



PT HM SAMPOERNA Tbk.

## **EXPLANATION ON THE AGENDA OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS OF PT HM SAMPOERNA Tbk. DATED 27 APRIL 2017**

In relation to the Annual General Meeting of Shareholders ("AGMS") of PT HM Sampoerna Tbk. (the "Company") which will be convened on Friday, 27 April 2018, the Company has published in Bisnis Indonesia daily newspaper:

- The Announcement of the AGMS Plan on 21 March 2018.
- The Invitation to attend the AGMS on 5 April 2018.

With respect to:

- Law No. 40 Year 2007 dated 16 August 2007 regarding Limited Liabilities Companies Laws ("Law 40/2007")
- OJK Regulation No.32/POJK.04/2014 dated 8 December 2014 as amended by OJK Regulation No.10/POJK.04/2017 dated 14 March 2017 concerning the Planning and Convening of A Shareholders' Meeting of Public Companies ("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 Company's Articles of Association as set out in Deed No. 59 dated 27 April 2017 made before Notary Aryanti Artisari SH, M.Kn., Notary in Jakarta.

The Company hereby provides the explanation of each of the agenda of AGMS of the Company as follows:

### **AGENDA 1**

#### **Approval of the Annual Report and Ratification of the Consolidated Financial Statements of the Company and its subsidiaries for the year ended 31 December 2017.**

##### **1.1. Background**

In compliance with (i) Article 69 and Article 78 of Law 40/2007 and (ii) Article 9 paragraph 3 points a and b, and Article 21 paragraph 3 and paragraph 5 of the Company's Articles of Association, the Company's Annual Report must be approved by the Company's General Meeting of Shareholders ("GMS") and the Consolidated Financial Statements of the Company and its subsidiaries must be ratified by the GMS.

##### **1.2. Explanation**

The Company has prepared the Annual Report for the year ended on 31 December 2017, also containing the Consolidated Financial Statements of the Company and its subsidiaries for the year ended 31 December 2017, audited by the Public Accounting



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Firm Tanudiredja, Wibisana, Rintis & Rekan (a member of the PricewaterhouseCoopers network of firms), as submitted to the Financial Services Authority ("OJK") and PT Bursa Efek Indonesia ("IDX") on 5 April 2018.

The Company will seek for the AGMS' approval of the Company's 2017 Annual Report and ratification of the Consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2017.

### **1.3. Material**

The 2017 Annual Report is available at the Company's head office as well as corporate office in Jakarta or can be downloaded on the Company's website [www.sampoerna.com](http://www.sampoerna.com) since 5 April 2018 or on the same date as the AGMS invitation.

## **AGENDA 2**

### **Approval for the use of the Company's net profit for the year ended 31 December 2017.**

#### **2.1. Background**

In compliance with (i) Article 70 and Article 71 of the Law 40/20017, and (ii) Article 9 paragraph 3 point c and Article 22 paragraph 1 of the Company's Articles of Association, the net profit received by the Company within a financial year as stated in the balance sheet and the profit and loss statement which have been ratified by the AGMS is to be used in accordance with the resolution of the AGMS, including the determination of allocation for mandatory reserve, dividend payment and other uses, subject to prevailing regulations.

#### **2.2. Explanation**

The Company will propose to the AGMS to approve the appropriation of the Company's net profit for the year ended at 31 December 2017 as cash dividend to the Company's shareholders. The Company will not allocate a certain amount for the reserve funds referred under the provisions of Article 70 paragraph 1 of the Law 40/20017 since the Company's reserve funds have reached the minimum amount required under the said article, which is at least 20% of the Company's issue and paid-up capital.

#### **2.3. Material**

The disclosure of the Company's profit can be accessed on the Company's website [www.sampoerna.com](http://www.sampoerna.com) in the 2017 Company's Annual Report and the Consolidated Financial Statements of the Company and its subsidiaries for the year ended 31 December 2017.



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### AGENDA 3

#### Approval for the Appointment of a Public Accountant to audit the Consolidated Financial Statements of the Company and its subsidiaries for the year ending 31 December 2018.

#### 3.1. Background

Pursuant to Article 68 paragraph 1 point c of the Law 40/2007 and the OJK Regulation 32/2014, the Company's Financial Statements must be submitted to a public accountant to be audited. The appointment and dismissal of the public accountant who provides the audit services on the historical financial information must be decided in a general meeting of shareholders with the consideration of the Board of Commissioners' recommendation.

#### 3.2. Explanation

With regard to the appointment of a public accountant who will audit for the Consolidated Financial Statements of the Company and its subsidiaries for the year ending 31 December 2018, having considered the recommendation from the Board of Commissioners, the Company's Board of Directors proposes to the AGMS to appoint Andry D. Atmadja SE, Ak., CPA. From the Public Accounting Firm Tanudiredja, Wibisana, Rintis & Rekan (a member of the PricewaterhouseCoopers network of firms), as the Company's public accountant to audit the Consolidated Financial Statements of the Company and its subsidiaries ending on 31 December 2018.

#### 3.3. Material

The following is the profile of the Public Accountant and Public Accounting Firm



**KAP Tanudiredja, Wibisana, Rintis & Rekan**  
A member firm of PwC global network  
Plaza 89, Jl. HR Rasuna Said Kav. X-7 no. 6, Jakarta 12940  
Phone : 62 21 521 2901  
Fax: 62 21 52905555/52905050  
Registered Public Accountant: KEP-241/KM.1/2015

PwC ([www.pwc.com](http://www.pwc.com)) provides industry-focused assurance, tax, advisory, consulting and legal services to build public trust and enhance value for its clients and their stakeholders. The global network of PwC consist more than 208,000 people in 157 countries who share their thinking, experience, and solutions to develop fresh perspectives and practical advice.

KAP Tanudiredja, Wibisana, Rintis & Rekan is a member of the PricewaterhouseCoopers network of firms and have operated in Indonesia since 1971. PwC has more than 2,000 employees, including over 54 partners and technical advisors who have experience in providing audit service and independent consultation to multinationals, public sector entities and local companies in Indonesia. Our services are rendered through separate legal entities focusing on different aspects of the service with the collective resources and experience of PwC Indonesia and its global network.



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**Andry D. Atmadja SE, Ak,  
CPA**

Andry D. Atmadja S.E., Ak., CPA (“Andry”) is a Partner of Assurance Services division in KAP Tanudiredja, Wibisana, Rintis & Rekan (a member PricewaterhouseCoopers network of firms). He has more than 25 years of experience in assurance and other services for public and non-public, local and multinational companies. He has also assisted many advisory works related to the acquisition, disposal and merger.

Andry specialises in manufacturing, retail and consumer, plantation and financial services industry.

Andry holds license from Ministry of Finance with License of Public Accountant No. AP.0234 and he is also registered in Otoritas Jasa Keuangan with STTD No. 97/BL/STTD-AP/2010.

Andry was the Lead Partner for the audit engagement of the consolidated financial statements PT HM Sampoerna Tbk and its subsidiaries (“Group”) for the year ended 31 December 2017 and he will be taking the Partner role for the third time in the audit engagement of the Consolidated Financial Statements of the Group for the year ending 31 December 2018.

## **AGENDA 4**

### **Approval for the Change in the Composition of the Company’s Management.**

#### **4.1. Background**

Pursuant to (i) Article 94 paragraph 1 and Article 111 paragraph 1 of the Law 4/2007, (ii) Article 3 and Article 23 of the OJK Regulation 33/ 2014, and (iii) Article 15 paragraph 3 and Article 18 paragraph 3 of the Company's Articles of Association, members of the Board of Directors and Commissioners are appointed by a GMS. The term of office of the person appointed to replace a vacant post of a

member of the Board of Directors and Board of Commissioners shall be the remaining of the term of office of the member of the Board of Directors and Board of Commissioners being replaced.

#### **4.2. Explanation**

The appointment of the members of the Board of Directors is in accordance with the provisions of Article 15 paragraph 3 of the Company's Articles of Association and other related laws and regulations. The term of office of the incumbent members of the Board of Directors will end at the closing of the fifth Annual General Meeting of Shareholders on 27 April 2015, which is in 2020.



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In this regard, the Company will propose to the AGMS to approve the appointment of the following Directors:

1. Mr. Ingo Ross;
2. Mrs. Elvira Lianita; dan
3. Mr. Johannes B. Wardhana.

The appointment of the members of the Board of Commissioners is pursuant to the provisions of Article 18 paragraph 3 of the Company's Articles of Association and other related laws and regulations. The Company will propose to the AGMS to approve the appointment of Mr. Yos Adiguna Ginting as Commissioner of the Company. The term of office of the incumbent members of the Board of Commissioners will end at the closing of the fifth Annual General Meeting of Shareholders as of the Annual General Meeting of Shareholders on 27 April 2015, which is in 2020.

#### **4.2. Material**

The following is the profile of the candidates of Director and Commissioner of the Company which also available on the website of IDX and the Company [www.sampoerna.com](http://www.sampoerna.com)



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## INGO ROSE

### SUMMARY OF QUALIFICATIONS

- Senior Business Executive with 20 years of experience in managing tobacco business in medium and large markets (Germany, Nordics, Mexico & Indonesia) in a global corporation, including 4 years of experience as Director Brand Building in the Operation Centre.
- Outstanding leadership, strategic, people management and communication skills
- Broad business perspective, intellect, pragmatism and open mindedness
- Result driven with an proven track record of delivering share and volume growth
- Deep brand and consumer understanding with the ability to turn insights into results.
- Innovative thinker and part of the local think tank to commercialize innovative Reduced Risk Products, able to transform our business long term
- Leading successfully diverse teams of 150+ people

### PROFESSIONAL EXPERIENCE

<b>PT HANJAYA MANDALA SAMPOERNA Tbk.</b>	01.10.2017
General Manager	
<ul style="list-style-type: none"><li>• Setting overall portfolio strategy &amp; developing unique brand positioning's for long term growth.</li></ul>	
<b>PHILIP MORRIS MEXICO PRODUCTOS Y SERVICIOS, S.R.L DE C.V.</b>	01.08.2015
Director Marketing Cluster Mexico	



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- Developing overall portfolio and implementation strategy leading to re-establishing a solid growth momentum for all key brands in the Mexican market.

**PHILIP MORRIS INTERNATIONAL MANAGEMENT SA, LAUSANNE** 01.04.2013

Director Chesterfield

- Setting the global brand positioning for Chesterfield. Development of global Pool book incl. Packaging and Communication material.

**PHILIP MORRIS INTERNATIONAL MANAGEMENT SA, LAUSANNE** 01.08.2011

Director Parliament Brand Building

- Driving global expansion and prepare mornings with an innovative product and communication toolbox.

**PHILIP MORRIS AB, STOCKHOLM, SWEDEN** 01.03.2007

Marketing Director Nordics

- Align portfolio initiatives among the five diverse Nordic Markets. Leading to higher efficiency and strong share results.

**PHILIP MORRIS GMBH, MUNICH, GERMANY**

Marketing Manager Super Low/International & Austrian Portfolio 01.07.2006

- Responsible for the development of the L&M Brand in the German market. Plan & coordinate all marketing activities with our Austrian distribution partner.

Brand Manager Direct Marketing & Racing and Marketing Responsible Austria 01.08.2002

- Leading all Marlboro Database activities as well as all Event & PR activities in relation to our global Racing sponsorship agreements.

Junior Product Manager Marlboro 01.07.1999

- Planning and executing of Germanys biggest Consumer promotion – Marlboro Adventure Team.

Trainee programme 01.07.1997 – 30.06.1999

- Learn & Development by working in different Marketing & Sales related departments gaining a deep understanding of the tobacco business.

## EDUCATION

- Master Degree in Business Administration at Westfälische Wilhelms-Universität in Münster, Germany - July 1994 – February 1997



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- Intermediate Degree in Business Administration at Westfälische Wilhelms-Universität in Münster, Germany - October 1992 – July 1994
- A-levels at Grammar school Bremen, Germany - August 1977 – June 1990
- Military Service Rotenburg a.d. Wümme, Germany June 1991 – July 1992

## LANGUAGES

German mother tongue

English professional

French basic

Spanish basic





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**ELVIRA LIANITA**

#### **SUMMARY OF QUALIFICATIONS**

- Corporate Affairs professional with 16 years of wide-ranging experience in tobacco industry, covering community relations, communications, international trade, fiscal and regulatory affairs
- Excellent leadership, strategic, people management and communication skills.

#### **PROFESSIONAL EXPERIENCE**

**PT HM SAMPOERNA Tbk.** (January 2007 – Present)

**HEAD OF FISCAL AFFAIRS & COMMUNICATIONS** (November 2016 – Present)

- Monitor fiscal and economy trend, as well as political situation
- Analyze policies/regulations related to industry and business in general
- Develop fiscal strategy and plan, as well as supervise the implementation
- Develop communications strategy and plan to enhance the company's image
- Responsible for stakeholder outreach related to fiscal, economy, media, etc.
- Responsible for people development in the fiscal affairs and communications area

**HEAD OF REGULATORY AFFAIRS, INTERNATIONAL TRADE & COMMUNICATIONS** (December 2013 - November 2016)

- Monitor regulatory and economy trend, as well as political situation
- Analyze policies/regulations in national and global level related to international trade, industry, and business in general
- Develop regulatory strategy and plan, as well as supervise the implementation
- Develop communications strategy and plan to enhance the company's image
- Responsible for stakeholder outreach related to regulatory, economy, media, etc.
- Responsible for people development in the regulatory affairs and communications area



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**HEAD OF REGULATORY AFFAIRS & INTERNATIONAL TRADE** (March 2013 – December 2013)

- Monitor regulatory and economy trend, as well as political situation
- Analyze policies/regulations in national and global level related to international trade, industry, and business in general
- Develop and implement strategy and plan, as well as supervise the implementation

**MANAGER REGULATORY AFFAIRS AND STRATEGY** (Jan. 2010 – March 2013)

- Monitor regulatory trend and analyze relevant policies/regulations related to industry and business in general
- Develop and implement strategy and advocacy plan
- Responsible for stakeholder outreach
- Responsible for people development in the regulatory affairs area

**CORPORATE COMMUNICATIONS MANAGER** (Jan. 2007 – Jan. 2010)

- Develop communications strategy to enhance the company's image
- Manage and develop network with relevant National and Regional media
- Collaborate with Regulatory & Fiscal team to ensure and promote sustainable business environment/investment climate
- Project manager of Company's Annual Report
- Manage the Company's Public Expose and Shareholders' Meeting

**PT PHILIP MORRIS INDONESIA** (Dec. 2001 – Dec. 2006)

**COMMUNICATIONS & COMMUNITY RELATIONS MANAGER**

**Communications** (Oct. 2004 – Dec. 2006)

- Develop and implement communications strategy to enhance the corporate image
- Manage and develop network with relevant National and Regional media
- Develop and implement internal communication plans and programs
- Develop and restructure approach to CSR covering Malang (factory); Lombok, Lumajang, and Jember (tobacco leaf agronomy); Pasuruan (warehousing facility).
- Develop and implement strategy on government relation, particularly in regional levels.

**GRAND HYATT HOTEL, JAKARTA** (Jan. 2001 – Nov. 2001)

**PUBLIC RELATIONS MANAGER**

- Responsible to build positive image of the hotel by conducting the entire spectrum of PR initiatives, e.g. maintained & expanded relationship with press community, communicate all promotional initiatives, etc.

**OGILVY PR WORLDWIDE INDONESIA** (Jul. 2000 – Dec. 2000)

**PUBLIC RELATIONS CONSULTANT**

- Provided strategic counsel to clients/accounts including managing relations.
- Performed PR tasks such as research, written materials, media relations, organizing events, etc.
- Involved in creating new businesses either from existing or potential clients.



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**MENARA PENINSULA HOTEL, JAKARTA (October 1997 – June 2000)**

**PUBLIC RELATIONS MANAGER**

- As a newly opened hotel and a newly established position, set up the entire PR programs to gain recognition from public & media. Efforts covered establishing and maintaining relationship with the press community as well as developing marketing programs.

**RADISSON PLAZA SUITE HOTEL, SURABAYA (April 1995 – September 1997)**

**MARKETING PROGRAMS MANAGER**

- Developed and implemented various customer-oriented loyalty and creative programs, i.e. cross-selling, partnership with other companies and media to promote the hotel and its facilities.

**EDUCATION, TRAINING AND CONFERENCES**

- Asia Pacific - Corporate Affairs Strategy Meeting, March 2011, Hong Kong (Sampoerna)
- Global Corporate Affairs Conference, Jun. 2010, Geneva (Sampoerna)
- Asia Pacific Regulatory Meeting, Jan. 2010, Hong Kong (Sampoerna)
- Global Corporate Affairs Conference, Oct. 2008, Turkey (Sampoerna)
- Tobacco Issues and Advanced Media Training, Feb. 2007, Hong Kong (Sampoerna)
- Asia Pacific Corporate Affairs Conference, Sept. 2006, Vietnam (Philip Morris)
- Asia Pacific Corporate Affairs Conference, Sept. 2005, Australia (Philip Morris)
- Effective Business Writing, Jun. 2005, Jakarta (Philip Morris).
- Advanced Media Training, Jan. 2005, Hong Kong, (Philip Morris).
- Operations for Non Operations, Sept. 2004, Malaysia ((Philip Morris).
- Asia Pacific Corporate Affairs Conference, Aug. 2004, Korea (Philip Morris).
- Creating the Future, Feb. 2003, Jakarta, (Philip Morris).
- Advanced Media Training in Tobacco Industry, Jan. 2003, Hong Kong (Philip Morris).
- Societal Alignment, Oct. 2002, Hong Kong (Philip Morris).
- Asia Pacific Corporate Affairs Conference, Jun. 2003, Bali (Philip Morris).
- Operations for Non-Operations Course, Jan. 2002, Malang (Philip Morris).
- Guest and Employee Relations, 2001, Jakarta (Grand Hyatt).
- Media Training, 2000, Jakarta (Ogilvy PR).
- Selling Technique Short Course by Winning Edge Foundation, 1995 (Radisson).
- Public Relations Short Course, 1994, Surabaya (Airlangga University).
- Attended Widya Mandala University Secretarial School (1993 – 1995)
- SMA Negeri 1, Surabaya (1990 – 1993)



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**JOHANNES B. WARDHANA**

## PROFESSIONAL EXPERIENCE

### EGON ZEHNDER

SENIOR PARTNER Jakarta Office	2016 - 2017
MANAGING PARTNER Jakarta Office	2001 - 2016
CONSULTANT Singapore and Jakarta	1995 - 2001

### PT COCA – COLA INDONESIA Jakarta, Indonesia

CONSUMER MARKETING MANAGER	Jun 1994 -1995
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### THE PROCTER & GAMBLE COMPANY

Aug 1990 – May 1994

BRAND MANAGER, Hair Care and Skin Care Category, Jakarta, Indonesia  
ASSISTANT BRAND MANAGER, Hair Care Category, Jakarta, Indonesia  
INTERNATIONAL MARKETING ASSOCIATE, Liquid Ivory Brand, Cincinnati, USA

### UNIVERSITY OF INDONESIA JAKARTA, INDONESIA

Lecturer, in Marketing for Undergraduate and graduate program.	1992 - 1995
Teaching Assistant, in Marketing and organization behavior	1986 - 1988

### PT KERAMIK DIAMOND INDAH

Export Manager Ceramic Tiles Jakarta/Surabaya, Indonesia	Apr 1987 – Jul 1988
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## EDUCATION

1988 -1990	J.L. Kellogg Graduate School of Management Northwestern University, Evanston, USA Master of Management in Marketing and International Business Activities & Societies: Fullbright Scholar, Elected co-Chairman Asian Management Association.
1981 – 1987	UNIVERSITY OF INDONESIA, Jakarta, Indonesia Sarjana Ekonomi (BA Equivalent) in Marketing and Organizational Behavior.
1984 -1995	Activities & Societies: Lecturer in Marketing
1983	Sophia University, Summer Course, Japanese Management



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**YOS ADIGUNA GINTING**

## **PROFESSIONAL EXPERIENCE**

**PT HANJAYA MANDALA SAMPOERNA Tbk.**

Direktur External Affairs

Jan 2013 – Feb 2018

**PHILIP MORRIS ASIA LIMITED, HONG KONG**

Director Government Affairs and Stakeholder Outreach

Sep 2011 - Jan 2013

**PT HANJAYA MANDALA SAMPOERNA Tbk.**

Direktur Corporate Affairs

Jun 2008 - Sep 2011

Direktur Human Resources

Jun 2003 - May 2008

Organization Development Specialist

Apr 2002 - May 2003

**PT INDAH KIAT PULP AND PAPER Tbk.**

Member, Team Restructuring

Jul 2001 - Mar 2002

**TRADE ALLIANCE LTD., SINGAPORE**

Vice President

Dec 2000 - Jun 2001

## **EDUCATION**

Doctor of Philosophy, Theoretical Chemistry University of Tasmania, Tasmania, Australia

1997