

**DISCLOSURE OF INFORMATION TO SHAREHOLDERS OF  
PT GARUDAFOOD PUTRA PUTRI JAYA TBK  
IN CONNECTION WITH THE PROPOSED BUYBACK OF THE ISSUED SHARES**

This Disclosure of Information is made and addressed to the Shareholders in order to comply with the Financial Services Authority (“OJK”) Regulation No. 30/POJK.04/2017 on the Buyback of Shares issued by Public Companies on 21 June 2017 (“POJK 30/2017”).



**PT GARUDAFOOD PUTRA PUTRI JAYA Tbk**  
(the “Company”)

**Business Activities:**

Food and beverages industry  
integrated with distribution activities

Domiciled in South Jakarta

**Head Office:**

Wisma Garudafood, Jl. Bintaro Raya No.10A, Jakarta 12240 - Indonesia

Phone: +62 21 – 7290110

Email: [corporate.secretary@garudafood.co.id](mailto:corporate.secretary@garudafood.co.id)

Website: [www.garudafood.com](http://www.garudafood.com)

The information as stipulated in this disclosure of information shall be read carefully and duly observed by the shareholders of the Company to make decisions about the Company’s plan to conduct Buyback of the Issued Shares.

If you are having any difficulties in understanding the information contained in this Disclosure of Information or are in doubt in making a decision, it is advisable to consult with a securities broker, investment manager, legal counsel, public accountant, or other professional advisors.

The Board of Commissioners and Directors of the Company, shall be fully responsible both individually and collectively for the completeness and accuracy of all information or material facts contained herein and emphasize that the information disclosed in this Disclosure of Information is true and there is no omission of material facts which may cause the material information in this Disclosure of Information to be inaccurate and/or misleading.

**This Disclosure of Information is issued on 28 July 2020.**

## **INDICATIVE TIMETABLE FOR THE BUYBACK OF THE COMPANY'S SHARES IMPLEMENTATION**

1	Announcement of the Extraordinary General Meeting of Shareholders ("EGMS") at Indonesia Stock Exchange ("IDX") website, eASY.KSEI website, and the Company's website <a href="http://www.garudafood.com">www.garudafood.com</a> .	28 July 2020
2	Announcement of Disclosure of Information regarding the Buyback of Shares at IDX website, eASY.KSEI website, and the Company's website <a href="http://www.garudafood.com">www.garudafood.com</a> .	28 July 2020
3	EGMS Invitation to the Shareholders of the Company at IDX website, eASY. KSEI website, and the Company's website <a href="http://www.garudafood.com">www.garudafood.com</a> .	12 August 2020
4	EGMS approving the Buyback of Shares.	3 September 2020
5	Announcement of the Summary of Minutes of EGMS Resolution.	7 September 2020
6	Period of Buyback of Shares.	At the latest 18 (eighteen) months after the EGMS

## **INFORMATION REGARDING THE BUYBACK OF THE COMPANY'S SHARES**

### **A. DESCRIPTION OF THE PROPOSED BUYBACK OF THE COMPANY'S SHARES AND ESTIMATED COST AND TOTAL NOMINAL VALUE OF ALL SHARES TO BE PURCHASED**

The Company hereby inform to the Company's shareholders that the Company is planning to buyback maximum of 2% (two percent) of the total Company's issued and paid capital ("**Buyback of Shares**") with fund allocation of **IDR100,000,000,000** (one hundred billion Rupiah) at the maximum, inclusive of brokerage cost and other fees related to the Buyback of Shares and will be carried out in stages within the latest of 18 (eighteen) months since the EGMS approving the Buyback of Shares in accordance with the Company's Articles of Association, Law No. 40 of 2007 on Limited Liability Company ("**Company Law**"), OJK Regulation No. 30/POJK.04/2017 on the Buyback Shares issued by Public Companies dated 21 June 2017 ("**OJK Regulation 30/2017**"), and OJK Regulation No. 15/POJK.04/2020 on Plan

and Procedures for General Meeting of Shareholders of Public Companies dated 21 April 2020 (“**OJK Regulation 15/2020**”), including other prevailing laws.

The Disclosure of Information as contained in this announcement are made for the interest of the Company’s shareholders to allow the shareholders of the Company to obtain information and a clear picture of the Buyback of Shares plan, hence the Company’s shareholders can make decisions with regards to the Buyback of Shares plan.

#### **B. EXPLANATION, CONSIDERATION AND REASON OF THE COMMENCEMENT OF BUYBACK OF SHARES**

The main consideration for the Company to undergo the Buyback of Shares is to allow the Company to have flexibility that enables the Company to implement a mechanism to maintain the stability of the Company’s share price in the event that the Company’s share prices does not reflect the actual value/performance.

The Company plans to hold the shares that has been bought back as treasury stock for a period of no more than 3 (three) years from the date of Buyback of Shares are completed, however the Company may at anytime transfer the bought back shares pursuant to Article 17 of POJK 30/2017 in the manner, among others:

1. Resale the shares either through IDX or outside IDX;
2. Capital Reduction;
3. The implementation of employee and/or Directors and Board of Commissioners stock option program;
4. Conversion of shares to equity; and/or
5. Other purposes in accordance with the prevailing laws.

Shares that has been bought back by the Company cannot be used to cast votes in the GMS and are not taken into account in determining the quorum amount that must be achieved pursuant to the prevailing laws and regulations, moreover the shares are not entitled to receive dividend distribution.

#### **C. LIMITATION OF PERIOD FOR THE BUYBACK OF SHARES**

The Buyback of Shares is planned to be carried out after the Company obtained EGMS’ approval and for the period of 18 (eighteen) months at the latest or until 2 March 2022 or any dates when (i) the Buyback of Shares reaches 2% (two percent); or (ii) the funds allocated by the Company to buyback of the shares has been wholly used by the Company; or (iii) the Company decides that the Buyback of Shares has been completed.

#### **D. LIMITATION OF THE SHARE PRICE IN ORDER TO BUYBACK THE COMPANY'S SHARES**

The offer price of the Buyback of Shares will be in compliance with and refer to the provisions set out in Article 10 and 11 of OJK Regulation 30/2017.

#### **E. METHODS TO BE USED TO BUYBACK OF THE SHARES**

The Buyback of Shares will be conducted through IDX or outside IDX. The Company will appoint PT Indo Premier Sekuritas as a member of IDX to perform the Buyback of Shares through IDX.

### **MANAGEMENT ANALYSIS AND DISCUSSION**

#### **A. ESTIMATION OF THE DECREASE OF THE COMPANY'S INCOME AS A RESULT FROM THE IMPLEMENTATION OF THE BUYBACK OF SHARES AND IMPACT UPON THE FINANCING COST OF THE COMPANY**

The Company will use the Company's internal cash as a source of funding to carry out the Buyback of Shares. Therefore, the implementation of the Buyback of Shares will result in a decrease of the Company's internal cash, with a maximum decrease of **IDR 100,000,000,000** (one hundred billion Rupiah). In addition, the Company has estimated that the implementation of the Buyback of Shares will not have significant decrease impact to the Company's revenue.

#### **B. PROFORMA OF PROFIT PER COMPANY'S SHARE UPON THE IMPLEMENTATION OF BUYBACK OF SHARES BY TAKING INTO ACCOUNT THE DECREASE OF INCOME**

Since there is no decreasing impact on the income as a result of the Buyback of Shares, there should be no change in profit proforma of the Company.

#### **C. MANAGEMENT DISCUSSION AND ANALYSIS ON THE IMPACT OF THE BUYBACK OF SHARES ON THE BUSINESS ACTIVITIES AND GROWTH OF THE COMPANY IN THE FUTURE**

The Company believes that the decrease of internal cash that will be used as a source of funding for the implementation of Buyback of Shares will not affect the business and operational activity of the Company. The Buyback of Shares is expected to make the share price to be more stable in the future and will have a positive impact for the shareholders and the Company.

## GENERAL MEETING OF SHAREHOLDERS

In relation to the Buyback of Shares as stipulated in this Disclosure of Information, the Company intends to obtain approval from the shareholders of the Company through the EGMS which will be held on Thursday, **3 September 2020**.

Based on Article 38 paragraph (2) of the Company Law, Article 12 of the Company's Article of Association, and OJK Regulation 15/2020, the Buyback of Shares shall obtain the Shareholders approval through the EGMS which shall be attended by shareholders representing at least 1/2 (one half) of the total shares issued by the Company with valid voting rights and decisions approved by more than 1/2 (one half) of all shares with voting right present in the EGMS.

## STATEMENT AND RECOMMENDATION OF THE BOARD OF COMMISSIONERS AND DIRECTORS

The Board of Commissioners and Directors of the Company have reviewed the Company's Buyback of Shares plan including assessing the risks and benefits for the Company and all shareholders, and believes that the Buyback of Shares is the right choice for the Company and its Shareholders. Therefore, based on the assurance and belief that the Buyback of Shares is the right choice to achieve the aforementioned benefits, the Board of Commissioners and Directors recommend the shareholders to approve the Buyback of Shares as set forth in this Disclosure of Information.

## ADDITIONAL INFORMATION

For Shareholders that require additional information regarding the Buyback of Shares may contact the Company during the office hours at the following address:

**PT Garudafood Putra Putri Jaya Tbk**  
**Corporate Secretary**

Head Office:

Wisma Garudafood, Jl. Bintaro Raya No.10A, Kebayoran Lama Utara, Kebayoran Lama,  
Jakarta - Indonesia.

Phone: +62 21 – 7290110

Email: [Corporate.Secretary@garudafood.co.id](mailto:Corporate.Secretary@garudafood.co.id)

Website: [www.garudafood.com](http://www.garudafood.com)