

**EXPLANATION OF ITEMS ON THE AGENDA
THE ANNUAL GENERAL MEETING OF SHAREHOLDERS
AND
THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS
OF PT PP LONDON SUMATRA INDONESIA Tbk**

In connection with the plan of holding the Annual General Meeting of Shareholders ("**AGM**") and Extraordinary General Meeting of Shareholders ("**EGM**" together with the **AGM** referred to the "**Meetings**") of PT PP London Sumatra Indonesia Tbk (the "**Company**") to be held on May 5, 2015, the Company hereby submit an explanation of items on the agenda of the Meetings as follows:

AGM:

Item 1 of the Agenda

Acceptance and approval of the annual report of the Board of Directors on the activities and financial results of the Company for the year ended December 31, 2018.

Explanation:

The Board of Directors will submit the annual report involving the activities and financial results of the Company for the year ended December 31, 2018 to seek the approval of the AGM. The annual report has been available at the Company's office and can be accessed through the Company's website.

Item 2 of the Agenda

Approval of the Company's Balance Sheet and Income Statement for the year ended December 31, 2018.

Explanation:

The Board of Directors will propose to the AGM to accept and to approve the Company's Financial Statement including Balance Sheet and Income Statement for the year ended December 31, 2018 which were audited by "Purwantono, Sungkoro & Surja", Registered Public Accountant with an unqualified opinion as stated in the Report No. 00122/2.1032/AU.1/01/0696-3/1/II/2019 dated February 21, 2019 presented in and is part of the annual report of the Company.

Item 3 of the Agenda

Determination of the use of net profit of the Company for the year ended December 31, 2018.

Explanation:

Board of Directors will propose to AGM to approve the use of income for the year ended December 31, 2018.

Item 4 of the Agenda

Changes the Company's Board.

Explanation:

In relation to the expiry of the office term of current members of the Board of Directors and the Board of Commissioners of the Company at the closing of the AGM in 2019, the Board of Directors will submit to the AGM the proposal and recommendation of the Nomination and Remuneration Committee of the Company regarding the appointment of new members of the Board of Directors and the Board of Commissioners of the Company for the period starting

from the closing of the AGM until the closing of the General Meeting of Shareholders of the Company in 2022. Curriculum vitae of the new members of the Board of Commissioners and Directors are available and can be accessed through the Company's website.

Item 5 of the Agenda

Determination of the remuneration of all members of the Board of Commissioners and members of the Board of Directors of the Company.

Explanation:

The Board of Directors will submit to the AGM the proposal of the nomination and remuneration committee of the Company regarding the total remuneration to be paid by the Company to the members of the Board of Commissioners and the Board of Directors of the Company which effect from January 1, 2019 to December 31, 2019.

Item 6 of the Agenda

Appointment of the Public Accountant of the Company and authorization of the Board of Directors to determine the fees and the other terms of engagement of the Public Accountant.

Explanation:

The Board of Directors will submit the proposal and recommendation of the Audit Committee of the Company to the AGM regarding the appointment of the Public Accountant, part of the Public Accountant Firm "Purwantono, Sungkoro & Surja", to audit the Company's Financial Statement for the year ended December 31, 2019 as well as to authorize the Board of Directors of the Company to determine the honorarium and other terms and conditions related to its appointment.

EGM

The Agenda

Amendments to the provisions of Article 3 of the Company's articles of association to be adapted to the *Klasifikasi Baku Lapangan Usaha Indonesia (KBLI) 2017* as required in the One Single Submission (OSS) system.

Explanation:

The Board of Directors will propose to EGM the amendment the provisions of Article 3 of the Company's articles of association to be adapted to the *Klasifikasi Baku Lapangan Usaha Indonesia (KBLI) 2017* as required in the One Single Submission (OSS) system.

The proposed amendments of the Article 3 of the Company's articles of association is available and can be accessed through at the Company's website.