

**DESCRIPTION OF  
ANNUAL GENERAL MEETING OF SHAREHOLDERS (AGM)  
AND  
EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS (EGM) AGENDA  
PT TIRA AUSTENITE Tbk  
AUGUST 26, 2020**

In connection with the planned implementation of the Annual General Meeting of Shareholders and the Extraordinary General Meeting of Shareholders of PT Tira Austenite Tbk ("the Company") which will be held on Wednesday, August 26, 2020 ("Meeting"), the Company has announced through:

1. Announcement of the Meeting through the Indonesian Stock Exchange's website, the Company's website and the eASY.KSEI website dated July 20, 2020
2. Notice of Meeting or invitation to attend the Meeting through Indonesian Stock Exchange's website, the Company's website and the eASY.KSEI website dated August 4, 2020

Furthermore, the Company hereby submits an explanation for the Meeting agenda as follows:

**AGENDA OF AGM:**

- 1. Approved and Accepted Report of the Board Directors regarding the company's operating for the fiscal year of 2019 (two thousand nineteen), Approved and legalized the Balance Sheets and Income Statement for the fiscal year ended December 31, 2019 (Thirty-one December two thousand nineteen) that had been audited by the Public Accountant of KAP ACHSIN HANDOKO TOMO as evident from report No. 00020/2.1096/AU.1/05/0064-1/1/V/2020 dated May 26, 2020**

**Explanation:**

The First Agenda in the Meeting is a routine Agenda pursuant to the Company's Article of Association and Law No. 40/2007 concerning Limited Liability Companies.

The Company's Annual Report for the fiscal year ending December 31, 2019, includes the report of the supervisory duties of the Company's Board of Commissioners for the fiscal year ending December 31, 2019 and the Company's financial statements for the year ending December 31, 2019 which have been audited by ACHSIN HANDOKO TOMO Public Accountant Office, with opinion fairly in all material respects, the consolidated financial position of PT. Tira Austenite Tbk and its subsidiaries as of December 31, 2019, and their consolidated financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards, and with paragraph emphasizing a matter of events after the reporting period as stated in their report with No. 00020 / 2.1096 / AU.1 / 05 / 0064-1 / 1 / V / 2020 on May 26, 2020

For the Company's Annual Report and the Company's Annual Financial Report can be downloaded on the Company's website. More information can be found at <http://www.tiraaustenite.com/v5/en/annual-report>

In this agenda, the Company will **propose** to the Meeting to approve the Annual Report of the Board of Directors regarding the governance of the Company during the period 2019, including the Board of Commissioners' Supervisory Duty Report for 2019 and the Ratification of the Company's

Financial Statements for the 2019 fiscal year ending December 31, 2019 which Has been audited by a Public Accountant from the Public Accounting Firm (KAP) ACHSIN HANDOKO TOMO, as stated in Report No. 00020 / 2.1096 / AU.1 / 05 / 0064-1 / 1 / V / 2020 on May 26, 2020

**2. Providing acquit et decharge to the Directors and Board of Commissioners of the Company for all the management and supervision actions which has been done during the period 2019 (acquit et de charge) along the the action was recorded in the annual report of the Company**

**Explanation:**

The Second Agenda in the Meeting is a routine Agenda pursuant to the Company's Article of Association and Law No. 40/2007 concerning Limited Liability Companies.

This Second Agenda refers to the First Agenda. In this agenda item, the Company will **propose** to the Meeting to approve the granting of acquit et de charge to the Board of Directors and Board of Commissioners of the Company for all the management and supervision actions that have been done during the period 2019, along the action was recorded in the annual report of the Company

**3. Determination the use of the net profit of the Company for fiscal year 2019**

**Explanation:**

The Third Agenda in the Meeting is a routine Agenda pursuant to the Company's Article of Association and Law No. 40/2007 concerning Limited Liability Companies. The use of the Company's net profit of Rp 1,251,504,315 (one billion two hundred fifty one million five hundred four thousand three hundred fifteen rupiah) will be **proposed** to be used to strengthen the Company's working capital

**4. Approval the reappointment members of the Board of Directors and the Board of Commissioners**

**Explanation:**

The Fourth Agenda in the Meeting is a routine Agenda pursuant to the Company's Article of Association and OJK Regulation (POJK) Number 33/POJK.04/2014 Concerning the Board of Directors and the Board of Commissioners of Issuers or Public Companies and Law No. 40/2007 concerning Limited Liability Companies.

This Agenda relates to the expiration of the term of office of board of Directors and board of Commisioners and and has received propose from the shareholders of the Company representing at least 1/10 (one tenth) of the total number of shares issued by the Company with valid voting rights and require approval from the Meeting

The Curriculum vitae of the candidates for the members of the Company's Board of Directors that will be proposed at the Meeting can be downloaded from the Company's Website, can be seen at <http://www.tiraaustenite.com/v5/en/public-relations>

The Company will **propose** at the Meeting to:

- 1) Provide dispensation for the late appointment of members of the Board of Directors and Board of Commissioners of the Company whose term of office has expired since June 26, 2020 (twenty-six June year two thousand and twenty), and therefore, ratified all actions in representing the Company and supervisory actions which has been carried out by the Company's Board of Commissioners as of 26 June 2020 (twenty-six June year two thousand and twenty) until the effective date of this General Meeting of Shareholders, as a binding and applicable action for the Company and accepting all agreements, taking over all rights and obligations, confirms the legal actions carried out by the management of the Company, by giving *Acquit et decharge* to all members of the Board of Directors and Board of Commissioners of the Company for actions taken during this period, as long as those actions are not contradicting with the Company's Articles of Association.
- 2) Reappointment of the composition of the Company's management for a term of office for 1 (one) year commencing from the date of the Implementation of the Meeting in accordance with the Company's Articles of Association.

So as the proposal, the composition of the Company's Management as of the date of the Company's Meeting in 2020 for the period of 1 (one) year, is as follows:

**Board of Commissioners**

President Commissioner : Ir Johnny Santoso  
Commissioner : Shinta Widjaja  
Independent Commissioner : Soebronto Laras

**Board of Directors**

President Director : Selo Winardi  
Director : Doctor Agus Hasan Sulistiono Reksoprodjo  
Director : Soeseno Adi

**5. Giving authority to the *Board of Commissioners* to designate Public Accountant to audit the financial statements of the Company for the fiscal year 2020, including determining the honorarium and other requirements related to the appointment of the Public Accountant**

**Explanation:**

The Fifth Agenda in the Meeting is a routine Agenda pursuant to the Company's Article of Association and OJK Regulation (POJK) Number 13/POJK.03/2017 concerning The Use of Public Accountant and Auditing Firm in Financial Services Activities, The Company will propose that the Meeting grant powers to the Company's Board of Commissioners to appoint such registered Public Accounting Firm and Public Accountants to ensure that the Company will obtain the best public accountants in terms of quality, requirements and competitive price

The Company will **propose** at the Meeting to:

- 1) Giving authority to the *Board of Commissioners* to designate Public Accountant to audit the Company's financial statements for the fiscal year of 2019, including determining the honorarium and other requirements related to the appointment of the Public Accountant

- 2) Approve the delegation of authority because the coordination meeting of all members of the company commissioners is required and also need sufficient time to determine the public accountant which meets the criteria
- 3) Approve the appointment of Public Accountant (AP) and Public Accounting Office (KAP) through a direct election process with the following criteria:
  - Procedures of assessment starting from the administrative aspects, technical aspects and pricing aspects
  - Invite and ask for offers from at least 2 experienced Public Accounting Office (KAP)
  - Public Accounting Firm (KAP) must be registered on OJK

**6. Approval awarding remuneration for members of the Board of Commissioners and the delegation of authority to the Board of Commissioners of the Company to determine remuneration for the Directors of the Company**

**Explanation:**

The Sixth Agenda in the Meeting is a routine Agenda pursuant to the Company's Article of Association, OJK Regulation (POJK) Number 34/POJK.04.2014 concerning the Committee for Nomination and Remuneration of Issuers or Listed Companies and Law No. 40/2007 concerning Limited Liability Companies, The Company will **propose** in the Meeting to authorize the Board of Commissioners of the Company to determine the value of the remuneration and allowances for members of the Board of Directors; and approve the remuneration for the Board of Commissioners of Rp.2.957.500.000,- (Two billion nine hundred fifty seven million five hundred thousand rupiah) Gross annually

**AGENDA OF EGM:**

1. **Approval to get loans for the Company from the a Limited Liability Company PT Bank Mandiri (Persero) Tbk, hereinafter referred to as "Bank Mandiri" having its head office at Jl.Gatot Subroto Kav 36-38 Jakarta 12190, Indonesia, in this context is a credit facilities ("Facilities") from the Bank Mandiri in a maximum principal amount of up to Rp 150,000,000,000 (one hundred and fifty billion rupiah) with the loan interest rate is 13% annualy and Maximum terms during 5 (five) years, whether it is done in one time event or an ongoing series of loan agreements and therefore approved the signing by the Board of Directors, a loan agreement by and between the Company as the Debtor and Bank Mandiri as the Creditor and the General Terms and Conditions as attached in the Loan Agreement, as may be amended, modified, innovated or supplemented from time to time (the "Loan Agreement")**

**Explanation:**

the first agenda of the Meeting is a continuation or extension of the approval of the General Meeting of Shareholders set forth in the Deed Number 10, dated January 27, 2016, which is the approval will expire on the twenty-seventh of January two thousand twenty-one (27-01-2021), and

require approval from the Meeting pursuant to Article 16 paragraph (5) of Company's Article of Association. The decision for the first agenda of the Meeting is a material transaction that is excluded as stipulated in Regulation of Bapepam LK Number IX.E.2 concerning Material Transactions and Main Business Activities. In the case of an Affiliated Transaction, a Conflict of Interest transaction and / or a Material Transaction, the Company will comply with the provisions of the Financial Services Authority related to the transaction

2. **Approval the measures Board of Directors of Company to make a debt guarantee, all or most of the Company's assets / more than 50% (fifty percent) of the Company's assets / more than 50% of company's equity value and make assets of the subsidiaries of the company or other party (PT. Tanah Sumber Makmur) as debt guarantee to Bank Mandiri until the entire credit facility received by the Company are declared fully paid by Bank Mandiri.**
  - **Land and / or buildings and machines that will be warrant, is owned by the Company, its subsidiaries and other party (PT. Tanah Sumber Makmur) to Bank Mandiri are as listed in Appendix A, which has been signed by the Board of Directors, Appendix A is a unity and an integral part than the deed of *Minutes of Meeting of Extraordinary General Meeting of Shareholders***

**Explanation:**

the second agenda of the Meeting is a continuation or extension of the approval of the General Meeting of Shareholders set forth in the Deed Number 10, dated January 27, 2016, which is the approval will expire on the twenty-seventh of January two thousand twenty-one (27-01-2021), and require approval from the Meeting pursuant to Article 16 paragraph (5) of Company's Article of Association. The decision for the second agenda of the Meeting is a material transaction that is excluded as stipulated in Regulation of Bapepam LK Number IX.E.2 concerning Material Transactions and Main Business Activities. In the case of an Affiliated Transaction, a Conflict of Interest transaction and / or a Material Transaction, the Company will comply with the provisions of the Financial Services Authority related to the transaction

3. **Giving an authorization to the Board of Directors to take any actions needed to implementation of agenda 1 and 2 above with no one action that excluded**

**Explanation:**

the third agenda of the Meeting is a continuation or extension of the approval of the General Meeting of Shareholders set forth in the Deed Number 10, dated January 27, 2016, which is the approval will expire on the twenty-seventh of January two thousand twenty-one (27-01-2021), and require approval from the Meeting pursuant to Article 16 paragraph (5) of Company's Article of Association. The decision for the third agenda of the Meeting is a material transaction that is excluded as stipulated in Regulation of Bapepam LK Number IX.E.2 concerning Material

Transactions and Main Business Activities. In the case of an Affiliated Transaction, a Conflict of Interest transaction and / or a Material Transaction, the Company will comply with the provisions of the Financial Services Authority related to the transaction

4. **Amendments and rearrangements to all provisions of the Company's Articles of Association in the context of adjusting to the Financial Services Authority Regulation and granting an authorization to the Board of Directors to Do all things needed for such purposes with no one action that excluded**

**Explanation:**

The Fourth Agenda in the Meeting is an amendment of the Company's Articles of Association with OJK Regulation (POJK) Number 14/POJK.04/2019 and Number 32/POJK.04/2015 concerning addition to capital of listed companies by granting pre-emptive rights, OJK Regulation (POJK) Number 17/POJK.04/2020 concerning Material Transactions and Change of Business Activities, OJK Regulation (POJK) Number 42/POJK.04/2020 concerning affiliated Transaction and Conflict of Interest in Transactions, and to amend with OJK Regulation (POJK) Number 15/POJK.04/2020 concerning the Plan and Implementation of the General Meeting of Shareholders of Public Company

**Jakarta, 4 August 2020**  
**PT. Tira Austenite Tbk**  
**Board of Directors**