

**DISCLOSURE OF INFORMATION TO SHAREHOLDERS OF  
PT GARUDAFOOD PUTRA PUTRI JAYA Tbk.**

In order to comply with the provisions of the Regulation of the Financial Services Authority of the Republic of Indonesia No.17/POJK.04/2020 About Material Transactions and Changes in Business Activities (“**POJK No. 17/2020**”)

In connection with the plan to increase business activities PT Garudafood Putra Putri Jaya Tbk namely in the field of industrial business of Drying Fruits and Vegetables and Real Estate Owned or Leased.



PT Garudafood Putra Putri Jaya Tbk  
(the “Company”)

Business Activities:  
Food and beverages industry integrated with distribution activities

Domiciled in South Jakarta, Indonesia

Head Office:  
Wisma GarudaFood  
Jl. Bintaro Raya No. 10A, Jakarta 12240  
Phone (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)

This Disclosure of Information is important to be read and considered by the Company's shareholders to make decisions regarding the addition of the Company's business activities and the addition of the business activities of the Controlled Company of the Company.

If you are having any difficulties in understanding the information contained in this Disclosure of Information or are in doubt about 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 8 March 2023

**ESTIMATED TIMELINE'S AGMS**

The Company intends to seek the approval of the Company's shareholders for the addition of the Company's business activities ("Change of Business Activities") with the following estimated timeline:

No	Activities	Dated
1	Announcement of the Annual General Meeting of Shareholders ("AGMS") at the Indonesia Stock Exchange ("IDX") website, to the Financial Services Authority ("OJK")	1 March 2023
2	Announcement of the AGMS 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> .	8 March 2023
3	Announcement of Information Disclosure as well as the provision of data regarding Changes in Business Activities through the Exchange website and the Company's website <a href="http://www.garudafood.com">www.garudafood.com</a> .	8 March 2023
4	AGMS 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> .	23 March 2023
5	Convening of the AGMS	14 April 2023
6	Announcement of the summary of the AGMS at IDX website and the Company's website <a href="http://www.garudafood.com">www.garudafood.com</a> .	18 April 2023

**CONVENING OF THE AGMS**

In accordance with the prevailing laws and regulations, the plan to change business activities as described in this Information Disclosure will be sought for approval from the Company's shareholders at the AGMS on 14 April 2023. The invitation to the AGMS was announced through eASY.KSEI at the link <https://akses.ksei.co.id>, IDX website, and the Company's website [www.garudafood.com](http://www.garudafood.com) on 23 March 2023. Shareholders who are entitled to attend or be represented at the Meeting are shareholders whose names are registered in the Company's Register of Shareholders and/or owners of the Company's share balance in the securities sub-account in Collective Custody PT Kustodian Sentral Efek Indonesia (KSEI) at the close of share trading on the Indonesia Stock Exchange on 21 March 2023. Shareholders who are unable to attend the AGMS can give their power of attorney to other parties in accordance with the provisions stipulated in the Company's AGMS invitation no later than 7 (seven) working days before the AGMS is held.

The attendance quorum and decision quorum of the AGMS for the agenda of this Change of Business Activity plan will be carried out with the following provisions:

- Referring to the articles of association of the Company, GMS can be held if attended by shareholders holding shares representing at least 2/3 (two-thirds) of the total shares with valid voting rights issued by the Company and approved by shareholders holding shares representing more than 2/3 (two-thirds) of the total valid voting rights present at the GMS.
- If the attendance quorum as described in point an above is not met, the second GMS may be held if attended by shareholders holding shares representing at least 3/5 (three-fifths) of the total number of shares with valid voting rights issued by the Company and approved by shareholders holding shares representing more than 1/2 (one-half) of the total number of valid voting rights present at the GMS.
- If the attendance quorum as described in point b above is not met, then the third GMS may be held provided that the third GMS is valid and entitled to adopt resolutions if attended by shareholders of shares with valid voting rights within the attendance quorum and resolution quorum determined by OJK at the request of the Company.

The agenda of the AGMS to be held on 14 April 2023 is as follows:

- Approval of the Annual Report and ratification of the Company's Consolidated Financial Statements,

- including the Board of Commissioners Oversight Report for the financial year ended 31 December 2022;
2. Determination on the use of the Company's net profit for the financial year ending 31 December 2022;
  3. Determination of honorarium and benefits for Board of Commissioners, and the salary amount and benefits for Board of Directors in the financial year 2023;
  4. Appointment of a Public Accountant to audit the Company's Financial Statements for the financial year ending 31 December 2023;
  5. Approval of the Company's share repurchase plan in accordance with the Financial Services Authority Regulation No.30/POJK.04/2017 regarding Buyback of Shares Issued by Public Companies;
  6. Approval of changes in the composition of the Company's management; and
  7. Approval of the addition of the Company's business activities in accordance with the Financial Services Authority Regulation No.17/POJK.04/2020 concerning Material Transactions and Changes in Business Activities;

## I. GENERAL

### A. General Description of the Company

PT Garudafood Putra Putri Jaya Tbk., domiciled in South Jakarta, established under the name of PT Garuda Putra Putri Jaya pursuant to Deed of Establishment No. 21 dated 24 August 1994 made before Dokteranda Selawati Halim, S.H., Notary in Pati, which has been approved by the Minister of Law and Human Rights of the Republic of Indonesia ("MOLHR") under Decree No. C2-15.820.HT.01.TH.94 dated 20 October 1994, has been registered in the register book at the Registrar of Pati District Court under No. 51/1994/AN/K/PT dated 11 November 1994, and has been announced in the State Gazette of the Republic of Pati under Decree No. C2-15.820.HT.01.01.TH.94 dated 20 October 1994, has been registered in the register book at the Registrar of Pati District Court under No. 51/1994/AN/K/PT dated 11 November 1994, and has been announced in the State Gazette of the Republic of Indonesia No. 14 dated 17 February 1995, Supplement No. 1555.

The articles of association have been amended several times and most recently based on Deed of Meeting Resolution No. 12 dated 6 December 2022, made before Liestiani Wang, S.H., M.Kn., Notary in South Jakarta, which has received Acceptance of Notification of Amendment of Articles of Association from the MOLHR through Decree No. AHU-AH.01.03-0321938 dated 6 December 2023. ("Kemenkumham").

The Company's head office is located at Wisma GarudaFood, Jl. Bintaro Raya No. 10A, Jakarta 12240 dengan nomor phone (021) 729 0110, fax number (021) 729 0112 and email [corporate.secretary@garudafood.co.id](mailto:corporate.secretary@garudafood.co.id).

Based on Article 3 of the Company's Articles of Association, the Company is engaged in Industry, Trade, and Agriculture.

### B. Capitalisation and Shareholders Composition of the Company

Based on the Deed of Meeting Resolution No. 30 dated 21 December 2018, made before Liestiani Wang, SH, MKn., Notary in South Jakarta, which has been notified to the MOLHR as evident in the Letter of Acceptance of Notification of Amendment of Articles of Association No. AHU-AH.01.03-0282011 Year 2019 dated 3 January 2019 and registered in the Register of Companies at the MOLHR under No. AHU-0179644.AH.01.11.Year 2018 dated 3 January 2019, the Company's capital structure is as follows:

Base Capital	: IDR2.000.000.000.000
Issued Capital	: IDR737.958.029.100
Paid-up Capital	: IDR737.958.029.100

The Authorised Capital of the Company is divided into 100,000,000,000 shares with a **nominal value per share of IDR20.**

Based on the Company's Shareholders Register as at 31 December 2022, issued by PT Datindo Entrycom as the Company's Securities Administration Bureau, the Company's shareholders are as follows:

Description	Nominal Value IDR20 per share		
	Number of Shares	Total Nominal Value	(%)
<b>Base Capital</b>	<b>100.000.000.000</b>	<b>2.000.000.000.000</b>	
HSBC CMB S/A Hormel Food	10.768.830.564	215.376.611.280	29,19
PT Tudung Putra Putri Jaya	7.202.314.700	144.046.294.000	19,52
Kusumo Dewiningrum Sunjoto	2.738.296.600	54.765.932.000	7,42
Pangayoman Adi Soenjoto	2.637.417.200	52.748.344.000	7,15
Sudhamek Agoeng Waspodo S.	2.601.926.150	52.038.523.000	7,05
Rahajoe Dewiningroem S, Dra	1.939.160.200	38.783.204.000	5,26
Untung Rahardjo	1.496.961.300	29.939.226.000	4,06
Eka Susanto W Sunarso, Drs	569.079.500	11.381.590.000	1,54
Hartono Atmadja	467.803.500	9.356.070.000	1,27
Treasury's stock	369.646.600	7.392.932.000	1,00
PT Dharma Agung Wijaya	332.372.041	6.647.440.820	0,90
Hardianto Atmadja	310.997.800	6.219.956.000	0,84
Public	5.463.095.300	109.261.906.000	14,81
<b>Total Issued and Paid-up Capital</b>	<b>36.897.901.455</b>	<b>737.958.029.100</b>	<b>100,00</b>

### C. Business Activities of the Company

Based on Article 3 of the Company's Articles of Association, the purpose and objective of the Company are to carry out business in the fields of industry, trade, and agriculture.

To achieve the aforementioned purposes and objectives, the Company may carry out the following business activities:

#### A. Main Business Activities

- a. To carry out business in the milk processing industry including pasteurized, sterilized, homogenized, and/or ultra heating (UHT) and cream processing industry from fresh, pasteurized, sterilized, and homogenized liquid milk, in liquid or semi-liquid form and other similar products;
- b. To carry out business in the field of milk powder or condensed milk industry with sweetener or not and milk or cream management industry in solid form and other similar products;
- c. Engage in the business of processing other dairy products such as butter, yogurt, cheese and curd, casein or lactose (sweetened milk) ice cream premix powder (ice cream powder), liquid ice cream premix, fermented milk, whey, and other similar dairy products;
- d. Engaged in the manufacture of various kinds of bread and cakes and other bakery products, such as the white bread and cadet bread industry; the cake, pie, tart, biscuit, and other dry bakery products industry; the pastry and cake preservation industry; the snack food products industry (cookies, crackers, pastries) whether sweet or savory; the tortillas industry; and the frozen bakery products industry, such as pancakes, waffles, and cadet bread;
- e. Engaged in the business of manufacturing all kinds of chocolate-based foods such as chocolate, compound chocolate, couverture chocolate, imitation chocolate, white chocolate, confectionery from the chocolate spread, and cocoa-based fillings. Includes the chocolate beverage industry in powder and liquid form;
- f. Engaged in the business of manufacturing confectionery including all hard confectionery, soft confectionery, rubber confectionery, caramel, cachous, nougat, fondant, and marzipan, the main ingredient of which is not chocolate;
- g. Engage in business in the field of food manufacturing industry from soybeans/other legumes, not soy sauce and tempeh, such as chips/cheese from beans, synthetic meat, capri beans, salted peanuts,

- egg beans, sukro beans, bogor beans, atomic beans, cashews, and enting-enting. Includes soy protein products and texturized vegetable protein;
- h. Running a business in the industry of various kinds of crackers, chips, peyek and comparable, such as shrimp crackers, fish crackers, and starch crackers (eggplant crackers). And the business of making various kinds of food similar to crackers, such as various kinds of emping, kecimpring, karak, gendar, opak, lung chips, snail chips, and skin chips, anchovy peyek, shrimp peyek;
  - i. Engaged in the beverage industry that does not contain alcohol, except beer and wine without alcohol. Including the flavored soft drinks industry without alcohol and or sweetness, such as lemonade, orangeade, cola, fruit drinks, tonic water, lemonade, soda water, cream soda, and wine water, carbonated or non-carbonated drinks, and drinks containing concentrates and powdered drinks;
  - j. Running a business in the field of industrial processing of various traditional medicinal products whose ingredients come from plants, animal materials, mineral materials, galenic preparations, or a mixture of these materials in the form of powders, knives, pills, dodol / jelly, pastilles, tablets, capsules, liquids, solutions, emulsions and suspensions, ointments, creams and gels, suppositories. Including the herbal drinks industry and health supplements/food, not pharmaceutical products.
- B. Supporting Business Activities that support the Company's main business activities are:
- a. Engage in wholesale trading of food, beverages, and other agricultural products, such as herbs and spices;
  - b. Engage in business in the wholesale trade of milk and milk products;
  - c. Conducting business in the field of wholesale trading of sugar, chocolate, confectionery, and sweetening preparations;
  - d. Conducting business in the field of wholesale trade in bakery products, cakes, and other bakeries;
  - e. Conducting business in the wholesale trade of non-alcoholic beverages such as fruit juice, juice, soft drinks, mineral water, bottled water, and other similar products; and
  - f. To carry out business in the field of wholesale trade in other food and beverages such as rice flour, premix flour, bakery, caramel, processed honey, shrimp crackers, and others, including food for special nutritional purposes (for infants, children, and adults, food additives, processing aids, other snacks, unprocessed and processed cereals and cereal-based products, soy beverages, ready-to-eat food, as well as wholesale trade in food for pets and animal feed;
  - g. running a business in the field of peanut agriculture starting from land cultivation, planting, maintenance, as well as harvesting and post-harvesting activities if it becomes a unity of mung bean crop activities. Including mung bean nursery and seeding activities;
  - h. conducting business in the field of corn farming starting from land cultivation, planting, maintenance, and also harvesting and post-harvest if it becomes an integral part of corn cereal crop activities. Including the activities of nurseries and seedlings of corn plants.

#### D. Composition of the Board of Commissioners and Directors of the Company

The composition of the Board of Commissioners and Board of Directors based on the Meeting Resolution notarized in accordance with Notarial Deed No. 2 dated 1 February 2023 of Liestiani Wang S.H., M.Kn. is as follows:

Board of Commissioners		
President Commissioner	:	Sudhamek Agoeng Waspodo Soenjoto
Commissioner	:	Pangayoman Adi Soenjoto
Commissioner	:	Hartono Atmadja
Commissioner	:	Soeharto Sunjoto
Commissioner	:	Swen Neufeldt
Commissioner	:	Donald Reginald Gadsden
Commissioner Independent	:	Dorodjatun Kuntjoro Jakti
Commissioner Independent	:	Fitra Dewata Teramihardja
Commissioner Independent	:	Andi Chandra

<u>Directors</u>		
President Director	:	Hardianto Atmadja
Director	:	Robert Chandrakelana Adjie
Director	:	Johannes Setiadharna
Director	:	Paulus Tedjosutikno
Director	:	Fransiskus Johny Soegiarto
Director	:	Rudi Eko Hartono

## II. INFORMATION REGARDING WITH THE CHANGES OF THE COMPANY'S BUSINESS

As stipulated in the Financial Services Authority Regulation No.17/POJK.04 /2020, to conduct a feasibility study on the Change of Business Activities to be carried out by the Company, the Company has appointed an Independent Appraiser, namely the Public Appraisal Services Office of KJPP Ferdinand, Danar, Ichsan Dan Rekan ("KJPP"), to provide a feasibility study report, in accordance with the Offer Letter No. 005A/FDI/PB-FS/I/2023 dated 10 January 2023 which has been approved, as an authorised appraiser and registered as a professional services office supporting the market. 005A/FDI/PB-FS/I/2023 dated 10 January 2023 which has been approved, as an official appraiser and registered as a capital market supporting professional service office at OJK with a Registered Certificate of Capital Market Supporting Profession from OJK (re-registration) No. STTD.PB-17/PM.2 /2018 as a Business Appraiser.

### A. Fruit and Vegetable Drying Industry-KBLI 10310

**Summary of Feasibility Study Report on the Plan to Add Business Activities of Fruit and Vegetable Drying Industry (KBLI 10310) PT Garudafood Putra Putri Jaya Tbk, Report No. FDI/0005/LAP/B/KJ/III/2023 dated 3 March 2023:**

#### Purpose and Objective

The purpose of the assessment is the preparation of a Feasibility Study for the Company by providing an opinion on the feasibility of a business or project with the purpose of an assessment that states whether it is feasible or not feasible for the business or project in the context of additional business activities as a fulfillment of the Regulation of the Financial Services Authority of the Republic of Indonesia No. 17/POJK.04/2020 dated 21 April 2020 on Material Transactions and Changes in Business Activities ("POJK 17/2020").

#### The Object of Feasibility Study

The object of this assignment is the plan to increase the Company's business activities, namely producing and selling snacks of chips (KBLI 10310: Fruits and Vegetables Drying Industry).

#### Assumptions and Limiting Conditions

- This Feasibility Study Report is a non-disclaimer opinion.
- The Independent Appraiser has reviewed the documents used in the Feasibility Study process.
- In preparing this Feasibility Study Report, Independent Appraisers rely on the accuracy and completeness of the information provided by the assignor or data obtained from publicly available information and other information that KJPP considers relevant.
- The Independent Appraiser uses financial projections that reflect the reasonableness of financial projections made by management with its ability to achieve (fiduciary duty).
- The Independent Appraiser is responsible for the implementation of the Feasibility Study.
- The Feasibility Study Report is open to the public.
- The Independent Appraiser has obtained information on the legal status of the Feasibility Study Object from the Assignor.
- Independent Appraiser is responsible for this Feasibility Study report.
- The analyses, opinions, and conclusions made by the appraiser, as well as the Feasibility Study report have been prepared in accordance with the Financial Services Authority Regulation No. 35/POJK.04/2020

- regarding the Assessment and Presentation of Business Reports the Capital Market ("POJK 35/20") and the Presentation of Business Assessment Reports in the Capital Market and the provisions of the Indonesian Valuation Standards (SPI), the Indonesian Code of Ethics for Appraisers (KEPI).
- j. KJPP would like to emphasize that the results of our studies, analyses, and responsibilities are specifically limited to the aspect of Feasibility Study on the object of the assignment, outside of the taxation and legal aspects as these are outside the scope of the assignment.
  - k. This Feasibility Study report is made and intended only for the assignor, in accordance with the purposes and objectives expressed in the Feasibility Study report, and cannot be used for other purposes and KJPP is not responsible if this report is used for other purposes.
  - l. This Feasibility Study is conducted in the conditions of the Covid-19 pandemic outbreak so that users of the Feasibility Study report are asked to be careful in determining the relevance between the assessment results and their needs (related to the use of the assessment results).

### Summary

#### a. Market Feasibility Analysis

Based on data released by Nielsen provided by the Company's management, the Company's market share in the snacks category increased from 2021 from 3.1% to 5.7%. in 2022. Brand Garuda is also a top 5 brand in Indonesia in 2022, according to Nielsen based on the Extruded Savory market. Further according to data by Nielsen, in Indonesia, snack food sales for the last 12 months as of November 2022 have increased compared to the sales of the last 12 months as of November 2021, and from January 2021 to November 2022, there is likely to be an increase in both volume and prices for snacks in Indonesia.

The target market in this industry is divided into two, namely the modern market and the general market. trade (trade in general markets or traditional markets). The majority of existing chip snack producers focus on the modern market. In addition to entering the modern market, the Company will also enter the general trade market, because it is still rare for chip snack producers to enter the general trade market. chips snack producers enter the general trade market also because the Company has strong distribution channels so far. has a strong distribution channel so far with more than 100 depots spread throughout Indonesia that can help distribution channels in the general trade market. throughout Indonesia, which can help distribution channels throughout Indonesia, especially in the general trade market.

In marketing this chips snacks product, the Company plans a 4P marketing strategy consisting of 4P marketing strategy which consists of:

#### I. Product

The products produced by the Company have been favored and have a suitable taste by the Indonesian people, so the Company believes that this chip product can be accepted and has its own market. have its own market.

#### II. Price

The Company provides competitive prices, especially for the general trade market, which is the Company's potential market. the Company's potential market.

#### III. Placement

The Company is supported by a strong distribution channel with over 100 depots. depots spread throughout Indonesia that can help distribution channels throughout Indonesia. so the Company believes this chip product will easily spread throughout Indonesia.

#### IV. Promotion

The Company will conduct promotions both through television and digital media, besides that The Company will also market Built the product (placement or placement or installation of sponsored products in a program) and provide product bundling with the Company's other products that are already circulating and popular in the market.

#### b. Technical Feasibility Analysis

In the business expansion plan, the Company will produce potato and sweet potato chips in 12g sizes for the general trade market and 55g sizes for the modern market. For this additional business activity plan, the Company will add an inline production machine with a capacity of 300 kg/hour. The Company will utilize its existing production plant in Pati Regency, Central Java.

The main raw materials used to produce chips are potatoes and sweet potatoes. The main raw materials used are widely available in the Indonesian market so the Company will have no difficulty in obtaining these raw materials. The Company has experts and professional workers who have experience in the snack food industry.

c. Business Pattern Feasibility Analysis

The Company is one of the leading publicly listed snack food manufacturers in Indonesia. With a long experience in the snack food industry, the Company's products are also available in Indonesia as well as ASEAN, China, and India. The Company's products are also available in Indonesia as well as ASEAN, China, and India. The Company also has distribution channels, especially in the general trade market, which is an advantage for the Company advantage.

The number of competitors in the snack food industry is quite large, where the products produced are chips. produced is a type of chips snack food, so it is very easy for business competitors who are engaged in the snack food industry to imitate the products produced. who are engaged in the snack food industry imitate the products produced. So that the risk of copying products is an inherent risk to the Company.

Supported Garudafood's production brand is already strong in the market that can influence the consumer's desire to make a purchase, plus recipes from the R&D (Research and Development) team so that Garudafood products have a taste that suits the taste of people in Indonesia. with the tastes of people in Indonesia. The Company believes that this type of chips snack food will have its own market.

d. Management Model Feasibility Analysis

In carrying out its new business activities, the Company does not increase its labor force but uses its existing workforce. labor but uses the workforce already owned by the Company. chips will be produced under the brand name Garuda Chipz, where the brand name Garuda has obtained a license from BPOM (Food and Drug Supervisory Agency). Garuda brand has obtained a license from BPOM (Food and Drug Supervisory Agency). The Company already has the capability and experience in the snack food industry, supported by the Company's facilities such as R&D (Food and Drug Supervisory Agency). supported by the Company's facilities such as R&D (Research and Development), production, technology, human resources, and distribution network. Therefore, the Company has the experience and capabilities to carry out the production of snacks such as chips in the future.

e. Financial Feasibility Analysis

In the plan to increase business activities, the Company requires investment costs related to the purchase of assets in the form of inline production machines and installation buildings amounting to Rp 70 Billion, with financing coming from the Company's cash. Operating costs for the plan consist of the cost of goods sold, selling expenses, and general and administrative expenses. general and administrative expenses. From the financial projection, it can be seen that there will be additional revenue and profit for the Company from the contribution of additional business activities.

In conducting the financial feasibility analysis, the Profitability Index ("PI"), Net Present Value ("NPV"), and Internal Rate of Return ("IRR") analyses were used, with results Present Value ("NPV") and Internal Rate of Return ("IRR"), with the following results:

Tabel 1. PI, NPV dan IRR

Keterangan	Hasil Analisa	Indikator Kelayakan
PI	1,809	PI > 1
NPV	84.318	NPV = 0
IRR	19,74%	IRR > Cost of Equity (Ke = 12,84%)

### Opinion on the Feasibility of Changes in Business Activities

Based on the Market Feasibility Analysis, Technical Feasibility Analysis, Business Pattern Feasibility



Analysis, Management Model Feasibility Analysis, and Financial Feasibility Analysis, we are of the opinion that the Company's plan to add a business field in the Fruit and Vegetable Drying Industry (KBLI-10310) by PT Garudafood Putra Putri Jaya Tbk is **FAIR**.

#### **Availability of Labor/Experts**

In connection with the plan to add business activities of the Fruit and Vegetable Drying Industry, the Company has prepared the skilled workforce needed to support the operational implementation of the Change in Business Activities. The Company is committed to fulfilling the needs of competent manpower in their fields related to these Change of Business Activities. The Company does not increase its workforce and utilizes its existing workforce. The Company has a total workforce of 4601 persons as of December 31, 2022.

The following are details the workforce that will support the plan to the Fruit and Vegetable Drying Industry:

No	Business Activities to be Undertaken	Total Workforce (Exsisting)	Number of Additional Labourers	
			Fixed	Retrieved
1	Fruit and Vegetable Drying Industry (KBLI No. 10310)	4601 persons	Not available	Not available

The number of human resources currently owned by the Company in connection with the addition of business activities in the Fruit and Vegetable Drying Industry may change over time in accordance with the needs and strategies of the Company.

The capacity and availability of human resources owned in supporting new business activities are experts who have experience in the snack food industry.

#### **Consideration and Reasons for the Change of Business Activities**

In order to improve the Company's performance in the future, the Company as a company engaged in Industry, Trade, and Agriculture, sees a business opportunity in the field of the Fruit and Vegetable Drying industry. The business opportunity is a business activity that was not previously one of the Company's business fields and types of business activities.

The Company has carefully calculated the business opportunities that can be carried out in a sustainable manner, and the Company believes that the Company is able to take advantage of the existing opportunities to provide added value to shareholders.

Therefore, the Company plans to change its business activities as follows:

Changes in main business activities in the field of fruit and vegetable drying industry (KBLI-10310)

#### **Effect of Changes in Business Activities on Financial Condition**

The effect of changes in business activities on the Company's financial condition is expected to increase revenue through changes in business activities, which is expected to provide added value to the Company's shareholders.

The added value expected from the transaction plan to the Company's financial condition is to increase the Company's revenue and profit and the Company can diversify its business by optimizing its assets.

Considerations and reasons for the transaction plan on the Company's financial condition are to increase business opportunities and increase the Company's revenue and profit. The effect of the transaction plan on the Company's financial condition is to increase sales, and the cost of goods sold that will be carried out by the Company.

**B. Real Estate Owned or Leased – KBLI 68111**

**Summary of Feasibility Study Report on the Plan to Add Real Estate Owned or Leased Business Activities (KBLI 68111) PT Garudafood Putra Putri Jaya Tbk, Report No. FDI/0006/LAP/B/KJ/III/2023 dated 3 March 2023:**

**Purpose and Objective**

The purpose of the assessment is the preparation of a Feasibility Study for the Company by providing an opinion on the feasibility of a business or project with the purpose of an assessment that states whether it is feasible or not feasible for the business or project in the context of additional business activities as a fulfillment of the Regulation of the Financial Services Authority of the Republic of Indonesia No. 17/POJK.04/2020 dated 21 April 2020 concerning Material Transactions and Changes in Business Activities ("POJK 17/2020").

**The Object of Feasibility Study**

The object of this assignment is the plan to change the Company's business activities, namely renting out properties owned in the form of offices and warehouses (KBLI 68111: Real Estate Owned or Leased).

**Assumptions and Limiting Conditions**

- a. This Feasibility Study Report is a non-disclaimer opinion.
- b. The Independent Appraiser has reviewed the documents used in the Feasibility Study process. Feasibility Study process.
- c. In preparing this Feasibility Study Report, Independent Appraisers rely on the accuracy and completeness of the information provided by the assignor or data obtained from publicly available information and other information that KJPP considers relevant.
- d. The Independent Appraiser uses financial projections that reflect the reasonableness of financial projections made by management with its ability to achieve (fiduciary duty).
- e. The Independent Appraiser is responsible for the implementation of the Feasibility Study.
- f. The Feasibility Study Report is open to the public.
- g. The Independent Appraiser has obtained information on the legal status of the Feasibility Study Object from the Assignor.
- h. Independent Appraiser is responsible for this Feasibility Study report.
- i. The analyses, opinions, and conclusions made by the appraiser, as well as the Feasibility Study report have been prepared in accordance with the Financial Services Authority Regulation No. 35/POJK.04/2020 regarding the Assessment and Presentation of Business Reports the Capital Market ("POJK 35/20") and the Presentation of Business Assessment Reports in the Capital Market and the provisions of the Indonesian Valuation Standards (SPI), the Indonesian Code of Ethics for Appraisers (KEPI).
- j. KJPP would like to emphasize that the results of our studies, analyses, and responsibilities are specifically limited to the aspect of Feasibility Study on the object of the assignment, outside of the taxation and legal aspects as these are outside the scope of the assignment.
- k. This Feasibility Study Report is made and addressed only to the assignor, in accordance with the purposes and objectives expressed in the Feasibility Study Report and purposes disclosed in the Feasibility Study report and cannot be used for other purposes and KJPP is not responsible if this report is used for other purposes.
- l. This Feasibility Study is conducted in the conditions of the Covid-19 pandemic outbreak so that users of the Feasibility Study report are asked to be careful in determining the relevance between the assessment results and their needs (related to the use of the assessment results).

**Summary****a. Market Feasibility Analysis**

The Commercial Property Demand Index for the rental category in the fourth quarter of 2022 on an annual basis grew by 11.59% (yoy), slowing down compared to 16.19% (yoy) in the previous quarter. The Commercial Property Supply Index for the rental category in Q4-2022 grew by 0.70% (yoy), lower than 0.98% (yoy) in Q3-2022. The Commercial Property Price Index for the rental category in Q4-2022 was recorded to grow by 6.51% (yoy), slower than 6.76% (yoy) in the previous quarter.

Despite slow demand, around 200 hectares of industrial land supply is expected to enter the market in

2023. Demand in 2023 is expected to be slightly better than in 2022. Despite the high market occupancy rate, intense competition is expected to restrain the average rental growth of the warehouse market, limited only to high-demand areas such as Jakarta and Bekasi. The ease with which investors can invest in Indonesia (through the OSS system), is expected to help demand for industrial and warehouse land.

Demand rebounded strongly in 2022, fuelled by corporate consolidation and quality improvement. The overall net absorption of office space in Jakarta is expected to reach 100,000 sqm in 2022. Net absorption is expected to stabilize in 2023 as tenants will remain cautious and postpone major decisions in anticipation of the expected economic slowdown. major decisions in anticipation of the expected global economic slowdown. Despite positive net absorption, rents are expected to remain under pressure in 2023 due to tight pressure in 2023 due to intense competition in a relatively thin market. Rental growth is expected to return to positive territory from 2024 following the expectation of an improving economy.

In marketing the properties to be leased, the Company plans a marketing strategy consisting of:

1. Direct selling to prospective clients.
2. Marketing through property agents.

b. Technical Feasibility Analysis

The Company plans to add property leasing business activities. There are 2 (two) properties that will be leased, namely the Land and Warehouse Building located in Bandar Lampung and the Office space located in Jakarta.

Property Land and Warehouse Building in Bandar Lampung: Location of Land and Building The warehouse is located at Jl. Tembesu Kav. 5, Campang Raya Village, Tanjung Karang Timur District, Bandar Lampung. The land area is 8,224 sqm and the building area is 5,289 sqm.

The Office Property in Jakarta: The office is located at Wisma 2 Garudafood Office Building, Jalan Bintaro Raya No. 10A RT. 003 RW. 010, Floor 3,5, Kebayoran Lama Utara Urban Village, Kebayoran Lama Sub-district, South Jakarta City, DKI Jakarta Province. The Office space area that will be leased is 116 sqm.

c. Business Pattern Feasibility Analysis

As a Company that has long been engaged in the snack food industry, the Company's experience in operational activities can be considered quite competent. The Company's operational activities are inseparable from the important role of the warehouse used to store the Company's product inventory. to store the Company's product inventory. The leased warehouse has met the Company's standards with adequate racking and warehouse conditions for the storage of product inventories in this industry, and in the vicinity of the warehouse, there is no warehousing for chemicals or other prohibited items for the food and beverage industry.

d. Feasibility Analysis of Management Model

In carrying out its new business activities, the Company does not increase the labor force but uses the labour and experts already owned by the Company. The labor uses the labor and experts already owned by the Company. The Company's management identifies and estimates the possibility of potential risks and their impacts, followed by steps in managing the risks. The ability to manage a company requires professional human resources so that the Company's operational activities can run effectively and efficiently. In carrying out its business activities, the Company has a workforce with the capacity and competitive abilities in accordance with their job positions.

e. Financial Feasibility Analysis

In the plan to increase business activities, the Company requires investment costs for renovation of the building amounting to Rp 3.5 billion, with financing coming from the Company's cash. Operating expenses for the planned additional business activities consist of the cost of goods sold and general and administrative expenses. From the financial projection, it can be seen that there will be an increase in the Company's revenue and profit from the contribution of additional business activities.

In conducting financial feasibility analysis, break-even point analysis, Profitability Index ("PI"), Net

In conducting financial feasibility analysis, break-even point analysis, Profitability Index ("PI"), Net Present Value ("NPV"), and Internal Rate of Return ("IRR"), with the following results as follows:

**Tabel 1. PI, NPV dan IRR**

Keterangan	Hasil Analisa	Indikator Kelayakan
PI	1,409	PI > 1
NPV	1.561	NPV = 0
IRR	15,33%	IRR > Cost of Equity (Ke = 12,80%)

### Opinion on the Feasibility of Changes in Business Activities

Based on Market Feasibility Analysis, Technical Feasibility Analysis, Business Pattern Feasibility Analysis, Management Model Feasibility Analysis, and Financial Feasibility Analysis, we are of the opinion that the Company's plan to add a business field in the field of Real Estate Owned or Leased (KBLI 68111) by PT Garudafood Putra Putri Jaya Tbk is **FAIR**.

### Availability of Labor/Experts

In connection with the plan to add business activities in the field of Real Estate Owned or Leased, the Company has prepared the skilled workforce needed to support the operational implementation of the Change in Business Activities with the allocation of the Company's current workforce. The Company is committed to fulfilling the needs of competent manpower in their fields related to these Change of Business Activities. The Company has a total workforce of 4601 persons as of December 31, 2022.

The following are the details the workforce that will support the plan to increase business activities in Real Estate Owned or Leased:

No	Business Activities to be Undertaken	Total Workforce (Existing)	Number of Additional Labourers	
			Fixed	Retrieved
1	Real Estate Owned or Leased (KBLI 68111)	4601 persons	Not available	Not available

The number of human resources currently owned by the Company in connection with the addition of business activities in the field of Real Estate Owned or Leased may change over time in accordance with the needs and strategies of the Company.

The capacity and availability of human resources owned in supporting new business activities are experts who have experience in the field of Real Estate Owned or Leased.

### Considerations and Reasons for the Change of Business Activities

In order to improve the Company's performance in the future, the Company as a company engaged in Industry, Trade, and Agriculture, sees a business opportunity in the Real Estate Owned or Leased business. The business opportunity is a business activity that was not previously one of the Company's business fields and types of business activities.

The Company has carefully calculated the business opportunities that can be carried out sustainably, and the Company believes that the Company is able to take advantage of the existing opportunities to provide added value to shareholders.

Therefore, the Company plans to change its business activities as follows:

Change in Main Business Activity in the field of Real Estate Owned or Leased (KBLI 68111)

**Effect of Changes in Business Activities on Financial Condition**

The effect of changes in business activities on the Company's financial condition is expected to increase revenue through changes in business activities, which is expected to provide added value to the Company's shareholders.

The added value expected from the transaction plan to the Company's financial condition is to increase the Company's revenue and profit and the Company can diversify its business by optimising its assets. Considerations and reasons for the transaction plan on the Company's financial condition are to increase business opportunities and increase the Company's revenue and profit. The effect of the transaction plan on the Company's financial condition on profit and loss is to increase sales, cost of goods sold that will be carried out by the Company. Therefore, the Company's profitability, liquidity and solvency will increase.

**III. SUPPLEMENTARY INFORMATION**

For further information regarding the above matters, please contact the Company at working hours at the address:

**PT Garudafood Putra Putri Jaya Tbk**

**Corporate Secretary**

**Head Office:**

Wisma GarudaFood

Jl. Bintaro Raya No. 10A, Jakarta 12240

Phone (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)

Best regards,



The image shows two handwritten signatures in black ink over a yellow and red revenue stamp. The stamp features the Garuda Pancasila logo and the text '10000', 'METERAI TEMPEL', and the serial number 'FE83AKX324942518'.

Hardianto Atmadja  
President Director

Robert Chandrakelana Adjie  
Director