US\$24.400	US\$12.200	2015

Pada tanggal 31 Desember 2017, 2016 dan 2015, saldo atas beban waralaba disajikan sebagai "Beban Waralaba yang Ditangguhkan" pada laporan posisi keuangan (Catatan 11) dan amortisasi atas transaksi tersebut disajikan sebagai "Amortisasi Beban Waralaba yang Ditangguhkan" pada laporan laba rugi dan penghasilan komprehensif lain (Catatan 23).

Selain itu, Perusahaan juga diharuskan membayar kepada Yum! beban waralaba yang berkelanjutan (*continuing franchise fee*) sebesar 6% untuk PHR dan PHD berdasarkan nilai penjualan setiap bulan. Pembayaran beban tambahan dapat berubah seiring dengan tingkat inflasi.

Pada tanggal 31 Desember 2017, 2016 dan 2015, saldo terutang beban waralaba yang berkelanjutan disajikan sebagai "Beban Masih Harus Dibayar - Beban Waralaba yang Berkelanjutan" pada laporan posisi keuangan (Catatan 17) dan beban atas transaksi tersebut disajikan sebagai "Beban Waralaba yang Berkelanjutan" pada laporan laba rugi dan penghasilan komprehensif lain (Catatan 23).

25. SIGNIFICANT AGREEMENTS (continued)

Franchise Outlet Agreement (continued)

As compensation, the Company shall pay Yum! franchise fees for every new each type of outlet with dine-in restaurant (PHR) and take away and delivery service (PHD). Every new outlets opened are given a franchise to operate for a period of 10 (ten) years and renewable for another period of 10 (ten) years. The Company is also obliged to pay renewal fee for every existing outlet renewed. Initial fee and renewal fee for the new outlet or renewed each year are as follow:

As of December 31, 2017, 2016 and 2015, the balance of franchise fee are presented as "Deferred Franchise Fee" in the statements of financial position (Note 11) and amortization arising from this transaction are presented as "Amortization of Deferred Franchise Fee" the statements of profit or loss and other comprehensive income (Note 23).

Additionally, the Company shall pay to Yum! a continuing franchise fee of 6% for PHR and PHD based on sales revenue every month. Payment of additional fee is subject to adjustment based on inflation rate.

As of December 31, 2017, 2016 and 2015, the balance of unpaid continuing franchise fee are presented as "Accrued Expenses - Continuing Franchise Fee" in the statements of financial position (Note 17) and expenses arising from this transaction are presented as "Continuing Franchise Fee" in the statements of profit or loss and other comprehensive income (Note 23).

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26. LIABILITAS IMBALAN KERJA KARYAWAN

Liabilitas imbalan kerja karyawan pada tanggal 31 Desember 2017, 2016, dan 2015 dihitung oleh aktuaris independen PT Dian Artha Tama dengan menggunakan metode *projected unit credit* dalam laporan aktuariannya tanggal masing-masing pada 26 Januari 2018, 10 Februari 2017, dan 5 Februari 2016. Asumsi-asumsi dasar yang digunakan aktuaris independen adalah sebagai berikut:

26. EMPLOYEE BENEFITS LIABILITIES

The liability for employee benefits as of December 31, 2017, 2016 and 2015 are calculated by independent actuary PT Dian Artha Tama which used the projected unit credit method in its report dated January 26, 2018, February 10, 2017 and February 5, 2016, respectively. The principal actuarial assumptions used by the independent actuary were as follows:

31 Desember/December 31,				
	2017	2016	2015	
Tingkat bunga diskonto	7,0%	8,5%	9,1%	Discount interest rate
Tingkat proyeksi kenaikan gaji	8,0%	8,0%	8,0%	Salary increase projection rate
Tabel kematian	Indonesia – III (2011)	Indonesia – III (2011)	Indonesia – III (2011)	Mortality table
Tingkat cacat	0,02%	0,02%	0,02%	Disability rate
Tingkat pengunduran diri				Rate of resignations
Umur 18-30 tahun	5,0% per tahun/ per annum	5,0% per tahun/ per annum	5,0% per tahun/ per annum	Age 18-30 years
Umur 31-40 tahun	4,0% per tahun/ per annum	4,0% per tahun/ per annum	4,0% per tahun/ per annum	Age 31-40 years
Umur 41-44 tahun	3,0% per tahun/ per annum	3,0% per tahun/ per annum	3,0% per tahun/ per annum	Age 41-44 years
Umur 45-52 tahun	1,0% per tahun/ per annum	1,0% per tahun/ per annum	1,0% per tahun/ per annum	Age 45-52 years
Umur 53-54 tahun	0,0% per tahun/ per annum	0,0% per tahun/ per annum	0,0% per tahun/ per annum	Age 53-54 years
Usia pensiun (tahun)	56	55	55	Retirement age (years old)

Beban penyisihan imbalan kerja karyawan yang dibebankan untuk tahun yang berakhir pada tanggal 31 Desember 2017, 2016 dan 2015 disajikan sebagai bagian dari Beban Penjualan (Catatan 23) dalam laporan laba rugi dan penghasilan komprehensif lain.

The provision for employment benefit expenses for the years ended December 31, 2017, 2016 and 2015, are presented as part of Selling Expenses (Note 23) in the statements of profit or loss and other comprehensive income.

Jumlah yang diakui dalam laporan laba rugi dan penghasilan komprehensif lain adalah sebagai berikut:

The amounts recognized in the statements of profit or loss and other comprehensive income are as follows:

Tahun yang Berakhir pada tanggal 31 Desember/ Years ended December 31				
	2017	2016	2015	
Biaya jasa kini	31.016.214.091	18.575.881.484	15.424.863.512	Current service costs
Biaya bunga	17.962.889.524	15.180.885.798	12.724.247.853	Interest costs
Total	48.979.103.615	33.756.767.282	28.149.111.365	Total

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**26. LIABILITAS IMBALAN KERJA KARYAWAN
(lanjutan)**

26. EMPLOYEE BENEFITS LIABILITIES (continued)

Mutasi liabilitas imbalan kerja karyawan pada laporan posisi keuangan adalah sebagai berikut:

The movement in employee benefits obligation in the statements of financial position are as follows:

	31 Desember/December 31,			
	2017	2016	2015	
Saldo awal, 1 Januari	211.328.112.051	166.822.920.854	159.053.098.162	Beginning balance, January 1
Penyisihan pada laporan laba rugi dan penghasilan komprehensif lain	48.979.103.615	33.756.767.282	28.149.111.365	Provision in the statements of profit or loss and other comprehensive income
Pengukuran kembali liabilitas imbalan kerja karyawan	32.278.172.322	14.810.941.760	(16.702.339.481)	Remeasurement of employee benefits liabilities
Pembayaran tahun berjalan	(3.835.236.404)	(4.062.517.845)	(3.676.949.192)	Payments during the year
Saldo Akhir	288.750.151.584	211.328.112.051	166.822.920.854	Ending Balance

Mutasi nilai kini liabilitas imbalan kerja karyawan yang diakui pada laporan posisi keuangan adalah sebagai berikut:

The movements of present value of employee benefit obligation in the statements of financial position are as follows:

	31 Desember/December 31,			
	2017	2016	2015	
Saldo awal, 1 Januari	211.328.112.051	166.822.920.854	159.053.098.162	Beginning balance, January 1
Biaya jasa kini	31.016.214.091	18.575.881.484	15.424.863.512	Current service costs
Biaya bunga	17.962.889.524	15.180.885.798	12.724.247.853	Interest costs
Pembayaran tahun berjalan	(3.835.236.404)	(4.062.517.845)	(3.676.949.192)	Payments during the year
Pengukuran kembali liabilitas imbalan kerja karyawan	32.278.172.322	14.810.941.760	(16.702.339.481)	Remeasurement of employee benefits liabilities
Saldo Akhir	288.750.151.584	211.328.112.051	166.822.920.854	Ending Balance

Mutasi pengukuran kembali diakui sebagai penghasilan komprehensif lain:

The movements in the balance of remeasurement charged to other comprehensive income:

	Tahun yang Berakhir pada tanggal 31 Desember/ Years ended December 31			
	2017	2016	2015	
Saldo awal, 1 Januari	30.455.654.013	15.644.712.253	32.347.051.734	Beginning balance, January 1
Kerugian (keuntungan) aktuarial yang diakui sebagai penghasilan komprehensif lain	32.278.172.322	14.810.941.760	(16.702.339.481)	Actuarial loss (gain) charged to other comprehensive income
Saldo Akhir	62.733.826.335	30.455.654.013	15.644.712.253	Ending Balance

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**26. LIABILITAS IMBALAN KERJA KARYAWAN
(lanjutan)**

26. EMPLOYEE BENEFITS LIABILITIES (continued)

Tabel berikut menunjukkan sensitivitas atas kemungkinan perubahan tingkat diskonto dan tingkat kenaikan gaji sebesar 1%, dengan variabel lain dianggap tetap, terhadap nilai kini liabilitas imbalan kerja karyawan: (tidak diaudit)

The following table demonstrates the sensitivity to a reasonably possible change in discount rates and salary increment rate of 1%, with all other variables held constant, of the present value of employee benefits liabilities: (unaudited)

	Tingkat diskonto/ Discount rate		Tingkat kenaikan gaji/ Salary increment rate		
	Kenaikan/ Increase	Penurunan/ Decrease	Kenaikan/ Increase	Penurunan/ Decrease	
Dampak pada agregat biaya jasa kini:					Effect on the aggregate current service cost:
2017	(3.290.109.480)	4.056.315.847	3.970.891.354	(3.286.489.654)	2017
2016	(2.268.366.998)	2.772.148.537	2.731.897.446	(2.274.323.548)	2016
2015	(1.866.758.641)	2.279.223.964	2.257.896.272	(1.879.272.494)	2015
Dampak pada nilai kini liabilitas imbalan kerja karyawan:					Effect on present value of employee benefits liabilities:
2017	(31.111.433.580)	37.257.225.316	36.492.055.955	(31.086.953.794)	2017
2016	(21.160.287.266)	25.040.033.659	24.712.365.286	(21.253.479.540)	2016
2015	(16.734.777.888)	19.738.068.625	19.587.932.521	(16.886.168.390)	2015

Analisa profil jatuh tempo nilai kini liabilitas imbalan kerja karyawan adalah sebagai berikut: (tidak diaudit)

The maturity profile analysis of the present value of employee benefits obligation are as follows: (unaudited)

	31 Desember/December 31,			
	2017	2016	2015	
1 tahun	3.907.744.600	4.636.632.849	1.495.931.349	Within one year
2 - 5 tahun	45.349.118.115	40.056.581.180	28.998.238.859	2 - 5 years
Lebih dari 5 tahun	5.072.385.010.005	4.679.568.388.584	4.569.438.667.260	More than 5 years
	5.121.641.872.720	4.724.261.602.613	4.599.932.837.468	

Durasi rata-rata tertimbang dari nilai kini liabilitas imbalan kerja karyawan diakhir periode pelaporan adalah 12 tahun.

The weighted average duration of the present value of employee benefits obligation at the end of reporting period is 12 years.

27. NILAI WAJAR DARI INSTRUMEN KEUANGAN

27. FAIR VALUE OF FINANCIAL INSTRUMENTS

Instrumen keuangan yang disajikan di dalam laporan posisi keuangan dicatat sebesar nilai wajar, atau disajikan dalam jumlah tercatat baik karena jumlah tersebut adalah estimasi nilai wajarnya atau karena nilai wajarnya tidak dapat diukur secara handal. Penjelasan lebih lanjut diberikan pada paragraf-paragraf berikut.

Financial instruments presented in the statements of financial position are carried at fair value, or they are presented at carrying amounts as either these are reasonable approximation of fair values or their fair values cannot be reliably measured. Further explanations are provided in the following paragraphs.

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27. NILAI WAJAR DARI INSTRUMEN KEUANGAN
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Instrumen keuangan yang nilai tercatatnya kurang lebih sebesar nilai wajarnya

Manajemen menetapkan bahwa nilai tercatat (berdasarkan jumlah nominal) kas dan bank, piutang usaha, piutang lain-lain, aset lancar lain-lain, utang bank jangka pendek, utang usaha, utang lain-lain, beban masih harus dibayar dan utang pihak berelasi kurang lebih sebesar nilai wajarnya karena instrumen keuangan tersebut berjangka pendek.

Nilai tercatat dari utang bank jangka panjang dan utang sewa pembiayaan dengan suku bunga mengambang kurang lebih sebesar nilai wajarnya karena dinilai ulang secara berkala.

Setoran jaminan dicatat pada biaya perolehan karena tidak praktis untuk memperkirakan nilai wajar dari setoran jaminan, karena tidak memiliki jangka waktu pembayaran yang tetap meskipun tidak diharapkan dapat diselesaikan dalam waktu 12 (dua belas) bulan setelah tanggal laporan posisi keuangan.

Tabel berikut menyajikan klasifikasi aset keuangan dan liabilitas keuangan Perusahaan pada tanggal 31 Desember 2017, 2016 dan 2015:

27. FAIR VALUE OF FINANCIAL INSTRUMENTS
(continued)

Financial instruments with carrying amounts that approximate their fair values

Management has determined that the carrying amounts (based on notional amount) of cash on hand and in banks, trade receivables, other receivables, other current assets, short-term bank loans, trade payables, other payables, accrued expenses and due to related party reasonably approximate their fair values because they are mostly short-term in nature.

The carrying amounts of long-term bank loans and finance lease payable with floating interest rates approximate their fair values as they are re-priced frequently.

Security deposits are carried at cost because it is not practical to estimate the fair values of security deposits in the absence of fixed repayment terms although they are not expected to be settled within 12 (twelve) months after the statements of financial position.

The following table sets forth the financial assets and financial liabilities of the Company as of December 31, 2017, 2016, and 2015:

	Pinjaman yang diberikan dan piutang/ <i>Loans and receivables</i>	Liabilitas keuangan yang diukur pada biaya perolehan diamortisasi/ <i>Financial liabilities measured at amortized cost</i>	Total	
31 Desember 2017				December 31, 2017
Aset keuangan				Financial assets
Kas dan bank	75.462.135.621	-	75.462.135.621	Cash on hand and in banks
Piutang usaha	14.503.260.354	-	14.503.260.354	Trade receivables
Piutang lain-lain	3.855.469.462	-	3.855.469.462	Other receivables
Aset lancar lain-lain	613.550.174	-	613.550.174	Other current assets
Setoran jaminan	20.457.247.780	-	20.457.247.780	Security deposits
Total aset keuangan	114.891.663.391	-	114.891.663.391	Total financial assets
Liabilitas keuangan				Financial liabilities
Utang bank jangka pendek	-	146.967.236.261	146.967.236.261	Short-term bank loans
Utang usaha	-	137.244.154.586	137.244.154.586	Trade payables
Utang lain-lain	-	35.886.460.339	35.886.460.339	Other payables
Beban masih harus dibayar	-	148.725.387.453	148.725.387.453	Accrued expenses
Utang pihak berelasi	-	23.688.022.826	23.688.022.826	Due to related party
Utang bank jangka panjang	-	273.474.984.137	273.474.984.137	Long-term bank loans
Utang sewa pembiayaan	-	13.591.274.173	13.591.274.173	Finance lease payable
Total liabilitas keuangan	-	779.577.519.775	779.577.519.775	Total financial liabilities

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27. NILAI WAJAR DARI INSTRUMEN KEUANGAN
(lanjutan)

Tabel berikut menyajikan klasifikasi aset keuangan dan liabilitas keuangan Perusahaan pada tanggal 31 Desember 2017, 2016 dan 2015: (lanjutan)

27. FAIR VALUE OF FINANCIAL INSTRUMENTS
(continued)

The following table sets forth the financial assets and financial liabilities of the Company as of December 31, 2017, 2016, and 2015: (continued)

	Pinjaman yang diberikan dan piutang/ <i>Loans and receivables</i>	Liabilitas keuangan yang diukur pada biaya perolehan diamortisasi/ <i>Financial liabilities measured at amortized cost</i>	Total	
31 Desember 2016				December 31, 2016
Aset keuangan				Financial assets
Kas dan bank	112.535.738.780	-	112.535.738.780	Cash on hand and in banks
Piutang usaha	11.631.395.149	-	11.631.395.149	Trade receivables
Piutang lain-lain	5.725.669.056	-	5.725.669.056	Other receivables
Aset lancar lain-lain	1.352.947.988	-	1.352.947.988	Other current assets
Setoran jaminan	18.132.528.505	-	18.132.528.505	Security deposits
Total aset keuangan	149.378.279.478	-	149.378.279.478	Total financial assets
Liabilitas keuangan				Financial liabilities
Utang bank jangka pendek	-	134.851.023.783	134.851.023.783	Short-term bank loans
Utang usaha	-	136.242.451.189	136.242.451.189	Trade payables
Utang lain-lain	-	28.880.702.496	28.880.702.496	Other payables
Beban masih harus dibayar	-	92.278.819.190	92.278.819.190	Accrued expenses
Utang bank jangka panjang	-	126.034.715.680	126.034.715.680	Long-term bank loans
Utang sewa pembiayaan	-	19.258.335.928	19.258.335.928	Finance lease payable
Total liabilitas keuangan	-	537.546.048.266	537.546.048.266	Total financial liabilities
	Pinjaman yang diberikan dan piutang/ <i>Loans and receivables</i>	Liabilitas keuangan yang diukur pada biaya perolehan diamortisasi/ <i>Financial liabilities measured at amortized cost</i>	Total	
31 Desember 2015				December 31, 2015
Aset keuangan				Financial assets
Kas dan bank	62.955.933.863	-	62.955.933.863	Cash on hand and in banks
Piutang usaha	8.978.305.717	-	8.978.305.717	Trade Receivables
Piutang lain-lain	10.978.936.764	-	10.978.936.764	Other Receivables
Aset lancar lain-lain	1.919.962.225	-	1.919.962.225	Other current assets
Setoran jaminan	17.162.273.813	-	17.162.273.813	Security deposits
Total aset keuangan	101.995.412.382	-	101.995.412.382	Total financial assets
Liabilitas keuangan				Financial liabilities
Utang bank jangka pendek	-	126.102.613.541	126.102.613.541	Short-term bank loans
Utang usaha	-	100.932.645.181	100.932.645.181	Trade payables
Utang lain-lain	-	26.601.027.476	26.601.027.476	Other payables
Beban masih harus dibayar	-	83.162.045.046	83.162.045.046	Accrued expenses
Utang bank jangka panjang	-	209.922.873.871	209.922.873.871	Long-term bank loans
Total liabilitas keuangan	-	546.721.205.115	546.721.205.115	Total financial liabilities

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**27. NILAI WAJAR DARI INSTRUMEN KEUANGAN
(lanjutan)**

Pada tanggal-tanggal 31 Desember 2017, 2016 dan 2015, Perusahaan tidak memiliki instrumen yang disajikan pada nilai wajar dan seluruh nilai wajar aset dan liabilitas keuangan sama dengan nilai tercatat sehingga dengan demikian tidak mengungkapkan hierarki nilai wajar.

**27. FAIR VALUE OF FINANCIAL INSTRUMENTS
(continued)**

As of December 31, 2017, 2016 and 2015, the Company does not have financial instruments carried at fair value and all financial instruments at amortized cost carrying value is the same with fair value, therefore no need fair value hierarchy disclosure.

**28. KEBIJAKAN DAN TUJUAN MANAJEMEN
RISIKO KEUANGAN**

MANAJEMEN RISIKO

Risiko utama yang timbul dari instrumen keuangan Perusahaan adalah risiko mata uang, risiko suku bunga, risiko kredit dan risiko likuiditas. Kepentingan untuk mengelola risiko ini telah meningkat secara signifikan dengan mempertimbangkan perubahan dan volatilitas pasar keuangan baik di Indonesia maupun internasional. Direksi Perusahaan menelaah dan menyetujui kebijakan dan proses untuk mengelola risiko-risiko yang dirangkum dibawah ini.

a) Risiko suku bunga atas nilai wajar dan arus kas

Risiko suku bunga atas nilai wajar atau arus kas adalah risiko dimana nilai wajar atau arus kas masa datang dari suatu instrumen keuangan akan berfluktuasi akibat perubahan suku bunga pasar. Eksposur Perusahaan terhadap risiko perubahan suku bunga pasar terutama terkait dengan utang jangka pendek dan utang jangka panjangnya. Fluktuasi suku bunga mempengaruhi beban atas pinjaman baru dan bunga atas saldo pinjaman Perusahaan yang dikenakan suku bunga mengambang.

Kebijakan Perusahaan terkait dengan risiko suku bunga adalah dengan mengelola beban bunga melalui pinjaman dengan suku bunga variabel. Perusahaan mengevaluasi perbandingan suku bunga tetap terhadap suku bunga mengambang dari utang bank jangka pendek, utang bank jangka panjang dan utang sewa pembiayaan sejalan dengan perubahan suku bunga yang relevan di pasar uang. Berdasarkan penilaian manajemen, pembiayaan baru akan ditentukan harganya pada suku bunga tetap atau mengambang.

**28. FINANCIAL RISK MANAGEMENT OBJECTIVES
AND POLICIES**

RISK MANAGEMENT

The main risks arising from the Company's financial instruments are foreign exchange rate risk, interest rate risk, credit risk and liquidity risk. The importance of managing these risks has significantly increased in light of the considerable change and volatility in both Indonesian and international financial markets. The Company's Board of Directors reviews and approves the policies and procedures for managing these risks which are summarized below.

a) Fair value and cash flow interest rate risk

Fair value and cash flow interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to the risk of changes in market interest rates relating primarily to their short-term loans and long-term loans. Interest rate fluctuations influence the cost of new loans and the interest on the outstanding variable rate loans of the Company that bears interest of floating rate.

The Company's policies relating to interest rate risk are to manage interest cost through variable rate debts. The Company evaluates the fixed to floating ratio of its short-term bank loans, long-term loans and finance lease payable in line with movements of relevant interest rates in the financial markets. Based on management's assessment, new financing will be priced either on a fixed or floating rate basis.

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**28. KEBIJAKAN DAN TUJUAN MANAJEMEN
RISIKO KEUANGAN (lanjutan)**

**28. FINANCIAL RISK MANAGEMENT OBJECTIVES
AND POLICIES (continued)**

MANAJEMEN RISIKO (lanjutan)

RISK MANAGEMENT (continued)

a) Risiko suku bunga atas nilai wajar dan arus kas (lanjutan)

a) Fair value and cash flow interest rate risk (continued)

Utang bank jangka panjang dan utang sewa pembiayaan Perusahaan dikenakan tingkat suku bunga mengambang.

The Company's long-term bank loans and finance lease payable bear floating interest rates.

Tabel berikut menunjukkan sensitivitas laba sebelum pajak dari perubahan tingkat bunga utang bank jangka pendek, utang bank jangka panjang dan utang sewa pembiayaan berdasarkan simulasi yang rasional, dengan semua variabel lain dianggap konstan terutama sebagai akibat dari beban bunga yang lebih tinggi/rendah pada utang bank jangka pendek dan utang bank jangka panjang dengan suku bunga mengambang (tidak diaudit).

The following table demonstrates the sensitivity of income before tax from a reasonably possible change in the interest rates of short-term bank loans, long-term bank loans and finance lease payable based on a sensible simulation, with all other variables held constant, mainly as a result of higher/lower interest charges on floating rate short-term bank loans and long-term bank loans (unaudited).

**Tahun yang Berakhir pada tanggal 31 Desember/
Years ended December 31**

	2017	2016	2015	
	Laba sebelum beban pajak/ Income before tax expense	Laba sebelum beban pajak/ Income before tax expense	Laba sebelum beban pajak/ Income before tax expense	
50 basis poin lebih tinggi	(1.637.550.927)	(1.509.186.073)	(1.782.868.608)	50 basis point higher
50 basis poin lebih rendah	1.637.550.927	1.509.186.073	1.782.868.608	50 basis point lower

b) Risiko mata uang

b) Foreign exchange risk

Risiko mata uang adalah risiko dimana nilai wajar atau arus kas masa datang dari suatu instrumen keuangan akan berfluktuasi akibat perubahan nilai mata uang. Eksposur Perusahaan terhadap fluktuasi nilai tukar terutama berasal dari saldo bank dan utang usaha.

Foreign exchange rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to exchange rate fluctuations results primarily from cash in bank balances and trade payables.

Perusahaan tidak melakukan lindung nilai atas risiko mata uang per tanggal 31 Desember 2017, 2016 dan 2015.

The Company did not hedge the currency risk as of December 31, 2017, 2016 and 2015.

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28. KEBIJAKAN DAN TUJUAN MANAJEMEN RISIKO KEUANGAN (lanjutan)

MANAJEMEN RISIKO (lanjutan)

b) Risiko mata uang (lanjutan)

Tabel berikut menunjukkan sensitivitas laba sebelum pajak dari perubahan nilai tukar Rupiah terhadap US\$ berdasarkan simulasi yang rasional, dengan semua variabel lain dianggap konstan, terutama sebagai akibat dari kerugian/keuntungan selisih kurs atas saldo bank dalam US\$ (tidak diaudit).

Tahun yang Berakhir pada tanggal 31 Desember/
Years ended December 31

	2017	2016	2015	
	Laba sebelum beban pajak/ <i>Income before tax expense</i>	Laba sebelum beban pajak/ <i>Income before tax expense</i>	Laba sebelum beban pajak/ <i>Income before tax expense</i>	
Menguat 10%	241.604.496	726.679.185	137.096.344	Strengthened 10%
Melemah 10%	(241.604.496)	(726.679.185)	(137.096.344)	Weakened 10%

c) Risiko kredit

Risiko kredit adalah risiko dari kerugian yang mungkin timbul dari instrumen keuangan jika pihak lainnya gagal memenuhi liabilitasnya. Risiko kredit yang dihadapi Perusahaan berasal dari piutang usaha dan saldo bank. Merupakan kebijakan Perusahaan untuk memantau saldo piutang secara terus menerus untuk meminimalisir risiko kredit Perusahaan. Perusahaan hanya menempatkan kas dan bank dalam institusi keuangan terkemuka. Nilai maksimal eksposur risiko kredit adalah sebesar nilai tercatat dari aset keuangan.

d) Risiko likuiditas

Risiko likuiditas adalah risiko Perusahaan yang akan menemukan kesulitan dalam memenuhi kewajiban keuangan karena kekurangan dana.

Kebutuhan likuiditas Perusahaan secara historis timbul dari pendanaan umum dan aktivitas bisnis.

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

RISK MANAGEMENT (continued)

b) Foreign exchange risk (continued)

The following table demonstrates the sensitivity of income before tax from a reasonably possible change in Rupiah exchange rate against US\$, based on a sensible simulation, with all other variables held constant, mainly as a result of foreign exchange losses/gains on the translation of cash in bank denominated in US\$ (unaudited).

c) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The credit risk faced by the Company arises from trade receivables and bank balances. It is the Company's policy to monitor the receivable balances on an ongoing basis to ensure that the Company is exposed to minimal credit risk. The Company only placed its cash in banks with reputable financial institution. The maximum exposure to credit risk is equal to the carrying amounts of the financial assets.

d) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds.

The Company's liquidity requirements have historically arisen from general funding and business activities.

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28. KEBIJAKAN DAN TUJUAN MANAJEMEN
RISIKO KEUANGAN (lanjutan)

d) Risiko likuiditas (lanjutan)

Dalam mengawasi risiko likuiditas, Perusahaan menjaga keseimbangan antara kelanjutan pendanaan dan fleksibilitas dalam penggunaan utang bank. Perusahaan menerapkan prinsip kehati-hatian dalam mengelola risiko likuiditas dengan menjaga saldo kas yang cukup.

Tabel di bawah ini merupakan jadwal jatuh tempo liabilitas keuangan Perusahaan berdasarkan pembayaran kontraktual yang tidak didiskontokan.

28. FINANCIAL RISK MANAGEMENT OBJECTIVES
AND POLICIES (continued)

d) Liquidity risk (continued)

In monitoring the liquidity risk, the Company maintain a balance between continuity of funding and flexibility through the use of bank loans. The Company adopts prudent liquidity risk management by maintaining sufficient cash balances.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

31 Desember/December 31, 2017					
	Dibawah 1 tahun/ Below 1 year	1-2 tahun/ years	3-5 tahun/ years	Total	
Liabilitas keuangan					Financial liabilities
Utang bank					
jangka pendek	158.532.718.664	-	-	158.532.718.664	Short-term bank loan
Utang usaha	137.244.154.586	-	-	137.244.154.586	Trade payables
Utang lain-lain	35.886.460.339	-	-	35.886.460.339	Other payables
Beban masih harus dibayar	148.725.387.453	-	-	148.725.387.453	Accrued expenses
Utang pihak berelasi	23.688.022.826	-	-	23.688.022.826	Due to related party
Liabilitas jangka panjang jatuh tempo dalam satu tahun :					Current maturities of long-term liabilities:
Utang bank jangka panjang	82.800.720.931	-	-	82.800.720.931	Long-term bank loan
Utang sewa pembiayaan	7.122.848.880	-	-	7.122.848.880	Finance lease payable
Liabilitas jangka panjang setelah dikurangi bagian jatuh tempo dalam satu tahun :					Long-term liabilities – net off current maturities:
Utang bank jangka panjang	-	184.056.246.682	113.659.287.859	297.715.534.541	Long-term bank loan
Utang sewa pembiayaan	-	7.716.419.620	-	7.716.419.620	Finance lease payable
Total	594.000.313.679	191.772.666.302	113.659.287.859	899.432.267.840	Total
31 Desember/December 31, 2016					
	Dibawah 1 tahun/ Below 1 year	1-2 tahun/ years	3-5 tahun/ years	Total	
Liabilitas keuangan					Financial liabilities
Utang bank					
jangka pendek	147.598.800.568	-	-	147.598.800.568	Short-term bank loan
Utang usaha	136.242.451.189	-	-	136.242.451.189	Trade payables
Utang lain-lain	28.880.702.496	-	-	28.880.702.496	Other payables
Beban masih harus dibayar	92.278.819.190	-	-	92.278.819.190	Accrued expenses
Liabilitas jangka panjang jatuh tempo dalam satu tahun :					Current maturities of long-term liabilities:
Utang bank jangka panjang	73.092.557.639	-	-	73.092.557.639	Long-term bank loan
Utang sewa pembiayaan	7.235.240.148	-	-	7.235.240.148	Finance lease payable
Liabilitas jangka panjang setelah dikurangi bagian jatuh tempo dalam satu tahun :					Long-term liabilities – net off current maturities:
Utang bank jangka panjang	-	58.816.453.563	8.545.837.274	67.362.290.837	Long-term bank loan
Utang sewa pembiayaan	-	14.470.480.296	602.936.679	15.073.416.975	Finance lease payable
Total	485.328.571.230	73.286.933.859	9.148.773.953	567.764.279.042	Total

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28. KEBIJAKAN DAN TUJUAN MANAJEMEN
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28. FINANCIAL RISK MANAGEMENT OBJECTIVES
AND POLICIES (continued)

d) Risiko likuiditas (lanjutan)

d) Liquidity risk (continued)

31 Desember/December 31, 2015					
	Dibawah 1 tahun/ Below 1 year	1-2 tahun/ years	3-5 tahun/ years	Total	
Liabilitas keuangan					Financial liabilities
Utang bank					
jangka pendek	136.493.387.020	-	-	136.493.387.020	Short-term bank loan
Utang usaha	100.932.645.181	-	-	100.932.645.181	Trade payables
Utang lain-lain	26.601.027.476	-	-	26.601.027.476	Other payables
Beban masih harus dibayar	83.162.045.046	-	-	83.162.045.046	Accrued expenses
Utang bank jangka panjang jatuh tempo dalam satu tahun	99.606.295.526	-	-	99.606.295.526	Current maturities of long-term bank loan
Utang bank jangka panjang-setelah dikurangi bagian jatuh tempo dalam satu tahun	-	101.409.325.796	38.943.179.420	140.352.505.216	Long-term bank loan - net of current maturities
Total	446.795.400.249	101.409.325.796	38.943.179.420	587.147.905.465	Total

29. ASET DAN LIABILITAS MONETER DALAM
MATA UANG ASING

29. MONETARY ASSET AND LIABILITY
DENOMINATED IN FOREIGN CURRENCY

Pada tanggal 31 Desember 2017, 2016 dan 2015, aset dan liabilitas moneter Perusahaan yang signifikan dalam mata uang asing adalah sebagai berikut:

As of December 31, 2017, 2016 and 2015, the Company's significant monetary asset and liability denominated in foreign currencies are as follow:

	Mata Uang Asing/Foreign Currencies		31 Desember 2017 (Tanggal Laporan Posisi Keuangan)/ December 31, 2017 (Statement of Financial Position Date)	
Aset				Assets
Kas dan bank				Cash on hand and in banks
Dalam Dolar Amerika Serikat (AS)	US\$	20.019	271.212.670	In United States (US) Dollars
Total aset dalam mata uang asing			271.212.670	Total assets in foreign currency
Liabilitas				Liability
Utang usaha				Trade payables
Dalam Dolar AS	US\$	81.174	1.099.750.771	In US Dollars
Total liabilitas dalam mata uang asing			1.099.750.771	Total liabilities in foreign currency
Liabilitas Neto dalam mata uang asing			828.538.101	Net Liability in foreign currency

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29. ASET DAN LIABILITAS MONETER DALAM MATA UANG ASING (lanjutan)

Pada tanggal 31 Desember 2017, 2016 dan 2015, aset dan liabilitas moneter Perusahaan yang signifikan dalam mata uang asing adalah sebagai berikut: (lanjutan)

29. MONETARY ASSET AND LIABILITY DENOMINATED IN FOREIGN CURRENCY (continued)

As of December 31, 2017, 2016 and 2015, the Company's significant monetary asset and liability denominated in foreign currencies are as follow: (continued)

			31 Desember 2016 (Tanggal Laporan Posisi Keuangan)/ December 31, 2016 (Statement of Financial Position Date)	
	Mata Uang Asing/Foreign Currencies			
<u>Aset</u>				<u>Assets</u>
Kas dan setara kas				Cash and cash equivalents
Dalam Dolar AS	US\$	20.624	277.095.733	In US Dollars
Total aset dalam mata uang asing			277.095.733	Total assets in foreign currency
<u>Liabilitas</u>				<u>Liability</u>
Utang usaha				Trade payables
Dalam Dolar AS	US\$	520.222	6.989.696.121	In US Dollars
Total liabilitas dalam mata uang asing			6.989.696.121	Total liabilities in foreign currency
Liabilitas Neto dalam mata uang asing			6.712.600.388	Net Liability in foreign currency
			31 Desember 2015 (Tanggal Laporan Posisi Keuangan)/ December 31, 2015 (Statement of Financial Position Date)	
	Mata Uang Asing/Foreign Currencies			
<u>Aset</u>				<u>Assets</u>
Kas dan setara kas				Cash and cash equivalents
Dalam Dolar AS	US\$	11.836	163.275.413	In US Dollars
Total aset dalam mata uang asing			163.275.413	Total assets in foreign currency
<u>Liabilitas</u>				<u>Liability</u>
Utang usaha				Trade payables
Dalam Dolar AS	US\$	163.303	2.252.769.546	In US Dollars
Total liabilitas dalam mata uang asing			2.252.769.546	Total liability in foreign currency
Liabilitas Neto dalam mata uang asing			2.089.494.133	Net Liability in foreign currency

30. INFORMASI SEGMENT

Perusahaan dikelola secara terpusat pada satu Restaurant Support Center yang berlokasi di Jakarta.

30. SEGMENT INFORMATION

The company is managed centrally in one Restaurant Support Center located in Jakarta.

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30. INFORMASI SEGMENT (lanjutan)

Pembagian segmen yang dibagi menjadi Jakarta, Jawa Bali, Sumatera, Sulawesi, Kalimantan dan Wilayah Timur yang membantu Perusahaan untuk lebih memfokuskan peningkatan kinerja dan pengembangan bisnis di masa yang akan datang dibentuk untuk memenuhi ketentuan yang disyaratkan untuk pelaporan.

Segmen operasi

Manajemen memantau hasil operasi dari unit usahanya secara terpisah guna keperluan pengambilan keputusan mengenai alokasi sumber daya dan penilaian kinerja. Kinerja segmen dievaluasi berdasarkan laba atau rugi operasi dan diukur secara konsisten dengan laba atau rugi operasi pada laporan keuangan. Namun, pendanaan (termasuk biaya pendanaan dan penghasilan pendanaan) dan pajak penghasilan Perusahaan dikelola secara perusahaan dan tidak dialokasikan kepada segmen operasi.

Tabel berikut ini menyajikan informasi pendapatan dan laba, serta aset dan liabilitas sehubungan dengan segmen operasi Perusahaan:

30. SEGMENT INFORMATION (continued)

The segments divided into Jakarta, Jawa Bali, Sumatera, Sulawesi, Kalimantan and Wilayah Timur that assist the Company to focus more on future performance improvement and business development is established to meet the requirements required for reporting.

Operating segment

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the financial statements. However, the Company's financing (including finance costs and finance income) and income taxes are managed on a company basis and are not allocated to operating segments.

The following table presents revenue and profit, and asset and liability information regarding the Company's operating segments:

Pada tanggal dan tahun yang berakhir pada tanggal 31 Desember 2017/ As of and year ended December 31, 2017								
	Jakarta	Jawa Bali	Sumatera	Sulawesi	Kalimantan	Wilayah Timur	Total	
Penjualan neto	1.327.415.514.631	876.789.282.157	398.943.470.906	195.401.975.622	173.227.451.158	55.229.019.871	3.027.006.714.345	Net sales
Beban pokok penjualan	(443.583.159.694)	(293.384.763.364)	(127.322.892.953)	(63.062.939.151)	(56.008.235.670)	(18.174.153.250)	(1.001.536.144.082)	Cost of goods sold
Laba bruto	883.832.354.937	583.404.518.793	271.620.577.953	132.339.036.471	117.219.215.488	37.054.866.621	2.025.470.570.263	Gross profit
Beban operasi yang dapat dialokasikan	(769.916.662.298)	(452.174.766.316)	(205.801.986.635)	(92.129.157.372)	(78.239.183.597)	(28.308.840.542)	(1.626.570.596.760)	Allocated operating expenses
Hasil segmen	113.915.692.639	131.229.752.477	65.818.591.318	40.209.879.099	38.980.031.891	8.746.026.079	398.899.973.503	Segment result
Beban operasi yang tidak dapat dialokasikan							176.383.035.230	Unallocated operating expenses
Laba operasi							222.516.938.273	Income from operation
Pendapatan bunga, neto							559.412.367	Interest income, net
Beban bunga dan keuangan							(33.619.782.154)	Interest and finance expense
Laba sebelum beban pajak							189.456.568.486	Profit before tax expense
Beban pajak, neto							(48.132.595.195)	Tax expense, net
Laba tahun berjalan							141.323.973.291	Profit for the year
Aset segmen	466.564.314.228	327.432.406.525	124.439.564.675	71.221.285.135	53.527.882.893	18.711.355.557	1.061.896.809.013	Segment assets
Aset yang tidak dapat dialokasikan							432.108.270.023	Unallocated assets
Total aset							1.494.005.079.036	Total assets
Liabilitas segmen	(4.935.186.872)	(3.246.213.666)	(1.626.777.981)	(2.803.119.908)	(359.392.588)	(253.748.764)	(13.224.439.779)	Segment liabilities
Liabilitas yang tidak dapat dialokasikan							(1.111.084.481.304)	Unallocated liabilities
Total liabilitas							(1.124.308.921.083)	Total liabilities
Informasi segmen lainnya								Other segment information
Belanja modal	132.833.803.777	73.685.720.383	25.730.084.799	24.254.574.692	9.497.062.921	3.114.892.332	269.116.138.904	Capital expenditures
Penyusutan dan amortisasi	43.393.510.248	28.875.490.514	13.997.006.944	5.756.582.868	4.525.651.924	1.857.632.252	98.405.874.750	Depreciation and amortization

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30. INFORMASI SEGMENT (lanjutan)

Tabel berikut ini menyajikan informasi pendapatan dan laba, serta aset dan liabilitas sehubungan dengan segmen operasi Perusahaan: (lanjutan)

30. SEGMENT INFORMATION (continued)

The following table presents revenue and profit, and asset and liability information regarding the Company's operating segments: (continued)

Pada tanggal dan tahun yang berakhir pada tanggal 31 Desember 2016/ As of and year ended December 31, 2016								
	Jakarta	Jawa Bali	Sumatera	Sulawesi	Kalimantan	Wilayah Timur	Total	
Penjualan neto	1.218.819.156.903	772.501.109.362	348.941.785.046	157.777.704.422	156.787.869.955	40.486.650.514	2.695.314.276.202	Net sales
Beban pokok Penjualan	(400.605.890.796)	(250.914.222.191)	(108.681.774.944)	(49.327.891.038)	(49.922.380.904)	(13.148.496.559)	(872.600.656.432)	Cost of goods sold
Laba bruto	818.213.266.107	521.586.887.171	240.260.010.102	108.449.813.384	106.865.489.051	27.338.153.955	1.822.713.619.770	Gross profit
Beban operasi yang dapat dialokasikan	(708.786.429.894)	(407.178.586.123)	(184.867.110.775)	(73.574.652.255)	(69.013.744.751)	(20.830.801.049)	(1.464.251.324.847)	Allocated operating expenses
Hasil segmen	109.426.836.213	114.408.301.048	55.392.899.327	34.875.161.129	37.851.744.300	6.507.352.906	358.462.294.923	Segment result
Beban operasi yang tidak dapat dialokasikan							(151.575.400.946)	Unallocated operating expenses
Laba operasi							206.886.893.977	Income from operation
Pendapatan bunga, neto							1.886.050.577	Interest income, net
Beban bunga dan keuangan							(32.477.796.073)	Interest and finance expense
Laba sebelum pajak							176.295.148.481	Profit before tax
Beban pajak, neto							(45.867.319.232)	Tax expense, net
Laba tahun berjalan							130.427.829.249	Profit for the year
Aset segmen	360.151.083.333	250.584.114.898	107.491.937.422	45.360.837.455	45.695.008.869	17.608.861.983	826.891.843.960	Segment assets
Aset yang tidak dapat dialokasikan							324.800.426.391	Unallocated assets
Total aset							1.151.692.270.351	Total assets
Liabilitas segmen	(5.280.708.055)	(3.608.139.577)	(1.904.325.727)	(2.263.461.372)	(328.056.451)	(214.654.912)	(13.599.346.094)	Segment liabilities
Liabilitas yang tidak dapat dialokasikan							(799.512.110.354)	Unallocated liabilities
Total liabilitas							(813.111.456.448)	Total liabilities
Informasi segmen lainnya								Other segment information
Belanja modal	40.184.247.842	60.921.447.905	18.249.083.997	3.093.550.965	10.126.789.970	6.684.748.166	139.259.868.845	Capital expenditures
Penyusutan dan amortisasi	39.610.248.642	25.917.309.469	11.988.538.894	4.596.324.116	3.953.867.798	1.317.975.194	87.384.264.113	Depreciation and amortization

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30. INFORMASI SEGMENT (lanjutan)

Tabel berikut ini menyajikan informasi pendapatan dan laba, serta aset dan liabilitas sehubungan dengan segmen operasi Perusahaan: (lanjutan)

30. SEGMENT INFORMATION (continued)

The following table presents revenue and profit, and asset and liability information regarding the Company's operating segments: (continued)

Pada tanggal dan tahun yang berakhir pada tanggal 31 Desember 2015/ As of and year ended December 31, 2015								
	Jakarta	Jawa Bali	Sumatera	Sulawesi	Kalimantan	Wilayah Timur	Total	
Penjualan neto	1.168.655.817.671	695.709.925.916	328.013.589.691	139.399.509.323	135.872.320.375	26.090.362.400	2.493.741.525.376	Revenue
Beban pokok penjualan	(398.860.907.361)	(231.740.379.284)	(104.222.266.310)	(44.364.374.120)	(44.151.975.239)	(8.830.860.929)	(832.170.763.243)	Cost of goods sold
Laba bruto	769.794.910.310	463.969.546.632	223.791.323.381	95.035.135.203	91.720.345.136	17.259.501.471	1.661.570.762.133	Gross profit
Beban operasi yang dapat dialokasikan	(693.774.065.155)	(386.666.174.212)	(183.497.535.900)	(71.727.456.890)	(59.090.240.420)	(13.862.358.170)	(1.408.617.830.747)	Allocated operating expenses
Hasil segmen	76.020.845.155	77.303.372.420	40.293.787.481	23.307.678.313	32.630.104.716	3.397.143.301	252.952.931.386	Segment result
Beban operasi yang tidak dapat dialokasikan							(130.772.803.695)	Unallocated operating expenses
Laba usaha							122.180.127.691	Operating profit
Pendapatan bunga, neto							716.055.181	Interest income, net
Beban bunga dan keuangan							(39.783.025.003)	Interest and finance expense
Laba sebelum beban pajak							83.113.157.869	Profit before tax expense
Beban pajak, neto							(21.736.261.244)	Tax expense, net
Laba tahun berjalan							61.376.896.625	Profit for the year
Aset segmen	324.901.682.664	232.491.498.553	104.481.890.121	38.212.474.525	38.733.381.451	11.343.227.717	750.164.155.031	Segment assets
Aset yang tidak dapat dialokasikan							296.231.435.581	Unallocated assets
Total aset							1.046.395.590.612	Total assets
Liabilitas segmen	(5.982.015.502)	(3.949.986.978)	(2.102.958.794)	(1.892.168.381)	(294.906.570)	(149.109.886)	(14.371.146.111)	Segment liabilities
Liabilitas yang tidak dapat dialokasikan							(744.763.253.527)	Unallocated liabilities
Total liabilitas							(759.134.399.638)	Total liabilities
Informasi segmen lainnya								Other segment information
Belanja modal	40.260.235.330	34.496.302.193	12.703.149.581	818.415.464	11.271.284.860	2.585.032.731	102.134.420.159	Capital expenditures
Penyusutan dan amortisasi	37.987.033.101	23.523.971.019	11.594.271.541	4.897.108.341	2.942.166.707	418.835.603	81.363.386.312	Depreciation and amortization

31. TAMBAHAN INFORMASI ARUS KAS

31. SUPPLEMENTAL CASH FLOW INFORMATION

Transaksi yang tidak mempengaruhi arus kas:

Transactions not affecting cash flows:

31 Desember/December 31				
2017	2016	2015		
Penambahan aset tetap melalui:				Acquisition of property and equipment through:
Realisasi uang muka pembelian aset tetap	18.214.993.644	9.018.548.905	16.579.471.332	Realization of advance for purchase of property and equipment
Penggunaan peralatan yang belum digunakan dalam operasi	2.949.480.074	1.847.508.595	2.596.437.807	Used of equipment not yet use in operation
Aset sewa pembiayaan – neto deposit	-	23.895.067.884	-	Asset under finance lease – net of deposit

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32. KOMITMEN

Perusahaan mempunyai berbagai perjanjian sewa operasi atas gerai restoran dengan komitmen pembayaran sewa yang tetap untuk setiap periode. Komitmen sewa pada tanggal 31 Desember 2017, 2016 dan 2015 adalah sebagai berikut:

	2017	2016	2015	
Kurang dari satu tahun	59.370.247.913	55.343.666.067	51.525.520.372	Less than one year
Antara satu sampai tiga tahun	64.257.346.412	57.447.133.834	62.318.247.432	Between one and three years
Antara tiga sampai lima tahun	17.784.474.291	14.503.671.061	14.346.450.777	Between three and five years
Total	141.412.068.616	127.294.470.962	128.190.218.581	Total

32. COMMITMENTS

The Company enters into operating lease agreements for its restaurant outlets, which rental payments are either fixed for a certain period. The minimum lease commitments as of December 31, 2017, 2016 and 2015 are as follows:

33. TUJUAN LAPORAN KEUANGAN

Laporan ini diterbitkan dengan tujuan untuk dicantumkan dalam prospektus sehubungan dengan rencana Penawaran Umum Perdana Saham PT Sarimelati Kencana Tbk. di Bursa Efek Indonesia serta tidak ditujukan, dan tidak diperkenankan untuk digunakan, untuk tujuan lain.

33. PURPOSE OF FINANCIAL STATEMENTS

This report has been prepared solely for inclusion in the prospectus in connection with the proposed Initial Public Offering of PT Sarimelati Kencana Tbk. in Indonesia Stock Exchange, and is not intended to be, and should not be used, for any other purposes.

34. PERISTIWA SETELAH PERIODE PELAPORAN

a. Berdasarkan Pernyataan Keputusan Pemegang Saham Perubahan Anggaran Dasar No. 1 tanggal 2 Maret 2018 dari Notaris Aulia Taufani, S.H., para pemegang saham Perusahaan memutuskan dan menyetujui:

- Penambahan bidang usaha Perusahaan dengan usaha catering, pergudangan, distribusi, industri makanan dan pengolahan bahan makanan (termasuk roti dan kue),
- Perubahan ketentuan pasal 3 Anggaran Dasar Perusahaan.

Perubahan Anggaran Dasar Perusahaan tersebut telah mendapatkan persetujuan Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-0005287.AH.01.02.Tahun 2018 tanggal 7 Maret 2018.

34. EVENTS AFTER REPORTING PERIOD

a. Based on the Company's Resolutions of General Meeting of Shareholders Amendment to the Articles of Association No. 1 dated March 2, 2018, with Notary of Aulia Taufani, S.H., the shareholders of the Company decided and agreed:

- Additional scope of the Company's activities such as catering, warehousing, distribution, food industries and food material processing (including bread and cakes),
- Changes in the Article 3 of the Company's Articles of Association.

Changes in the Articles of Association have been approved by Ministry of Laws and Human Rights of the Republic of Indonesia on No. AHU-0005287.AH.01.02.Year 2018 dated March 7, 2018.

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**34. PERISTIWA SETELAH PERIODE PELAPORAN
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- b. Berdasarkan Keputusan Sirkuler diluar Rapat Dewan Komisaris, Direksi Perusahaan dan Keputusan Sirkuler diluar Rapat Umum Pemegang Saham Tahunan Perusahaan, pada tanggal 5 Maret 2018, Dewan Komisaris, Direksi dan pemegang saham Perusahaan menyetujui untuk:
- (i) Memberikan persetujuan dan pengesahan atas Laporan Tahunan Perseroan untuk tahun buku 2017 dan Laporan Keuangan tahun buku 2017.
- (ii) Penetapan atas laba ditahan dan penentuan pembagian laba yang terjadi dari tahun-tahun sebelumnya dan laba untuk tahun buku 2017, dengan rincian sebagai berikut:
- Pembagian dividen yang diputuskan di tahun 2016 yang dilakukan di tahun 2017 kepada para pemegang saham dengan jumlah sebesar Rp12.000.000.000,
 - Pembagian dividen interim untuk tahun 2017 dengan jumlah sebesar Rp15.000.000.000,
 - Pembagian dividen yang dibagikan untuk tujuan tindakan korporasi dengan jumlah sebesar Rp295.000.000.000,
 - Penempatan laba ditahan untuk tahun 2017 dengan jumlah Rp174.996.527.703 sebagai berikut:
 - Pencadangan wajib dari Perusahaan dengan jumlah sebesar Rp1.150.000.000,
 - Sisa dari laba ditahan sebesar Rp173.846.527.703 akan digunakan untuk membiayai kegiatan usaha Perusahaan.
- (iii) Pendelegasian kewenangan terhadap Dewan Komisaris untuk melakukan penunjukan Kantor Akuntan Publik dalam rangka mengaudit Laporan Keuangan Perseroan untuk tahun buku yang berakhir pada 31 Desember 2018.
- (iv) Mengajukan permohonan persetujuan kepada RUPST untuk menyetujui dan menetapkan remunerasi untuk Dewan Komisaris dan Direksi Perusahaan untuk tahun buku 2018.

**34. EVENTS AFTER REPORTING PERIOD
(continued)**

- b. Based on the Company's Circular Resolution in Lieu of The Meeting of the Boards Commissioners and Directors and the Circular Resolution in Lieu of Annual General Meeting of Shareholders of the Company, dated March 5, 2018, the Company's Boards Commissioners and Directors and shareholders agreed to:
- (i) Approve and ratified the Company's Annual Report for the year 2017 and the Financial Statements for the year 2017.
- (ii) Approve the appropriation of retained earnings and determination of profit carried forward from the preceding years and profit for the year 2017, with details as follows:
- Distribution of dividend declared in 2017 that was performed in 2017 to the shareholders in the amount of Rp12,000,000,000,
 - Distribution of interim dividend for the year 2017 in the amount of Rp15,000,000,000,
 - Distribution of declared dividend for corporate action purposes in the amount of Rp295,000,000,000,
 - Allocation of retained earnings for the year of 2017 in the amount of Rp174,996,527,703 as follows:
 - Statutory reserves fund of the Company in the amount of Rp1,150,000,000,
 - The remaining retained earnings in the amount of Rp173,846,527,703, will be used for the Company's operations.
- (iii) Delegation of authority to Board of Commissioners concerning appointment of the Public Accountant Firm for the purpose of auditing the Company's Financial Statements for the year ended on 31 December 2018.
- (iv) Propose to the Company's AGMS seeking approval for the determination of remuneration of the Company's Board of Commissioners and Directors for the year 2018.

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**34. PERISTIWA SETELAH PERIODE PELAPORAN
(lanjutan)**

- c. Berdasarkan Pernyataan Keputusan Pemegang Saham, Perubahan Anggaran Dasar No. 11 tanggal 9 Maret 2018 dari Notaris Aulia Taufani, S.H., para pemegang saham Perusahaan memutuskan dan menyetujui untuk:
- (i) Menyetujui Penawaran Umum Perdana (*Initial Public Offering*/"IPO") Perusahaan melalui pengeluaran saham baru dari dalam simpanan (portepel) Perusahaan sebanyak-banyaknya sebesar 604.375.000 Saham Baru, untuk ditawarkan dengan harga penawaran yang telah ditetapkan oleh Direksi Perusahaan setelah mendapat persetujuan tertulis dari Dewan Komisaris Perusahaan melalui Penawaran Umum Perdana Perusahaan, yang di dalamnya sudah termasuk program Alokasi Saham Karyawan (*Employee Stock Allocation*/"ESA"), untuk dicatatkan di PT Bursa Efek Indonesia ("BEI"). Para pemegang saham dengan ini mengesampingkan haknya untuk mengambil bagian atas Saham Baru yang dikeluarkan tersebut. Penggunaan dana hasil Penawaran Umum Perdana akan ditetapkan oleh Direksi setelah mendapat persetujuan tertulis dari Dewan Komisaris Perusahaan.
 - (ii) Menyetujui pelaksanaan program ESA dan *Program Management and Employee Stock Option Plan* ("MESOP") yang akan dilakukan bersamaan sehubungan dengan Penawaran Umum Perdana.
 - (iii) Menyetujui mengalokasikan saham sebanyak-banyaknya 10% (sepuluh persen) saham dari total modal ditempatkan dan disetor penuh dalam Perusahaan setelah pelaksanaan Penawaran Umum Perdana Saham, dalam rangka program MESOP dengan memperhatikan peraturan Bursa Efek yang berlaku di tempat di mana saham-saham Perusahaan akan dicatatkan dan perundang-undangan yang berlaku.
 - (iv) Memberikan kuasa dan wewenang kepada Dewan Komisaris Perusahaan untuk mengeluarkan saham-saham baru dalam simpanan Perusahaan kepada manajemen dan karyawan yang berhak, termasuk untuk menyatakan dalam akta notaris mengenai peningkatan modal ditempatkan dan modal disetor Perusahaan sebagai hasil pelaksanaan program MESOP Perusahaan.

**34. EVENTS AFTER REPORTING PERIOD
(continued)**

- c. Based on the Company's Resolutions of General Meeting of Shareholders Amendment to the Articles of Association, The Changes of the Articles of Association, No. 11 dated March 9, 2018 of Notary Aulia Taufani, S.H., the shareholders of the Company decided and agreed to:
- (i) Approve the Company's Initial Public Offering/"IPO" by Issuance of new shares from the Company's portfolio in the maximum amount of 604,375,000 New Share, to be offered at the offering price determined by the Company's Board of Directors after obtaining written approval from the Company's Board of Commissioners through its Initial Public Offering, which includes the Employee Stock Allocation ("ESA") program, to be listed on the Indonesia Stock Exchange ("IDX"). The shareholders' hereby waive their rights to subscribe the issued New Shares.. The use of proceeds from the Initial Public Offering will be determined by the Board of Directors after obtaining written approval from the Board of Commissioners of the Company.
 - (ii) Approve the implementation of the ESA program and the Management and Employee Stock Option Plan Program ("MESOP") to be granted simultaneously in connection with the Initial Public Offering.
 - (iii) Approve up to 10% (ten percent) shares allocation of the Company's total issued and fully paid share capital after the implementation of Initial Public Offering, within the framework of the MESOP program with due observance of the prevailing Stock Exchange rules in place where the Company's shares will be listed and prevailing laws and regulations.
 - (iv) Provide authorization and authorities to the Company's Board of Commissioners to issue the new shares in the Company's portfolio to eligible management and employees, including to declare under notarial deeds concerning the increase of issued and paid up capital of the Company as result of the implementation of the Company's MESOP program.

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**34. PERISTIWA SETELAH PERIODE PELAPORAN
(lanjutan)**

- c. Berdasarkan Pernyataan Keputusan Pemegang Saham Perubahan Anggaran Dasar No. 11 tanggal 9 Maret 2018 dari Notaris Aulia Taufani, S.H., para pemegang saham Perusahaan memutuskan dan menyetujui untuk: (lanjutan)
- (v) Menyetujui perubahan status Perusahaan dari Perseroan Tertutup menjadi Perseroan Terbuka dan mengubah nama Perusahaan, dari sebelumnya bernama Perseroan Terbatas PT Sarimelati Kencana, menjadi Perseroan Terbatas PT Sarimelati Kencana Tbk., dan dengan demikian mengubah ketentuan Pasal 1 Anggaran Dasar Perseroan.
- (vi) Mendelegasikan dan memberikan kewenangan kepada Dewan Komisaris Perusahaan, untuk melaksanakan Keputusan Pemegang Saham tersebut, termasuk untuk menetapkan jumlah saham yang akan ditawarkan dalam Penawaran Umum Perdana dalam jumlah yang tidak melebihi jumlah yang telah diputuskan oleh Para Pemegang Saham, dan menyatakan realisasi atau pelaksanaan pengeluaran atau penerbitan saham dalam rangka penawaran umum Perusahaan, termasuk menyatakan realisasi jumlah saham yang dikeluarkan sehubungan dengan program ESA, dan mencatatkan saham-saham tersebut pada BEI.
- (vii) Menyetujui dan memberikan kuasa kepada Direksi Perusahaan untuk melaksanakan segala tindakan yang diperlukan sehubungan dengan Penawaran Umum Perdana Perusahaan.
- (viii) Menyetujui perubahan seluruh ketentuan Anggaran Dasar Perusahaan dalam rangka menjadi Perusahaan Terbuka, antara lain, untuk disesuaikan dengan peraturan perundang-undangan di bidang pasar modal.

**34. EVENTS AFTER REPORTING PERIOD
(continued)**

- Based on the Company's Resolutions of General Meeting of Shareholders Amendment to the Articles of Association, The Changes of the Articles of Association, No. 11 dated March 9, 2018 of Notary Aulia Taufani, S.H., the shareholders of the Company decided and agreed to: (continued)
- (v) Approve the changes of the Company's status from a Limited Company to a Public Company and changed the name of the Company, from previously known as PT Sarimelati Kencana to PT Sarimelati Kencana Tbk., and thereby amended Article 1 of the Company's Articles of Association.
- (vi) Delegate and authorized the Board of Commissioners of the Company to implement the Shareholder Resolution, including to determine the number of shares to be offered in the Initial Public Offering in amount that not exceed the amount decided by the Shareholders, and stating the realization or implementation of the allotment or issuance shares in the framework of the Company's public offering, including the realization of the number of shares issued in connection with the ESA program, and listing the shares on the IDX.
- (vii) Approve and authorized the Company's Directors to implement all necessary actions in relation to the Company's Initial Public Offering.
- (viii) Approve the amendment of all provisions of the Company's Articles of Association for the purpose of becoming a Listed Company, among others, in compliance with the capital market laws and regulations.

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**34. PERISTIWA SETELAH PERIODE PELAPORAN
(lanjutan)**

- c. Berdasarkan Pernyataan Keputusan Pemegang Saham Perubahan Anggaran Dasar No. 11 tanggal 9 Maret 2018 dari Notaris Aulia Taufani, S.H., para pemegang saham Perusahaan memutuskan dan menyetujui untuk: (lanjutan)

- (ix) Menyetujui memberhentikan seluruh anggota Direksi dan Dewan Komisaris Perusahaan serta melepaskan masing-masing dari mereka dari tanggung jawabnya selama periode kepengurusannya (*acquitt et de charge*) dalam Perusahaan di mana pemberhentian ini beserta pelepasan tanggung jawabnya akan berlaku efektif pada saat pengangkatan anggota Direksi baru dan Dewan Komisaris baru, serta menyetujui untuk mengangkat anggota Direksi dan Dewan Komisaris sebagai berikut, di mana pengangkatan tersebut berlaku efektif sejak tanggal diterbitkannya surat penerimaan pemberitahuan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia:

Dewan Komisaris

Presiden Komisaris :	Hadian Iswara
Komisaris :	Brata Taruna Hardjosubroto
Komisaris Independen :	Ito Warsito

Direksi

Presiden Direktur :	Stephen James McCarthy
Direktur :	Jeo Sasanto
Direktur :	Frederick Estrada Cadlaon
Direktur Independen :	Budi Setiawan

- (x) Menginstruksikan Dewan Komisaris atau Direksi Perusahaan (sebagaimana relevan sesuai kewenangannya masing-masing) untuk membentuk Unit Audit Internal, Komite Audit, Komite Nominasi dan Remunerasi, sekretaris perusahaan dan komite-komite lainnya sebagaimana dipersyaratkan peraturan perundang-undangan yang berlaku khususnya di bidang pasar modal dan mengangkat anggota-anggota komite tersebut.

Perubahan Anggaran Dasar Perusahaan tersebut telah mendapatkan persetujuan Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-0005908.AH.01.02.Tahun 2018 tanggal 14 Maret 2018.

**34. EVENTS AFTER REPORTING PERIOD
(continued)**

- c. Based on the Company's Resolutions of General Meeting of Shareholders Amendment to the Articles of Association, The Changes of the Articles of Association, No. 11 dated March 9, 2018 of Notary Aulia Taufani, S.H., the shareholders of the Company decided and agreed to: (continued)

- (ix) Approve the termination of all members of the Board of Directors and the Board of Commissioners of the Company and release each of them from their responsibilities during the period of acquittal (*acquitt et de charge*) in the Company where this discharge of its responsibilities and will be effective upon the appointment of the new members of the Board of Directors and Board of Commissioners, and agree to appoint the following members of the Board of Directors and Board of Commissioners, where the appointment is effective from the date of the issuance of the letter of receipt of notification from the Minister of Law and Human Rights of the Republic of Indonesia:

Board of Commissioners

President Commissioner
Commissioner
Independent Commissioner

Board of Directors

President Director
Director
Director
Independent Director

- (x) Instruct the Board of Commissioners of the Company or the Directors of the Company (as relevant to their respective authorities) to establish the Internal Audit Unit, Audit Committee, Nomination and Remuneration Committee, corporate secretary and other committees as required by the applicable laws and regulations, especially in capital market and appoint members of the committee.

The changes of the Articles of Association have been approved by Ministry of Laws and Human Rights of the Republic of Indonesia on No. AHU-0005908.AH.01.02.Year 2018 dated March 14, 2018.

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- Perjanjian utang bank Perusahaan dengan bank-bank yang telah disebutkan pada Catatan 13 dan 18 mencakup pembatasan-pembatasan dimana Perusahaan tidak diperbolehkan, antara lain, mengubah status kelembagaan, anggaran dasar, susunan Direksi dan Dewan komisaris, pemegang saham tanpa mendapatkan persetujuan tertulis terlebih dahulu dari BOTM, Bank CIMB, Bank Mandiri dan Bank HSBC.

Pada tahun 2018, Perusahaan telah mengubah anggaran dasar dan susunan Direksi dan Dewan Komisaris Perusahaan melakukan sehubungan dengan rencana Penawaran Umum Perdana Saham Perusahaan. Atas peristiwa tersebut, pelanggaran atas *covenant* yang dipersyaratkan oleh BOTM, Bank CIMB dan Bank HSBC telah disetujui untuk dihapuskan oleh bank yang disebutkan diatas. Sampai dengan tanggal penyelesaian laporan keuangan, penghapusan pelanggaran atas *covenant* yang dipersyaratkan oleh Bank Mandiri masih dalam proses perpanjangan.

**34. EVENTS AFTER REPORTING PERIOD
(continued)**

- The Company's bank loan agreement with the banks as mentioned in Notes 13 and 18 includes restrictions whereby the Company is not permitted to change the status of its legal entity, articles of association, the composition of the Boards of Directors and Commissioners, and shareholders without obtaining prior written approval from BOTM, Bank CIMB, Bank Mandiri and Bank HSBC.

In 2018, the Company changed the Company's articles of association and composition of the Boards of Directors and Commissioners in connection with the Company's Initial Public Offering plan. With this, the breach of the covenant required by BOTM, Bank CIMB and Bank HSBC have been approved to be waived by each of the above-mentioned banks. Up to the date of completion of these financial statements, waiver of the breach of the covenant required by Bank Mandiri is still in progress.

35. PENERBITAN KEMBALI LAPORAN KEUANGAN

Perusahaan sebelumnya telah menerbitkan laporan keuangan tanggal 31 Desember 2017, 2016 dan 2015 dan untuk tahun yang berakhir pada tanggal-tanggal tersebut yang telah diaudit oleh Kantor Akuntan Publik Purwantono, Sungkoro & Surja dalam Laporan Auditor Independen No. RPC-5810/PSS/2018 tertanggal 5 Maret 2018. Sehubungan dengan rencana Perusahaan untuk melakukan Penawaran Perdana Saham dan untuk memenuhi permintaan OJK, Perusahaan telah menerbitkan kembali laporan keuangannya tanggal 31 Desember 2017, 2016 dan 2015 dan untuk tahun yang berakhir pada tanggal-tanggal tersebut, yang disertai dengan beberapa perubahan dan penambahan pengungkapan pada Catatan 1c, 2n, 5, 6, 7, 10, 13, 15, 16, 34 dan 35 atas Laporan Keuangan.

35. REISSUED OF THE FINANCIAL STATEMENTS

The Company previously have issued its financial statements as December 31, 2017, 2016 and 2015 and for the years then ended, which have been audited by Public Accounting Firm Purwantono, Sungkoro & Surja with Independent Auditors' Report No. RPC-5810/PSS/2018 dated March 5, 2018. In connection with the Company's plan to conduct Initial Public Offering and fulfill the requirements of OJK, the Company reissued its financial statements as of December 31, 2017, 2016 and 2015 and for the years then ended, with several changes and additional disclosures in Notes 1c, 2n, 5, 6, 7, 10, 13, 15, 16, 34 and 35 to the Financial Statements.

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**35. PENERBITAN KEMBALI LAPORAN KEUANGAN
(lanjutan)**

Adapun perubahan dan tambahan pengungkapan pada masing-masing Catatan tersebut di atas adalah sebagai berikut:

- Catatan 1c: Perubahan tanggal penyelesaian dan persetujuan penyusunan laporan keuangan oleh Direksi Perusahaan.
- Catatan 2n: Penambahan pengungkapan terkait dengan kebijakan akuntansi atas pengampunan pajak.
- Catatan 5: Penambahan pengungkapan terkait dengan analisa umur piutang usaha dan pengungkapan mengenai tingkat bunga, jangka waktu dan jaminan yang diberikan atas piutang lain-lain.
- Catatan 6: Penambahan pengungkapan terkait dengan sifat transaksi dan tujuan penggunaan dana atas utang pihak berelasi, serta perpanjangan jangka waktu perjanjian jasa manajemen dengan SMI.
- Catatan 7: Penambahan pengungkapan terkait dengan jumlah persediaan yang diakui sebagai beban untuk tahun yang berakhir pada tanggal 31 Desember 2017, 2016 dan 2015.
- Catatan 10: Penambahan pengungkapan bahwa tidak terdapat aset tetap yang tidak dipakai sementara dan tidak terdapat aset tetap yang dihentikan dari penggunaan aktif dan tidak diklasifikasikan sebagai tersedia untuk dijual. Serta pengungkapan mengenai alasan Perusahaan melakukan penghapusan aset tetap.
- Catatan 13: Penambahan pengungkapan terkait dengan pembaharuan atas jangka waktu perjanjian utang bank Bank CIMB.
- Catatan 15: Penambahan pengungkapan terkait dengan tingkat bunga, jaminan dan jangka waktu utang lain-lain dan pengungkapan bahwa utang lain-lain akan diselesaikan secara tunai dalam waktu kurang dari satu tahun.
- Catatan 16: Penambahan pengungkapan terkait dengan jumlah dan jenis aset pengampunan pajak.
- Catatan 34: Penambahan pengungkapan terkait dengan peristiwa setelah periode pelaporan.
- Catatan 35: Penambahan pengungkapan terkait dengan penerbitan kembali laporan keuangan.

**35. REISSUED OF THE FINANCIAL STATEMENTS
(continued)**

Several changes and additional disclosures in each Notes the above-mentioned are as follows:

- Note 1c: Changes in the date of completion and authorization of the preparation of the financial statements by the Company's Directors.
- Note 2n: Additional disclosures related to accounting policies of tax amnesty.
- Note 5: Additional disclosures related to the aging analysis of trade receivables and disclosures about interest rate, terms of period and collateral given to other receivables.
- Note 6: Additional disclosures related to nature of the transaction and purpose of due to related party, and extension of management services agreement with SMI.
- Note 7: Additional disclosures related to nature inventories recognize as expenses for the years ended December 31, 2017, 2016 and 2015.
- Note 10: Additional disclosure that there is no property and equipment that are not used temporarily and there is no property and equipment that is discontinued from active use and is not classified as available for sale. Also disclosure related with the Company's rationale to write-off the property and equipment.
- Note 13: Additional disclosure related to renewal of term of period of bank loan with Bank CIMB.
- Note 15: Additional disclosure related to interest rate, collateral and terms of period of other payables and disclosures that other payables will be settled in cash in less than one year.
- Note 16: Additional disclosure related to amount and type of tax amnesty asset.
- Note 34: Additional disclosure related to events after reporting period.
- Note 35: Additional disclosure related to reissue of the financial statements.