



PT HM SAMPOERNA Tbk.

**EXPLANATION ON THE AGENDA OF  
THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS OF PT HM SAMPOERNA Tbk.  
ON 9 MAY 2019**

In relation to the Extraordinary General Meeting of Shareholders ("**EGMS**") of PT HM Sampoerna Tbk. (the "**Company**") which will be convened on Thursday, 9 May 2019, the Company has published in Bisnis Indonesia and Kompas daily newspapers:

- The Announcement of the EGMS plan on 2 April 2019.
- The Invitation to attend the EGMS on 17 April 2019.

In view of:

- Law No. 40 of 2007 dated 16 August 2007 regarding Limited Liabilities Companies Laws (the "**Company Law**")
- OJK Regulation No.32/POJK.04/2014 dated 8 December 2014 concerning the Planning and Convening of A General Meeting of Shareholders of Public Companies as amended by OJK Regulation No.10/POJK.04/2017 dated 14 March 2017 ("**OJK 32/2014**");
- OJK Regulation No.33/POJK.04/2014 dated 8 December 2014 concerning the Board of Directors and Board of Commissioners of Issuers and Public Companies ("**OJK 33/2014**");
- The Articles of Association of the Company as set out in Deed of Statement of Meeting Resolutions on the Amendments to the Articles of Association of the Company No.59 dated 27 April 2017 made before Notary Aryanti Artisari SH, M.Kn., Notary in Jakarta.

The Company hereby provides the explanation of the agenda of EGMS as follows:

**Approval on the Amendment to the Company's Articles of Association.**

**1.1. Background**

In accordance with Article 19 paragraph 1 of the Company Law and Article 12 paragraph 1 of the Company's Articles of Association, the amendment of the Company's Articles of Association must be approved by a General Meeting of Shareholders ("**GMS**").



PT HM SAMPOERNA Tbk.

## 1.2. Explanation

In order to comply with the obligation to adjust the purposes and objectives and business activities of the Company in accordance with the Indonesian Standard Business Classification (KBLI) of 2017 as required by:

- (i) Joint Announcement of the Ministry of Law and Human Rights of the Republic of Indonesia c.q. Directorate General of General Legal Administration and Coordinating Ministry for Economic Affairs of the Republic of Indonesia c.q. Online Single Submission (OSS) Institute dated 11 October 2018; and
- (ii) Government Regulation Number 24 of 2018 concerning Integrated Electronically Licensing Services,

the Company needs to make adjustments to Article 3 of the Company's Articles of Association concerning the Purpose and Objectives and Business Activities.

### **PROPOSED AMENDMENT TO ARTICLE 3 OF THE ARTICLES OF ASSOCIATIONS PT HANJAYA MANDALA SAMPOERNA Tbk.**

#### **Currently:**

#### **PURPOSE AND OBJECTIVES AND BUSINESS ACTIVITIES**

1. The purpose and objective of the Company are primarily to conduct business in the fields of industry, agribusiness and trade.
2. To achieve the purpose and objectives referred to above, the Company may perform the following business activities:
  - (i) Main business activities:

To establish and run companies and businesses in the cigarette product industry, including but not limited to clove cigarettes, filtered clove cigarettes, klobot cigarettes, white cigarettes (without cloves), cigars;
  - (ii) Supporting business activities:
    - a. to run agribusiness and agricultural industries, as well as raw and/or semi-finished materials industries for the cigarette industry;



PT HM SAMPOERNA Tbk.

- b. to purchase and/or submit applications for rights and/or in any other manners acquire immovable property, and particularly agricultural lands, manage said agricultural lands and market agricultural products;
- c. to market and/or sell its own industrial products as referred to in sub (i) above and the industrial products of other parties, both in the local (domestic) and overseas markets;
- d. to act as agent or representative or distributor or supplier of other domestic or offshore companies with respect to goods or merchandises produced and/or sold by the Company as referred to in sub (i) and sub (ii) item a and b above and raw and/or semi-finished materials for the cigarette product industry;
- e. to carry out other supporting businesses or other businesses related to the main business activities.

**Proposed Amendment:**

PURPOSE AND OBJECTIVES AND BUSINESS ACTIVITIES

1. The purpose and objective of the Company are primarily to conduct business in the fields of industry, agribusiness, trade and distribution.
2. To achieve the purpose and objectives referred to above, the Company may perform the following business activities:
  - (i) Main business activities:
    - a. To run businesses in the cigarette product industry, including but not limited to clove cigarettes containing cut tobacco, *krosok rajang*, clove *rajang*, and additional flavoring ingredients, which produce a distinctive scented mixture, rolled with various packaging materials (*ambri/papir/tipping*);
    - b. To run businesses in the field of white cigarette products that do not contain clove components;
    - c. To run businesses in other cigarette product industries, in addition to clove or white cigarettes, such as cigars, *kelembak menyan* cigarettes and



PT HM SAMPOERNA Tbk.

*klobot/kawung* cigarettes, cut tobacco (TIS), *cerutek*, and other tobacco products (HPTL). Including the tobacco pipe industry, chewed tobacco and snuff tobacco;

- d. To run businesses in the field of large-scale trade in tobacco and cigarette seasoning products, such as clove cigarettes and white cigarettes; and
- e. To run businesses in the business field of agents who receive commissions, brokers, auctions, and other large-scale traders who trade goods domestically, offshore on behalf of other parties. The activities include commission agents, goods brokers and all other large-scale trades that sell on behalf of and dependents of other parties; activities involved in joint sales and purchases or conducting transactions on behalf of companies, including through the internet; and agents involved in trade such as agricultural raw materials, live animals; textile raw materials and semi-finished goods; fuels, ores, metals and chemical industries, including fertilizers; food, beverages and tobacco; textiles, clothing, fur, footwear and leather goods; timber and building materials; machineries, including office machines and computers, industrial equipment, ships, aircraft; furniture, household and hardware goods; large scale trading house auction activities.

(ii) Supporting business activities:

- a. To run businesses in the tobacco processing industry that have not been classified elsewhere, such as the industry of tobacco homogenization or reconstitution and tobacco sauce. Including making cigarette spices, as well as other cigarette fittings, such as *kelembak menyanyan*, cigarette/tobacco sauce, *uwur*, *klobot*, *kawung* and filters production;
- b. To run businesses in the field of temporary goods storage activities before the goods are sent to the final destination, with commercial purposes;
- c. To run businesses in the field of making all kinds of packaging and boxes out of paper/cardboard used for wrapping/packaging, including also production of boxes for cigarettes and other items. For example, packaging and boxes out of corrugated paper and board, foldable packaging and paper board boxes, solid board packaging and boxes, packaging from other boxes of paper and paper boards, sacks and paper bags and file boxes;
- d. To run businesses in the business of packaging services on a fee or contract



PT HM SAMPOERNA Tbk.

basis, whether or not using an automated process. Including but not limited to solid object packaging (blister packaging, packaging with aluminum foil and others), packaging of cigarette products and other tobacco processing products (HPTL), and stamp printing;

- e. To run businesses in the field of business of drying tobacco leaves by smoking or by other means including the business of tobacco leaf cutting; and
- f. To carry out other supporting businesses or other businesses related to the main business activities mentioned above.

In connection with the proposed amendment to the Company's Articles of Association, the Company will propose to the EGMS to the following:

1. To approve the amendment to Article 3 of the Company's Articles of Association concerning the Purpose and Objectives and Business Activities to be read as shown on the screen and which has been available on the Company's website as of the date of Invitation to attend the EGMS on 17 April 2019;
2. To approve to restate the entire Articles of Association of the Company;
3. To approve to restate the Company's data on the composition of the Company's shareholders; and
4. To approve the granting of power and authorization to the Directors and/or Corporate Secretary of the Company with substitution rights to make amendment/adjustments to the Company's Articles of Association as may be required in accordance with existing policies of the Minister of Law and Human Rights of the Republic of Indonesia and/or the Financial Services Authority, and to perform any and all necessary actions in connection with the amendment of these Company's Articles of Association, to restate the resolutions of the EGMS in a Statement of Meeting Resolution before the Notary, to authorize the Notary to apply for approval and submit report/notification on the amendment to the Minister of Law and Human Rights of the Republic of Indonesia, to restate the entire Articles of Association of the Company, and to authorize the Notary to amend the Articles of Association in accordance with the instructions and advice of the Minister of Law and Human Rights of the Republic of Indonesia and/or the Financial Services Authority, and in general, to perform any and all actions



PT HM SAMPOERNA Tbk.

deemed necessary to affect the amendment of the Company's Articles of Association.

### **1.3. Supporting Material**

Proposed Amendment to the provisions of Article 3 of the Company's Articles of Association can be accessed on the Company's website link [www.sampoerna.com](http://www.sampoerna.com) and is available at the Head Office and Representative Office of the Company since 17 April 2019 or at the same time as the Invitation to attend the EGMS.