



**DESCRIPTION OF AGENDA
OF
ANNUAL GENERAL MEETING OF SHAREHOLDERS**

PT Indo Tambangraya Megah Tbk (“**Company**”) will convene its Annual General Meeting of Shareholders (“**Meeting**”) on **23 March 2018**, to start at **09.00 am** at **Ballroom 1, Sheraton Hotel Gandaria City**, Jl. Sultan Iskandar Muda, Jakarta.

Each agenda of the Meeting will be explained and presented in detail during the Meeting and the followings are the brief description of agenda:

Agenda 1: To approve the Company’s Annual Report for the Financial Year of 2017 and Ratification of the Company’s Financial Statements for the Financial Year of 2017

Description:

The Board of Directors and the Board of Commissioners presented the reports of the management and supervisory of the Company during the financial year ended 31 December 2017 in the Annual Report, including Sustainability Report, and the Company’s performance in the Annual Consolidated Financial Statement for the period ended 31 December 2017 that has been audited by public accountant KAP Tanudiredja, Wibisana, Rintis & Rekan (member of PricewaterhouseCoopers) signed on 22 February 2018.

Agenda 2: To determine the Use of Company’s Net Profit for the Financial Year of 2017

Description:

The use of company net profit to be proposed in the Meeting shall include dividend payment. The Company’s policy on dividend is to distribute cash dividends from its net profit with payout ratio approximately 60%, after taking into account the rate of profit earned, allowance for reserves and business expansion program, unless decided otherwise by the Meeting.

Historically, the Company has consistently paid cash dividend to the shareholders, and for the first half 2017 performance, with the approval of the Board of Commissioners, the Company has executed cash interim dividend payment with payout ratio 100% of the consolidated net profit amounting IDR1.300 per share, paid on 21 November 2016. The Company will propose to the Meeting to decide the final dividend ration payout and the distribution of the remaining final dividend.

Agenda 3: The Appointment of Public Accountant to audit the Company's financial statement for financial year 2018

Description:

The Audit & Risk Oversight Committee recommended to the Board of Commissioners to appoint Daniel Kohar S.E., CPA as Public Accountant from KAP Tanudiredja, Wibisana, Rintis & Rekan (member of PricewaterhouseCoopers) as the Independent Public Accountant to audit the Company's financial statement for Financial Year 2018, at their quoted service fee of IDR1,407,000,000 with consideration that KAP Tanudiredja, Wibisana, Rintis & Rekan is the Company's current independent public accountant.

The Board of Commissioners agreed to that recommendation and thereby proposed to the Meeting on the appointment of Daniel Kohar S.E., CPA as Public Accountant from KAP Tanudiredja, Wibisana, Rintis & Rekan to audit the Company's financial statement for Financial Year 2018, at the audit fee of IDR1,407,000,000.

Agenda 4: Determination of the remuneration package for the members of the Board of Commissioners and Board of Directors of the Company for financial year 2018

Description:

In accordance with Article 96 paragraph 1 of the Limited Liability Company Law No. 40/2007, the amount of the salary and that of the benefits/allowances of each Director shall be decided under a resolution by the General Meeting of Shareholders, however, pursuant to Article 96 paragraph 2 of the Limited Liability Company Law No. 40/2007 and the Company's Articles of Association Article 20 paragraph 5, such authority may be delegated to the Board of Commissioners.

The provisions on the amount of the salary, fee and benefits/allowances for each member of the Board of Commissioners shall be decided by the General Meeting of Shareholders pursuant to Article 113 of the Limited Liability Company No. 40/2007 and the Company's Articles of Association Article 22 paragraph 8. In accordance thereof, the Board of Commissioners proposes to the Meeting the 2018 total remuneration of the Board of Commissioners at the amount of IDR9,7billion and to authorize the President Commissioner to determine the distribution among the members.

Agenda 5: Change of the Board of Commissioners and the Board of Directors Composition

Description:

This year, Mr. Ibrahim Yusuf as President Commissioner and Mr. Leksono Poeranto as Director will enter their retirement age and Mr. Somyot Ruchirawat has submitted his resignation letter to the Company on 1 March 2018. Therefore, the majority shareholder has proposed the appointment of Mr. Somsak Sithinamsuwan to replace Mr. Somyot Ruchirawat as Commissioner, Prof. Dr. Djisman S. Simandjuntak as President

Commissioner & Independent, Prof. Djoko Wintoro, PhD as new Independent Commissioner and Mr. Padungsak Thanakij as new Director of the Company.

The nomination of the proposed new members of the Board of Commissioners and the Board of Directors (which profiles are described in the attachment of this announcement) have been evaluated by the SD, GCG, Nomination and Compensation Committee, thus, the Board of Commissioners recommend to the Meeting adoption of the proposal.

Upon the approval of and the closing of Meeting, the composition of the Board of Commissioners and the Board of Directors will be as follows:

1. **Board of Commissioners**

- President Commissioner & Independent – Prof. Dr. Djisman S. Simandjuntak
- Commissioner – Ms. Somruedee Chaimongkol
- Commissioner - Mr. Rudijanto Boentoro
- Commissioner – Mr. Mahyudin Lubis
- Commissioner - Mr. Fredi Chandra
- Commissioner – Mr. Somsak Sithinamsuwan
- Independent Commissioner – Prof. Djoko Wintoro, Ph.D

2. **Board of Directors**

- President Director – Mr. Kirana Limpaphayom
- Director – Mr. A.H. Bramantya Putra
- Director – Mr. Jusnan Ruslan
- Director – Mr. Stephanus Demo Wawin
- Director – Mr. Yulius Kurniawan Gozali
- Director – Mr. Muliando
- Director – Mr. Ignatius Wurwanto
- Director – Mr. Padungsak Thanakij

Agenda 6 : Report on the Use of the Proceeds from the Initial Public Offering 2007

Description:

To comply with OJK Rule no.30/POJK.04/2015 dated 16 December 2015 concerning the Report of Use of the Proceeds from the Initial Public Offering, the Company hereby report the usage of that fund per 31 December 2017:

Description	IPO Fund (Rp)	Allocations (Rp)	Realization per 31 Dec 2017 (Rp)
Total IPO Fund	3,163,7 billion		
IPO expenses	99,5 billion		
Net IPO Fund	3,064,2 billion		
Indominco Bontang Coal Terminal		656,3 billion	699,5 billion
Indominco Power Plant		234,4 billion	126,1 billion
Indominco East Block		187,5 billion	180,0 billion

Bharinto Mine		468,8 billion	418,7 billion
Loan Repayment		900,9 billion	905,0 billion
Acquisition (business expansion)		616,2 billion	
Total Usage of IPO Fund per 31 Dec 2017		3,064,2 billion	2,329,4 billion
Balance of IPO Fund per 31 Dec 2017	734,7 billion	equivalent in USD 54,2 million is placed in term deposit USD currency with tenor 1 - 3 months	

Jakarta, 1 March 2018
The Board of Directors

Attachment

**Profile of the proposed members of
the Board of Commissioners and the Board of Directors**

Name	: Somsak Sithinamsuwan		
Born	: April 14 th , 1960		
Education	: 1994-1997 Master in Public Administration, major in Policy & Project Management National Institute of Development Administration (NIDA) 1978-1981 Bachelor of Science in Mining and Metallurgical Engineering, Prince of Songkhla University		
Professional Experience/ career	2018 – Present	Assistant Chief Operation Officer (Coal Business) Banpu Public Company Limited.	
	2013 – 2017	On secondment as Managing Director of Hongsa Power Co., Ltd. Lao PDR.	
	2010 – 2013	Vice President (Technology Development), Technical Development & Services Department. BANPU Public Company Limited.	
	1999 – 2010	Assistant Managing Director, Sahakol Equipment Plc.	
	1997 – 1999	Mine Planning Manager, Thai-Lao, Lignite Co., Ltd. Bangkok.	
	1991 – 1997	Chief of Operation and Maintenance Department Sahakol Engineers Co., Ltd. Mae Moh Project, Mae Moh, Lampang.	
	1986 – 1990	Head of Mine Operation Planning Section Mine Operation Department, Mae Moh Mine. Electricity Generating Authority of Thailand	
	1983 – 1985	Mine Planning Engineer at Mine Project Planning Section, Mine Engineering Department, Electricity Generating Authority of Thailand	
	1983	Mining Engineer at Mine Safety & Welfare Section, Department of Mineral Resources, Ministry of Industry	
	1982	Shift Engineer. Kanchanaburi Exploration and Mining (KEMCO) Co., Ltd.	

Name : **Prof. Djoko Wintoro, PhD**

Born : April 28th, 1953

Education : 2000 Ph.D. in Behavioral Finance, April 2000
University of Wollongong – Australia

1993 Magister in Accounting Management from
University of Indonesia in 1993

Experience/
career : 2015 – Present Vice Rector for Operations, Finance,
Accounting & Human Resources
Management of Prasetya Mulya
University

2012 – 2015 Dean of Prasetya Mulya Business
School

2009-2012 Research Director of Prasetya Mulya
Business School



Name : **Padungsak Thanakij**

Born : August 23rd 1958

Education : 1978 - 1981 Bachelors Degree in Mining Engineering
Chulalongkorn University, Bangkok

Experiences
/ career : 2016 – Present Melak Cluster Head, PT Indo
Tambangraya Megah Tbk group

2014 – 2016 Short Term Supply Chain Head, PT Indo
Tambangraya Megah Tbk group.

2005 – 2014 Senior Vice General Manager,
Underground Coal Mine, Hebi Zhong
Tai Mining Co. Ltd

2004 – 2005 Senior Mining Engineer, Banpu Public
Co. Ltd., Thailand

2000 – 2004 General Director, Calcium Carbonate
Quarry Mine, Yenbai-Banpu Calcium
Carbonate Co., Ltd

1991 – 2000 Mine Manager, Kaolin open cut mine,
Mineral Resources Development Co.,
Ltd., subsidiary of Banpu Public Co.,
Ltd., Thailand

1981 – 1991 Dredge Master, Offshore Tin Mine,
Tongkha Harbour Co., Ltd, Thailand

