

**The Explanation
Of The Annual General Meeting of Shareholders
PT Adira Dinamika Multi Finance Tbk**

1. a. **Approval of the Company's annual report for the financial year ended on 31 December 2017;**
- b. **Ratification of the Company's financial report for the financial year ended on 31 December 2017; and**
- c. **Ratification of the supervisory report of the Company's Board of Commissioners for the financial year ended on 31 December 2017;**

Pursuant to Article 18 and Article 20 of the Articles of Association of the Company in conjunction with Article 66 until Article 69 of the Limited Liability Law ("UUPT"), propose the GMS to:

1. approve the Company's Annual Report for the financial year ended on 31 December 2017;
 2. ratify the Company's audited Financial Report for the financial year ended on 31 December 2017 which has been audited by Public Accounting Firm Tanudiredja, Wibisana, Rintis dan Rekan (member firm of PwC global network) as stated in the Independent Audit Report, dated 24 January 2018 with fair opinion without modification;
 3. ratify the Annual Supervisory Report of the Board of Commissioners for the financial year ended on 31 December 2017; and
 4. to fully acquit and discharge ("*volledig acquit et decharge*") the Board of Directors and the Board of Commissioners from the implementation of duties and responsibilities in managing and supervising in the fiscal year ended on 31-12-2017, insofar as the implementation of these duties and responsibilities are reflected in the Company's annual report for the fiscal year ended on 31 December 2017.
2. **Determination of the use of the Company's net profit for the financial year ended on 31 December 2017;**

By observing Article 20 paragraph 2 (b) and Article 25 of the Company's Articles of Association in conjunction with Article 70 and Article 71 of the Company Law, to propose to the AGMS to approve the determination on the appropriation of the Company's net profit for the financial year ended on 31 December 2017, among others shall be allocated as reserve fund, distributed as dividend, and the remaining amount of the net profit which is not determined shall be posted as retained earnings.

The Company's profit acquired in financial year ended at 31 December 2017 was Rp1.409 trillion.

On this agenda, the Company will seek for the AGMS's approval of the appropriation of the Company's net profit for the financial year ended at 31 December 2017, among others, 1% will be set aside as reserve fund, 50% of net profit will be distributed as cash dividend, and the remaining net profits to be booked as retained earnings.

3. **Appointment of Public Accountant and Public Accounting Firm for financial year 2018;**

Pursuant to Article 20 Paragraph 2 letter (c) of the Company's Articles of Association and in conjunction with Article 68 of UUPT: propose the GMS to appoint Mr. Drs. M. Jusuf Wibisana, M. Ec., CPA as Public Accountant and Tanudireja, Wibisana, Rintis and Partners (member firm of PwC global network) as Public Accounting Firm that listed in Indonesia Financial Services Authority (OJK) to audit the Company's financial report for financial year 2018.

4. **a. Determination of the salary and allowance and/or other benefit of the Company's Board of Directors;**
b. Determination of the salary or honorarium and other allowance of the Company's Board of Commissioners;
c. Determination of the honorarium and other allowance of the Company's Sharia Supervisory Board;

Pursuant to Article 11 Paragraph 6, Article 14 Paragraph 8, Article 17 Paragraph 6 and Article 20 Paragraph 2 letter (e) of the Company's Articles of Association and with conjunction to Article 96 and Article 113 of UUPT, as well as the recommendation of the Nomination and Remuneration Committee of the Company: propose the GMS to approve and determine the salary or honorarium, tantieme or bonus and other allowance of the Board of Commissioners and to approve the delegation of authority to the Board of Commissioners to determine the salary or honorarium, tantieme or bonus and other allowance of the Board of Directors and Sharia Supervisory Board of the Company.

5. **Assignment of the members of the Company's Board of Commissioners, Board of Directors and Sharia Supervisory Board;**

By observing Article 11 Paragraph 2, Article 14 Paragraph 2 and Article 17 Paragraph 1 of the Company's Article of Association, propose the GMS to:

- Reassign all members of the Board of Commissioners and Sharia Supervisory Board;
- Reassign all members of the Board of Directors except Cornel Hugroseno whom refuse the reassignment; and
- Appoint Niko Kurniawan Bonggowarsito as the new Director of the Company (*, with tenure until the Annual GMS which will be held in 2022.

(* Appointment is effective upon completion of all prevailing requirements.

6. **Approval to transfer and/or pledge as security for debt more than 50% (fifty percent) of the Company's total assets;**

By observing Article 12 Paragraph 5 of the Company's Article of Association, propose the GMS to:

1. approve to transfer and/or pledge as security for debt more than 50% of the Company's total assets but cannot exceed 400% of the Company's total assets, in

order to guarantee the payment of the Bonds issued by the Company and other debts with the following notes:

- a. joint financing assets of the Company and PT Bank Danamon Indonesia Tbk are not included in the assets put as security;
 - b. Gearing Ratio cannot exceed 6.5x (six point five times) from total assets based on the latest financial statement audited by Public Accountant Firm, with condition that in the event of Gearing Ratio has reached 6.0x (six times) from total assets, the Company's Board of Director must obtain approval from the Company's Board of Commissioners and Major Shareholders.
2. that such actions do not breach the terms and conditions stipulated in the agreements of the Company with third parties; and
 3. to authorize the Company's Board of Directors to take any actions deemed necessary in relations to pledge the receivables of the Company, including but not limited to sign fiduciary deed before the Notary.
7. **Accountability for the realization of the use of proceeds from the issuance of Adira Finance Continuing Bond III Phase VI Year 2017, Adira Finance Continuing Bond IV Phase I Year 2017, Adira Finance Continuing Sukuk Mudharabah III Phase I Year 2017, Adira Finance Continuing Bond IV Phase II Year 2018 and Adira Finance Continuing Sukuk Mudharabah III Phase II Year 2018.**

Pursuant to POJK No. 30/POJK.04/2015 dated 16 December 2015 on the Report on Realization of the Use of Proceeds from Public Offerings, particularly in the Article 12, realization of the use of proceeds from public offering shall be accounted to the closest Annual GMS.