

**INFORMATION DISCLOSURE TO SHAREHOLDERS IN ORDER TO MEET REGULATION NO. IX.E.2, APPENDIX OF DECREE OF THE CHAIRMAN OF BAPEPAM AND LK NO. KEP-614/BL/2011 DATED 28 NOVEMBER 2011 ON MATERIAL TRANSACTIONS AND CHANGES OF BUSINESS ACTIVITIES ("REGULATION No. IX.E.2") AND THE FINANCIAL SERVICES AUTHORITY REGULATIONS NO. 31/POJK.04/2015 ON DISCLOSURE OF MATERIAL INFORMATION OR FACTS BY ISSUERS OR PUBLIC COMPANIES ("POJK NO. 31/2015")**

BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS OF PT GARUDAFOOD PUTRA PUTRI JAYA TBK. ("COMPANY") SHALL BE, INDIVIDUALLY AND COLLECTIVELY FULLY RESPONSIBLE FOR THE TRUE AND COMPLETENESS OF INFORMATION AS DISCLOSED IN THIS INFORMATION DISCLOSURE AND AFTER HAVING CAREFULLY RESEARCHED, CONFIRMED THAT THERE ARE NO UNDISCLOSED OR OMITTED MATERIAL FACTS THAT CAUSED THE INFORMATION PROVIDED IN THIS INFORMATION DISCLOSURE TO BE UNTRUE AND OR MISLEADING.



**PT GARUDAFOOD PUTRA PUTRI JAYA Tbk.**

**Business activities:**

Food and Beverages Industry integrated with distribution Activities

Domiciled in South Jakarta, Indonesia

**Head Office:**

Wisma GarudaFood

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This information disclosure is published in connection with the acquisition of 825,000,000 (eight hundred twenty-five million) shares of PT Mulia Boga Raya Tbk ("**MBR**") owned by Lie Po Fung (Jaya), Sandjaya Rusli, Berliando Lumban Toruan, Agustini Muara, Marcello Rivelino Gunadirdja and Amelia Fransisca, all of whom are not affiliated parties of the Company ("**Share Acquisition Transaction**"). The Share Acquisition Transaction as described in this information disclosure is not an affiliated transaction and does not have a conflict of interests as referred to Regulation No. IX.E.1, Appendix of Decree of the Chairman of Bapepam and LK No. Kep-412/BL/2009 dated 25 November 2009 on Affiliated Transactions and Conflict of Interests Transactions ("**Peraturan No. IX.E.1**").

**This information disclosure is published on 14 October 2020.**

## I. INTRODUCTION

This information disclosure to shareholders is made for the interests of the shareholders of the Company so that the shareholders of the Company obtain complete information regarding the Share Acquisition Transaction to be carried out by the Company.

This information disclosure is provided to the shareholders of the Company and contains information related to Share Acquisition Transaction of MBR, in which on 12 October 2020 a share purchase agreement was signed ("**Sale and Purchase of Share Agreement**") between the Company and Lie Po Fung (Jaya), Sandjaya Rusli, Berliando Lumban Toruan, Agustini Muara, Marcello Rivelino Gunadirdja and Amelia Fransisca (hereinafter referred to as the "**Seller**"), all of them are not affiliated parties of the Company, whereby the Company purchased a total of 825.000.000 (eight hundred twenty-five million) shares which constitute 55.00% (fifty-five percent) of the issued and paid-up capital of MBR.

The price of Share Acquisition Transaction is Rp953,700,000,000 (nine hundred fifty-three billion and seven hundred million Rupiah) which constitutes 36.77% of the equity of the Company based on the Company's consolidated financial statements as per 30 June 2020 and for the 6 (six) months period ended on that date which has been reviewed, hence pursuant to the Regulation No. IX.E.2, the Company is obliged to announce the information disclosure to the public through an Indonesian national daily newspaper together with the fairness opinion report on the Share Acquisition Transaction as described in this information disclosure.

In relation to the Share Acquisition Transaction, the Company has appointed (i) *Kantor Jasa Penilai Publik* ("KJPP") Iskandar & Rekan, as an Independent Appraiser registered in the Financial Services Authority ("OJK") to evaluate of MBR's shares and provide fairness opinion report on the Share Acquisition Transaction as required by Regulation No. IX.E.2; and (ii) Public Accounting Firm ("KAP") Purwantono, Sungkoro & Surja (a member of Ernst & Young Global Limited), to conduct an assurance agreement in accordance with the Assurance Standard Agreement 3420 on the consolidated financial proforma of the Company and Subsidiaries.

The Share Acquisition Transaction as described in this information disclosure is not an affiliated transaction and does not have a conflict of interests as referred to Regulation No. IX.E.1.

## II. DESCRIPTION OF THE TRANSACTION

### A. Object of the Transaction

On 12 October 2020 a Sale and Purchase of Share Agreement was signed between the Company and the Seller whereby the Company purchased 825,000,000 (eight hundred and twenty-five million) shares that constitute 55.00% (fifty-five point zero zero percent) of the total issued and paid up capital of MBR, with the following breakdown:

1. 371,250,000 (three hundred seventy-one million two hundred and fifty thousand) shares owned by Lie Po Fung (Jaya), that constitutes 24.75 % (twenty-four point seventy-five percent) of the total issued and paid up capital of MBR.
2. 226,875,000 (two hundred twenty-six million eight hundred seventy-five thousand) shares owned by Sandjaya Rusli, which constitute 15.13 % (fifteen point thirteen percent) of the total issued and paid up capital of MBR.

3. 96,250,000 (ninety-six million two hundred and fifty thousand) shares owned by Berliando Lumban Toruan, which constitute 6.42 % (six point forty-two percent) of the total issued and paid up capital of MBR.
4. 82,500,000 (eighty-two million five hundred thousand) shares owned by Agustini Muara, which constituted 5.50 % (five point fifty percent) of the total issued and paid up capital of MBR.
5. 24,062,500 (twenty-four million sixty-two thousand five hundred) shares owned by Marcello Rivelino Gunadirdja, which constitute 1.60 % (one point sixty percent) of the total issued and paid up capital of MBR.
6. 24,062,500 (twenty-four million sixty-two thousand five hundred) shares owned by Amelia Fransisca, which constitute 1.60% (one point sixty percent) of the total issued and paid up capital of MBR.

## **B. Transaction Value**

The Share Acquisition Transaction of 825,000,000 (eight hundred and twenty-five million) shares or representing 55.00% (fifty-five point zero zero percent) of the total issued and fully paid-up capital of MBR is at the price per share of Rp1,156 (one thousand one hundred fifty-six Rupiah) or a total transaction value of Rp953,700,000,000 (nine hundred fifty-three billion seven hundred million Rupiah).

## **C. The Parties in the Transaction**

### **1. Company**

#### **A brief History**

The Company was established in Indonesia based on the Notary Deed of Dra. Selawati Halim, SH, No. 21 dated 24 August 1994 under the name PT Garuda Putra Putri Jaya. The Deed of Establishment has been approved by the Minister of Justice of the Republic of Indonesia in Decree No. C2-15,820.HT.01.01.Th.1994 on October 20, 1994. has been registered in the register book at the Kepaniteraan Pati District Court No.51/1994/AN/K/PT dated 11 November 1994, and has been published in the State Gazette of the Republic of Indonesia No. 14 dated 17 February 1995, Supplement No. 1555.

The Articles of Association of Company have been amended several times, most recently is Deed of Restatement of Resolution No. 25 dated May 13, 2019, made before Liestiani Wang, S.H., M.Kn., a public notary in Jakarta, the shareholders of the company approved the amendment of Article 3 on the purposes and objectives of the Company in relation to the Indonesian Business Standard of Classification and restatement the articles of the Company's Articles of Association. The aforementioned amendment of the Articles of Association has been approved by the Minister of Law and Human Rights of the Republic of Indonesia as stated in Decree No. AHU-0027121.AH.01.02.Tahun 2019 dated 17 May 2019 and recorded in database of the Legal Entity Administration System of the Ministry of Law and Human Rights of the Republic of Indonesia and has been notified to the Minister of Law and Human Rights of the Republic of Indonesia as stated in the Acceptance Letter of Notification of Amendments of Articles of Association Company No. AHU-AH.01.03-0261044 and has been registered in the Company Registrar No. AHU-0080731.AH.01.11.Tahun 2019 on the same date.

### Business activities

The main business activity of the Company is to run and do business in food and beverage industry, among others biscuits, bread and snacks such as *kacang atom*, salted nuts, *kacang sukro*, crunchy peanuts as well as foods made from soy and other legumes as a base ingredient. soy sauce and tempeh, chocolate (including the beverage industry from chocolate in powder or liquid form), ready-to-drinks, confectionery, and milk processing and cream processing from fresh liquid milk. The Company also carries out supporting business activities that support its main business activities, among others, running businesses in the wholesale trade of food and beverages and other products produce by the Company.

### Capital Structure and Composition of Shareholders

The Capital Structure and Shareholders Composition of the Company based on the Company's Shareholders Register as of 30 September 2020, issued by PT Datindo Entrycom are as follows:

INFORMATION	NOMINAL VALUE Rp. 100 per share		
	Number of shares	Rupiah	(%)
<b>Authorized Capital</b>	<b>20.000.000.000</b>	<b>2.000.000.000.000</b>	
<b>Issued and Paid up Capital</b>			
PT Tudung Putra Putri Jaya	1.585.555.300	158.555.530.000	21.49
Pelican Company Limited	1.220.537.090	122.053.709.000	16.54
Kusumo Dewiningrum Soenjoto	610.154.000	61.015.400.000	8.27
Pangayoman Adi Soenjoto	580.260.000	58.026.000.000	7.86
Sudhamek Agoeng Waspodo Soenjoto	549.150.201	54.915.020.100	7.44
Rahajoe Dewiningroem Soenjoto	434.216.000	43.421.600.000	5.88
Soenjoto Family (each <5%)(1)	1.975.842.200	197.584.220.000	26.78
Public	393.286.600	39.328.660.000	5.33
	<b>7.349.001.391</b>	<b>734.900.139.100</b>	<b>99.59</b>
<b>Treasury stock</b>	30.578.900	3.057.890.000	0.41
<b>Total of Issued and Paid up Capital</b>	<b>7.379.580.291</b>	<b>737.958.029.100</b>	<b>100.00</b>
<b>Shares in Portfolio</b>	<b>12.620.419.709</b>	<b>1.262.041.970.900</b>	

Note:

(1) It is a combination of 11 members of the Soenjoto family whose share ownership is below 5%.

### Composition of the Board of Commissioners and Directors

#### Board of Commissioners

President Commissioner	: Sudhamek Agoeng Waspodo Soenjoto
Commissioner	: Hartono Atmadja
Commissioner	: Atiff Ibrahim Gill
Independent Commissioner	: Dorodjatun Kuntjoro Jakti
Independent Commissioner	: Guy-Pierre Girin

**Directors**

President Director	: Hardianto Atmadja
Director	: Robert Chandrakelana Adjie
Director	: Johannes Setiadharna
Director	: Paulus Tedjosutikno
Director	: Fransiskus Johny Soegiarto
Independent Director	: Rudy Brigianto

**Summary of Important Financial Data**

The summary of important financial data below is taken from (i) the consolidated financial statements of the Company and Subsidiaries as of 30 June 2020 and for the 6 (six) months period ended on that date which has been reviewed by the KAP of Purwanto, Sungkoro & Surja (member of Ernst & Young Global Limited) with unmodified fair opinion; and (ii) the Company and Subsidiaries' consolidated financial statements as of 31 December 2019 and 2018 and for the years ended on those dates, which have been audited by KAP Purwanto, Sungkoro & Surja (member of Ernst & Young Global Limited), with unmodified fair opinion.

Consolidated Statements of Profit or Loss and Other Comprehensive Income*(in million Rupiah)*

	Six Month Period ended June		Year ended December 31	
	2020	2019	2019	2018
Net Sales	3,913,911	4,271,823	8,438,631	8,048,947
Gross profit	1,114,097	1,327,808	2,528,142	2,553,152
Operating Income	237,590	347,224	672,663	647,578
Income for the Year Attributable to:				
Parent Company	129,017	218,227	416,859	404,926
Non-controlling interests	(13,968)	10,836	18,907	20,556

Consolidated Financial Statement*(in million Rupiah)*

	30 June 2020	31 December 2019	31 December 2018
<b>Assets</b>			
Current Assets	2,088,105	1,999,886	1,570,546
Non- Current Assets	3,379,565	3,063,182	2,641,862
<b>Total assets</b>	5,467,670	5,063,068	4,212,408
<b>Liabilities</b>			
Current Liabilities	1,716,379	1,303,882	1,329,358
Non- Current Liabilities	1,157,654	993,665	393,642
<b>Total Liabilities</b>	2,874,033	2,297,547	1,723,000
<b>Equity</b>			
Equity Attributable to Owners of the			

(in million Rupiah)

	<b>30 June 2020</b>	<b>31 December 2019</b>	<b>31 December 2018</b>
Parent Company	2,464,300	2,602,096	2,334,320
Non-controlling interests	129,337	163,424	155,088
<b>Total Equity</b>	<b>2,593,637</b>	<b>2,765,521</b>	<b>2,489,408</b>
<b>Total Liabilities and Equity</b>	<b>5,467,670</b>	<b>5,063,068</b>	<b>4,212,408</b>

## 2. The Seller

The Seller are Lie Po Fung (Jaya), Sandjaya Rusli, Berliando Lumban Toruan, Agustini Muara, Marcello Rivelino Gunadirdja and Amelia Fransisca, all of whom are Indonesian citizens, and have no affiliation with the Company.

## D. Information Regarding of Financing of Shares Acquisition Transaction

The entire financing for the Share Acquisition Transaction is financed by bank loans.

In connection with the financing as stated above, although the transaction is a material transaction for the Company, however considering that the loan is obtained directly by the Company from bank creditors, this transaction is a material transaction which is exempted under Regulation No. IX.E.2.

## E. Explanation, Consideration, Reasons for the Share Acquisition Transaction

The packaged food and beverage industry is a very dynamic and competitive industry where the players must always be observant to see the trends in the market and the change of interests, tastes and customer aspirations. Apart from these dynamics, population, economic growth and purchasing power of the Indonesian people are fundamental factors for the growth in demand for food and beverage products, which in turn attracts players in the food and beverage industry to compete for market in the industry herein.

As a company engaging in the food and beverage industry, the Company always strives to produce good quality products that may provide added value to consumers. With the slogan "Leading in Innovation", the Company has launched innovative and quality products for consumers in Indonesia and in several of the Company's export destination countries.

Apart from the innovation to produce new products, the Company has also made strategic collaborations with various companies in order to develop their business activities. The Share Acquisition Transaction is a strategic step for the Company to grow and expand its business inorganically. The main business activity of MBR is milk processing and other dairy products industry, with cheese as its main product. Therefore, the Share Acquisition Transaction will provide excellent benefits to the Company in which the Company will complement its product portfolio (especially to the dairy based and its derivatives), expand its distribution network and also to get some potential synergies for both companies.

The Company has entered and developed the dairy sector since 2009 by launching milk drink products with Clevo brand. The Company is always looking for opportunities to develop this dairy sector because this sector has recorded a healthy growth rate in the last decade and remains consistent during the current Covid-19 pandemic. The cheese products from MBR are derivative of dairy products so they are ideal products for the Company to widen the scope of the Company's business in the dairy sector.

MBR has distribution expertise that is different from the Company's distribution strength (through its subsidiary PT Sinarniaga Sejahtera). The strategic investment by the Company in MBR will bring opportunities and access for the Company to expand its distribution network to areas and/or channels that are currently not being explored yet by the Company. In the same time, the Company will also provide access to MBR to utilize the strength of the distribution network owned by the Company through its subsidiary PT Sinarniaga Sejahtera. This will also benefit MBR, as a separate publicly listed company that will remain independent, in developing its business activities.

Apart of the distribution aspect, the Company will also share strategies, approaches and experiences in marketing in building brand equity where the Company has more brands with multiple target markets and positioning.

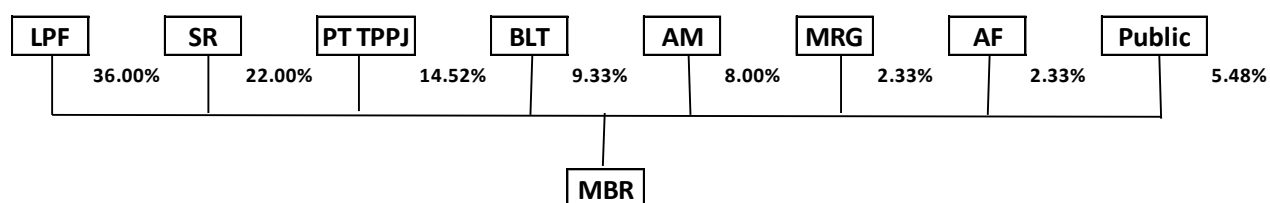
Apart from domestic sales, currently MBR's export sales are still relatively smaller than the Company's export sales. The Company also plans to support MBR in opening new export markets through the Company's distributor network in several ASEAN countries, China and India which are the focus countries to the Company's export destination.

This Share Acquisition Transaction will also bring benefits to both companies through synergy opportunities in various operational aspects, among others: the efficiency in the logistics area because both companies have products that may be sent simultaneously to the same customer (e.g. to the wholesale and modern trade outlets) and a better position with the same business partners in marketing and procurement.

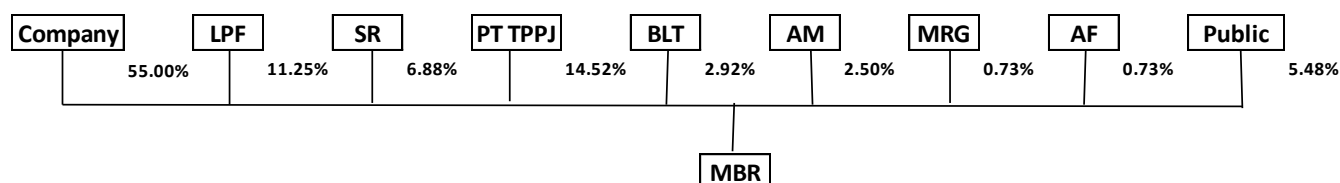
In addition to the above mentioned matters, by considering the achievement of MBR's good business and financial performance, the Share Acquisition Transaction is expected to have a good and positive impact on the Company's overall business and financial performance in the future, so that it is expected to increase the value of the Company for the shareholders of the Company, including public shareholders.

## F. Structure Before and After the Share Acquisition Transaction

The structure before the Share Acquisition Transaction is as follows:



The structure after the Share Acquisition Transaction is as follows:



Description:

LPF	: Lie Po Fung (Jaya)
SR	: Sandjaya Rusli
TPPJ	: PT Tudung Putra Putri Jaya
BLT	: Berliando Lumban Toruan
AM	: Agustini Muara
MRG	: Marcello Rivelino Gunadirdja
AF	: Amelia Fransisca

## G. Impact of Share Acquisition Transaction to the Financial of Company

The following summary on financial pro forma information presents the impact of the Share Acquisition Transaction on the Company's financial information assuming the transaction occurs on 30 June 2020, which is taken from the unaudited proforma consolidated financial information including the assurance report of independent practitioners of KAP Purwantono, Sungkoro & Surja (a member of Ernst & Young Global Limited) based on the Assurance Engagement Standards established by the Indonesian Institute of Certified Public Accountants.

In accordance with the Company and Subsidiaries' proforma consolidated financial information as of 30 June 2020 and for the unaudited period ended on that date, the Share Acquisition Transaction only has an impact on the consolidated statement of financial position of the Company and Subsidiaries. The Share Acquisition Transaction has no impact on the consolidated income statement of the Company and its Subsidiaries because the Company and MBR are unaffiliated parties so that their income statement stands alone.

The following is a summary of the proforma consolidated statement of financial position of the Company and its Subsidiaries if the Share Acquisition Transaction occurs on 30 June 2020:

### Summary of Proforma Consolidated Statement of Financial

	Balance per dated 30 June 2020	Proforma Adjustment	(in million Rupiah) Consolidated proforma balance 30 June 2020
<b>Assets</b>			
Current Assets	2,570,989	1,058	2,572,047
Non- Current Assets	3,550,975	693,859	4,244,834
<b>Total assets</b>	6,121,964	694,917	6,816,881
<b>Liabilities</b>			
Current Liabilities	1,841,053	(30,486)	1,810,567
Non- Current Liabilities	1,195,744	1,000,000	2,195,744
<b>Total Liabilities</b>	3,036,797	969,514	4,006,311
<b>Equity</b>			
Equity Attributable to Owners of the			
Parent Company	2,955,829	(495,785)	2,460,044
Non-controlling interests	129,337	221,188	350,526
<b>Total Equity</b>	3,085,167	(274,597)	2,810,570
<b>Total Liabilities and Equity</b>	6,121,964	694,917	6,816,881



The significant basic assumptions that used by the Company in preparing the unaudited proforma consolidated financial statements are as follows:

- a. The Company and the Seller are assumed to have complied with all applicable terms and conditions related to the proposed Share Acquisition Transaction of 825,000,000 (eight hundred twenty-five million) shares of MBR.
- b. The acquisition value of 825,000,000 (eight hundred and twenty-five million) MBR shares that acquired by the Company is assumed to be Rp953,700,000,000 (nine hundred fifty-three billion seven hundred million Rupiah) with a purchase price of Rp1,156 (one thousand one hundred fifty-six Rupiah) per share.
- c. Costs incurred in connection with the Share Acquisition Transaction are assumed to be Rp10,500,000,000 (ten billion five hundred million Rupiah), which represents provision for long-term bank loans. The proforma consolidated financial information does not take into account other fees and taxes, that may arise out from the transaction, if any. The source of fund of the Company to finance its provision fees comes from the Company's cash.
- d. The Company finance this Share Acquisition Transaction with a long-term loan from a number of banks in amount of Rp1,000,000,000,000 (one trillion rupiah) with a period of 5 (five) years and an annual interest rate of JIBOR + margin.

#### **H. The Impact of Share Acquisition Transactions on the Company's Financial Condition**

In connection with this Share Acquisition Transaction, the Board of Directors states that the Share Acquisition Transaction is not an affiliated transaction as referred to in Regulation No. IX.E.1. The Board of Commissioners and Directors state that the Share Acquisition Transaction does not contain a conflict of interests as referred to in Regulation No. IX.E.1.

In connection with this Share Acquisition Transaction, the Board of Directors and the Board of Commissioners of the Company state that the Company has disclosed all information that must be known by the public and there are no undisclosed and omitted material facts, that cause the information provided in connection with the above transaction to be untrue and /or misleading.

### **III. SUMMARY OF ASSESSMENT REPORT**

#### **A. Share Valuation Report**

*Kantor Jasa Penilai Publik Iskandar dan Rekan* (hereinafter referred to as "IDR") has obtained a business license from the Minister of Finance based on its decree No. 772/KM.1/2013 dated 12 November 2013 and has been registered with the OJK based on Letter No. S-774/PM.25/2013 dated 27 November 2013 with a Capital Market Supporting Professional Registration Certificate (Re-registration) No. STTD.PPB-33/PM.2/2018 dated 28 September 2018 as Property/Asset and Business Appraiser in the Capital Market. IDR has carried out the Share Valuation of MBR and the Fairness Opinion of the MBR Share Acquisition Transaction plan by the Company as of 30 June 2020.

The following is a summary of Share Valuation Report of MBR as of 30 June 2020 Report No. 00429/2.0118-00/BS/04/0520/1/IX/2020 dated 29 September 2020:

## **1. The Valuation Object**

The object of valuation is 825,000,000 shares or 55.00% shares of MBR as of 30 June 2020.

## **2. Purpose and Objectives of the Valuation**

The purpose of the valuation is to provide an independent valuation of the Market Value of the object of valuation as of 30 June 2020 based on the company's financial statements (reviewed) which are stated in the currency according to the financial statements, for the purpose of sell and purchase transactions (transfer of ownership) in connection to the Share Acquisition Transaction of MBR by the Company.

## **3. Assumptions and Limitation Conditions**

- This valuation report is a non-disclaimer opinion.
- The valuer has reviewed the documents used in the valuation process.
- The data and information obtained are from sources that may be trusted for their accuracy.
- The financial projection used is adjusted financial projection that reflect the fairness of the financial projection made by the management with its achievement capability (fiduciary duty), if the valuation uses financial projection.
- The valuer is responsible for the implementation of valuation and the fairness of financial projection.
- This valuation report is open to the public, except for confidential information, that may affect the Company's operations.
- The valuer is responsible for the valuation report and the final value conclusion.
- The valuer has obtained information on the legal status of the valuation object from the Company.

## **4. Approach and Method of Valuation**

In valuation of the MBR's shares, the valuer use two approaches, namely the income approach and the market approach.

The consideration of using the revenue approach is because MBR has been operating commercially and its future income may be estimated. Meanwhile, the market approach is considered because the market data for the company in the same industries is sufficiently available.

The method used for the income approach is the discount method for future income (Multi Period of Income Discounting), that is a valuation method used to determine the present value of income to be received in the future on the valuation object, with a discount rate or method of discounted Cash Flow (DCF).

The method used for the market approach is the Guideline Publicly Trade Company Method, that is a method of calculating value by means of a key valuation ratio that is sought from comparison companies whose shares already have market value.

The approaches and valuation methods above are what the valuer consider as the most appropriate approach for this assignment and have been agreed by the management of the valuation object and the Company.

Furthermore, the values obtained from each of these methods are reconciled by weighting to produce a value conclusion.

## 5. Value Conclusion

Based on the results of the analysis of all data and information that the valuer received and taking into account all relevant factors that affect the valuation, in our opinion the market value of 825,000,000 shares or 55.00% of MBR shares as of 30 June 2020 is Rp954,300 million or for each share is Rp1,157. -.

## B. Fairness Opinion Report

The following is a summary of the Fairness Opinion Report on MBR Share Acquisition Transaction Plan by the Company Report No. 00451 / 2.0118-00 / BS / 04/0520/1 / X / 2020 dated 8 October 2020:

### 1. Identity of Parties

The transacting parties are GPPJ, Lie Po Fung (Jaya) (LPF), Sandjaya Rusli (SR), Berliando Lumban Toruan (BLT), Agustini Muara (AM), Marcello Rivelino Gunadirdja (MRG) and Amelia Fransisca (AF) whereis GPPJ as buyers and LPF, SR, BLT, AM, MRG and AF as sellers of their shares in MBR.

### 2. Object of Valuation

The object valuation is the proposed transaction for the acquisition of 825,000,000 shares or 55,00% of MBR's shares by the Company.

### 3. Purpose and Objectives of the Valuation

The purpose of the valuation is to provide a fairness opinion on the proposed transaction for the purpose of implementing the proposed transaction.

### 4. Assumptions and Limitation Conditions

- This valuation report is a non-disclaimer opinion.
- The valuer has reviewed the documents used in the valuation process.
- The data and information obtained are from sources that may be trusted for their accuracy.
- The financial projections used are adjusted financial projections that reflect the fairness of the financial projections made by management with its fiduciary duty, if the valuation uses financial projections.
- The valuer is responsible for the implementation of valuation and the fairness of financial projections.
- This valuation report is open to the public, except for confidential information, which could affect the Company's operations.
- The valuer is responsible for the valuation report and the final valuation conclusion.
- The valuer has obtained information on the legal status of the valuation object from the Company.

### 5. Approach and Method of Valuation

Fairness opinion is provided after the analysis of:

- The value of the object being transacted.
- The financial impact of the transaction to be carried out on the interests of shareholders.
- Business considerations used by the management in relation to the transactions plan to

be carried out for the interests of shareholders.

In conducting the analysis above, the following analysis was carried out:

- Perform transaction analysis.
- Perform qualitative analysis of planned transactions.
- Perform quantitative analysis of planned transactions.
- Perform fairness analysis of transaction value.
- Perform the other relevant factors.

## **6. Fairness Opinion on Transaction**

The result of the analysis of the transaction value indicated that the transaction value is within the reasonable range of its market value, hence the transaction value is reasonable.

The results of the analysis on the financial impact of the transaction that will be carried out for the interests of the shareholders provide a conclusion that the transaction will increase the sales and profits of the Company as well as the profitability of the Company that may provide added value to the Company in line with the interests of the shareholders.

The results of the analysis on business considerations from management in connection with the shareholder interests on the transaction are for business development that will increase revenue and profit as well as the Company's profitability which will increase the value of the Company's shares, concluding that business considerations of the management are in line with the interests of shareholders.

Based on the conclusions of the above analysis results, we are of the opinion that the transaction is reasonable for the Company and the Company's shareholders.

## **IV. ADDITIONAL INFORMATION**

To obtain further information regarding the Share Acquisition Transaction, the shareholders of the Company may submit questions to the Corporate Secretary of the Company, during the Company's working days and working hours at the following address:

Wisma GarudaFood  
Jl. Bintaro Raya No. 10A, Jakarta 12240  
Tel. (021) 729 0110; Fax. (021) 729 0112  
Website: [www.garudafood.com](http://www.garudafood.com)  
Email: [corporate.secretary@garudafood.co.id](mailto:corporate.secretary@garudafood.co.id)