



**EXPLANATION OF AGENDA OF  
ANNUAL GENERAL MEETING OF SHAREHOLDERS  
EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS  
THURSDAY, 27 JUNE 2019 (“MEETING”)**

**PT CATUR SENTOSA ADIPRANA TBK (“COMPANY”)**

In accordance with the Notice of Annual General Meeting of Shareholders (AGMS) and Extraordinary General Meeting of Shareholders (EGMS) on May 31, 2019 which was announced through KONTAN Daily on May 31, 2019, the Company hereby submits explanations for the MEETING agenda as follows:

- I. Approval and Ratification of the Annual Report for 2018 Financial Year, including Activity Report of the Company, the Board of Commissioners Supervision Report and the Consolidated Financial Statements of the Company for financial year ending 31 December 2018.**

The Company's Annual Report for the financial year ended 31 December 2018 includes reports on the Company's activities, the Board of Commissioners supervisory duties, and the Company's and its subsidiaries' Financial Statements (Consolidated Financial Statements) for 2018 has been audited by Public Accounting firm Purwantono, Sungkoro & Surja (member of Ernst & Young Global) in accordance with their Report No. 00364 / 2.1032 / AU.1 / 05 / 0694-2 / 1 / III / 2019 dated March 28, 2019 with present FAIRLY opinions in all material matters.

The Company will propose to the Annual General Meeting of Shareholders (AGMS) to approve and ratify the Company's Annual Report for the fiscal year ending 31 December 2018 and ratify the Financial Statements (Consolidated Financial Statements) of the Company and its subsidiaries as well as the Company's Board of Commissioners Supervision Report, and full acquit et de charge of responsibility to members of the Board of Directors and Board of Commissioners of the Company for management and supervision that have been carried out during the financial year for 2018 in so such actions were reflected in the Annual Report and Financial Statements of the Company.

Supporting Data :

The Annual Report of the Company for 2018 can be downloaded from the Company's website : [www.csahome.com](http://www.csahome.com)

## **II. Regarding the determination on the appropriation of the Company's net profit for 2018 Financial Year.**

Based on the Company's Audited Financial Statements 2018 has been audited by Public Accounting Firm Purwantono, Sungkoro & Surja (Ernst & Young Global member) in accordance with Report No. 00364/2/1032/AU.1/05/0694-2/1/III/2019 dated March 28, 2019, and the disclosure of information submitted in the Prospectus that has been issued by the Company on 3rd December 2007 in the framework of the Initial Public Offering has been disclosed in dividend policy, it is proposed :

- a. To use the Net Income of the book year 2018 is 18.53% of the Total Comprehensive Income For the Year Attributable to Owners of the Parent Entity or in total amount of IDR17,833,411,680.- (seventeen billion eight hundred thirty three million four hundred eleven thousand six hundred eighty rupiah), so it is equivalent to a cash dividend of Rp. 4.- (four rupiah) per share.
- b. At IDR200,000,000.- (two hundred million rupiahs) is recorded as a mandatory reserve fund to fulfill the provisions of Article 25 of the Company's articles of association and Article 70 of Law No. 40 of 2007 concerning Limited Liability Companies;
- c. The remaining IDR 78,191,341,320.- (seventy eight billion one hundred and ninety one million three hundred forty one thousand three hundred twenty rupiah) is to strengthen the Company's working capital and be recorded as retained earnings.

The Company will propose to the AGMS to approve the use of the Company's Net Profit for 2018 or Total Comprehensive Income For the Year Attributable to Owners of the Parent Entity in 2018, and authorize the Company's Board of Directors to do all and every necessary action related to the schedule and procedures dividend distribution in accordance with laws and regulations.

Supporting Data :

The Annual Report of the Company for 2018 can be downloaded from the Company's website : [www.csahome.com](http://www.csahome.com)

## **III. Regarding appointment of Public Accountant to conduct an audit of the Company's Consolidated Financial Statements for 2019 Financial Year.**

In accordance with Article 16 paragraph 1 POJK No. 13 / POJK.03 / 2017 concerning the Use of Public Accountant Services and Public Accounting Firms in Financial Services Activities regulates that the use of audit services for the annual historical financial information of the same Public Accountant is no more than 3 (three) years of reporting in a row, where the use of the services of the Public Accountant of the Company's financial statements is 1 (one) financial year, so that it can still be reappointed.

In accordance with the recommendations of the Audit Committee with its letter dated May 27, 2019, it has evaluated the performance of the Public Accountant Office and recommended to the Board of Commissioners to propose to the AGM by appoint the Public Accountant who will audit the Financial Statements (Consolidated Financial Statements) of the Company for fiscal year 2019 is Public Accountant Office Purwantono, Sungkoro & Surja (member of Ernst & Young Global).

Supporting Data :

The profile of the Public Accountant Office can be downloaded from:  
<https://www.ey.com>

#### **IV. Regarding changing in the Nomenclature of the Company's Management Composition.**

Regarding to the Directors of Indonesia Stock Exchange Decree Number: Kep-00183 / BEI / 12-2018 dated 27-27-2018 concerning Amendment to Regulation Number IA concerning Listing of Shares and Equity-Type Securities Other than Shares issued by the Listed Company, and in accordance with Article 11 paragraph 4 of the Articles of Association of the Company, the adjustments / changes to the Nomenclature of the Management of the Company will be made, namely the Deputy President Director and Independent Director to become Director.

The Company will propose to the AGM to approve the amendments / changes to the Nomenclature of the Company's Management for the period until the closing of the Company's Annual General Meeting of Shareholders in 2022.

#### **V. Regarding the determination of salaries, honorarium and other remuneration for the Board of Directors and Board of Commissioners of the Company for 2019 Financial Year.**

Regarding to Article 11 paragraph 6 and Article 14 paragraph 6 of the Company's Articles of Association, the Company will propose to the AGM for the determination of salaries, honoraria and other benefits for the Board of Commissioners for fiscal year 2019, taking into account recommendations from the Nomination and Remuneration Committee based on the Board of Commissioners' meeting decision.

#### **VI. Realization Report on Use of Proceed ("LRPD") of Right Issues Public Offering I funds in the framework of the Company's Additional Capital Adequacy Ratio (PMHMETD) dated on June 9, 2016.**

Related to the Financial Services Authority (OJK) Regulation No. 30 / POJK.04 / 2015 dated 22 December 2014 concerning the Realization Report on the Use of Proceeds from Public Offering ("POJK No. 30/2015"), the report on the realization

of the use of proceeds from Right Issues Public Offering I until 31 December 2018, namely as follows :

1. 80% is used to finance capital expenditure and working capital in the Company's business expansion plan in the modern retail segment of Building Materials and Home Improvement (Mitra10), by increasing capital in PT. Catur Mitra Sejati Sentosa (CMSS) which is a subsidiary of the Company with ownership of 99.65%, of which Rp. 400,329,098,000 (four hundred billion three hundred twenty nine million ninety eight thousand rupiahs);
2. A total of 20% is used to finance the Company's capital expenditure and working capital, which as of December 31, 2017 has been used in the amount of Rp. 90,000,000,000 (ninety billion rupiahs);
3. The total realization of the use of proceeds from the Limited Public Offering I as of December 31, 2018 is Rp. 490,329,098,000 (rupiah) has been used fully (100%);

The Company will propose to the AGMS to approve the Realization Report on used of proceed (LRPD) from Right Issues Public Offering I (PMHMETD) in the framework of the Company's PMHMETD on June 9, 2016, whereby all funds have fully been used by the Company.

#### **VII. Regarding change in Article 3 of the Articles of Association of the Company.**

In connection with the provisions of Government Regulation Number 24 of 2018 concerning Electronic Integrated Licensing Services which publishes IDENTIFICATION BUSINESS NUMBER (NIB) for each company established in Indonesia, which is required for each company to readjust the Intent and Purpose and business activities based on Standard Classification Indonesian Business Field (KBLI) in 2017 through the Legal Entity Administration System (SABH) at the Ministry of Law and Human Rights of the Republic of Indonesia through the amendment to the company's articles of association.

The Company will propose to the Extraordinary General Meeting of Shareholders (EGMS) to approve adjustments to Article 3 of the Company's Articles of Association concerning the Purpose and Objectives and business activities of the Company in accordance with 2017 KBLI related to Electronic Integrated Licensing Services by not changing the Company's main business activities.

#### **VII. Encumbrance of property and/or assets of the Company with a value of more than 50% of the equity of the Company in connection with acquiring loan for the Company and its subsidiaries.**

To achieve optimum business performance, the Company in carrying out its daily business activities needs funding to finance its business activities. In addition to using internal funding sources, the Company also requires additional external funding in the form of loan facilities from various funding sources. In this regard,

in order to obtain these facilities, a guarantee in the form of Company assets is required.

In accordance with the provisions of Article 12 paragraph 6 of the Company's articles of association, legal actions to divert, release rights totaling more than 1/2 (one half) part of the Company's net worth or the Company's assets, either in one transaction or several transactions stand alone or related to each other must obtain the approval of the General Meeting of Shareholders with the terms and conditions as referred to in Article 12 paragraph 6 of the Company's articles of association.

The Company will propose to the EGMS to approve on guarantee the assets and / or net worth of the Company with a value more than 50% of the Company's equity in related to obtain funding for the Company and its subsidiaries.

**Jakarta, 31 May 2019**  
**PT Catur Sentosa Adiprana Tbk**  
**Board of Directors**