

# CONFIDENTIAL OFFERING MEMORANDUM

## Ordinary Shares



### PT SOECHI LINES Tbk

PT Soechi Lines Tbk, a company incorporated under the laws of the Republic of Indonesia (the "Company") is conducting an initial public offering of up to 2,571,428,500 (two billion five hundred seventy one million four hundred twenty eight thousand and five hundred) Ordinary Shares, with a nominal value of Rp100 (one hundred Rupiah) per share (including the Employee Stock Allocation (the "ESA") (the "Shares"), or representing 30.0% (thirty percent) of the Company's issued and paid-up capital following the Initial Public Offering. The Shares are being offered and distributed through PT RHB OSK Securities Indonesia and PT Mandiri Sekuritas (each an "Underwriter" and together the "Underwriters" or the "Joint Lead Underwriters").

The Shares are being offered and sold outside the United States in reliance on Regulation S ("Regulation S") under the US Securities Act of 1933, as amended (the "US Securities Act"). The Shares have not been and will not be registered under the US Securities Act, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. The institutional offering consists of the offer and sale of Shares to institutional investors outside of Indonesia and in "offshore transactions" (as defined in Regulation S), including to professional investors in Hong Kong, certain investors in Malaysia, or institutional investors in Singapore, in compliance with Regulation S (the "Institutional Offer"). The public offer (including an offering to Indonesian institutions and other investors) is being conducted solely in Indonesia (the "Indonesian Offer"). The Institutional Offer and the Indonesian Offer are collectively referred to as the "Offer".

The offering memorandum for the Institutional Offer consists of (1) this confidential offering memorandum; (2) the Indonesian prospectus dated 29 October 2014 that has been prepared for the Indonesian Offer (the "Indonesian Prospectus"); and (3) the English translation of the Indonesian Prospectus (the "English Prospectus"), all of which should be read together prior to making an investment decision to buy the Shares and are referred to collectively as the "Offering Memorandum". In the event of inconsistency between the Indonesian Prospectus and the English Prospectus, the Indonesian Prospectus shall prevail. The Underwriters are not responsible for the accuracy of the translation of the Indonesian Prospectus to the English Prospectus.

Prior to the Offer, there has been no public market for the Shares. Application will be made to the Indonesia Stock Exchange ("IDX") for admission to the official list of the IDX and for official quotation on the IDX. Listing on the IDX is not automatic or guaranteed. It is expected that trading on the IDX and quotation on the IDX will commence on a conditional and deferred settlement basis on or about 2 December 2014.

For a discussion of certain risks that you should consider in connection with an investment in the Shares, see "Business Risks" in Chapter VI of the English Prospectus.

On [24 November] 2014, the exchange rate between the Indonesian Rupiah and U.S. dollar as reported by Bank Indonesia on its website at [www.bi.go.id](http://www.bi.go.id) was US\$1.00 = [●]

Final Price: [●] per Share

The final price for the Shares was determined following a book-building process by an agreement between the Company and the Underwriters.

Each purchaser of the Shares was deemed to have made certain acknowledgements, representations and agreements with respect to its purchase. For a description of these acknowledgements, representations and agreements and for certain restrictions on transfers, see "Offering Restrictions" in this Offering Memorandum.

The Offering Memorandum does not constitute an offer, solicitation or invitation to subscribe for and/or purchase the Shares in any jurisdictions in which such offer, solicitation or invitation is unlawful or is not authorized or to any person to whom it is unlawful to make such offer, solicitation or invitation. No action has been or will be taken under the requirements of the legislation or regulations of, or of the legal or regulatory authorities of Hong Kong, Malaysia, Singapore, or any other jurisdictions, except for the registration of the Indonesian Prospectus in Indonesia in order to permit a public offering of the Shares and the public distribution of the Indonesian Prospectus in Indonesia. The distribution of the Offering Memorandum and the offering of the Shares in jurisdictions other than in Indonesia may be prohibited or restricted by the relevant laws in such jurisdictions. Persons who may come into possession of the Offering Memorandum are required by the Company and the Joint Lead Underwriters to inform themselves about, and observe and comply with, any such prohibitions or restrictions at their own expense and without liability to the Company and the Joint Lead Underwriters. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions.

The information contained in the Offering Memorandum does not constitute any legal, business, financial or tax advice and no representation is made to any person regarding the legality of an investment in the Shares under any laws or regulations. Each potential acquirer of the Shares should determine for itself the relevance of the information contained in the Offering Memorandum and its acquisition of the Shares should be based upon such independent investigations and consultations with its own tax, legal, business and other advisers as it deems necessary. You are advised to exercise caution in relation to the Initial Public Offering. If you are in any doubt about any of the contents of the Offering Memorandum, you should obtain independent professional advice.

Prospective investors should read the whole of the Offering Memorandum. The Shares are only being offered, and this Offering Memorandum is only being distributed, to those eligible investors in Indonesia, Hong Kong, Malaysia and Singapore who are permitted to subscribe for, or purchase, the Shares under applicable law.

The Offering Memorandum and its contents are confidential and should not be distributed, published, reproduced or otherwise made available in whole or in part or disclosed by recipients to any other persons. It is a condition of the issue of the Offering Memorandum that it is to be kept confidential and will not be reproduced, copied or circulated (electronically or otherwise) in whole or in part to any third party without the express written consent of the Joint Lead Underwriters.

#### JOINT LEAD UNDERWRITERS



PT RHB OSK SECURITIES INDONESIA



PT MANDIRI SEKURITAS



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## ADDITIONAL RISK FACTORS

*An investment in the Company's shares involves risks. You should carefully consider the following risk factors, as well as other information set out in this Prospectus, prior to making an investment in the Company's shares. The risks described below are not the only ones that may affect the Company's shares. Please see "Business Risks" beginning on page 39 of the Prospectus. Additional risks not presently known to the Company or that the Company currently deems immaterial may also impair the Company's business, cash flows, results of operations, financial condition or prospects. In general, investing in securities of companies in emerging market countries such as Indonesia involves risks not typically associated with investing in the securities of companies in countries with more developed economies.*

### **Risks relating to Indonesia**

***Political and social instability in Indonesia may adversely affect the economy, which in turn could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.***

Since the collapse of the late President Soeharto's regime in 1998, Indonesia has experienced political changes and, from time to time, instability, as well as general social and civil unrest on several occasions. For example, since 2000, thousands of Indonesians have participated in demonstrations in Jakarta and other Indonesian cities both for and against the former Presidents Wahid, Megawati, and Susilo Bambang Yudhoyono, as well as in response to specific issues, including fuel subsidy reductions, privatization of state assets, anti-corruption measures, decentralization and provincial autonomy, potential increases in electricity charges and the U.S.-led military campaigns in Afghanistan and Iraq. Although these demonstrations were generally peaceful, some have turned violent. In particular, on several occasions since June 2001, the government of the Republic of Indonesia ("Government") has mandated increases in the prices of certain basic goods, such as fuel, which in turn sparked nationwide demonstrations and strikes. In May 2008, the Government reduced fuel subsidies to the public, which led to public demonstrations. There can be no assurance that future sources of popular discontent will not lead to further political and social instability.

Separatist movements and clashes between religious and ethnic groups have resulted in social and civil unrest in certain parts of Indonesia. In the provinces of Aceh and Papua (formerly Irian Jaya), there have been clashes between supporters of separatist movements and the Indonesian military. In Papua, on-going activities by separatist rebels have led to violent incidents. In the provinces of Maluku and Central Kalimantan, clashes between religious and ethnic groups have resulted in fatalities and resulted in persons being internally displaced over the past several years. The Government's negotiations with these troubled regions has had only limited success, except in the province of Aceh, where an agreement between the Government and Aceh separatists was reached in 2005 and peaceful local elections were held with some former separatists as candidates. Human rights violators, including those from high-ranking military positions, have been more actively prosecuted in Indonesia, most notably with respect to alleged violations occurring in Timor Leste (formerly East Timor), Aceh, Papua and Maluku. However, the success of these prosecutions has been mixed and many public commentators and demonstrators have criticized the Government's failure to prosecute human rights violations in Indonesia more vigorously.

Political and related social developments in Indonesia have been unpredictable in the past and there can be no assurance that civil and social disturbances will not occur in the future and on a wider scale, or that any such disturbances will not, directly or indirectly, materially and adversely affect the Company's business, prospects, revenues, profitability, financial condition and results of operations.

***Growing regional autonomy creates an uncertain business environment for the Company and may increase its costs of doing business.***

In response to a rise in demand for and assertion of autonomy in local governments in Indonesia, the Government has devolved some autonomy to local governments, allowing the imposition by such local governments of taxes and other charges on businesses within their jurisdictions and often requiring local participation and investment in such businesses. Increased regional autonomy may increase regulation of the Company's business, disrupt sources of raw materials, require organizational restructuring to be undertaken and increase taxes and other costs of doing business, all of which could have a material and adverse effect upon the Company's business, prospects, revenues, profitability, financial condition and results of operations.



***Labor activism and legislation could adversely affect the Company, its customers and Indonesian companies in general, which in turn could affect the Company's business, financial condition and results of operations.***

Laws and regulations that facilitate the formation of labor unions, combined with weak economic conditions, have in the past resulted, and may in the future result, in labor unrest and activism in Indonesia. A labor union law passed in 2000 permits employees to form unions without intervention from their employers. A labor law, passed in 2003 (the "Labor Law"), increased the amount of mandatory severance, service and compensation payments payable to terminated employees. The Labor Law requires implementation of regulations that may substantially affect labor regulations in Indonesia. Under the Labor Law, employees who voluntarily resign are entitled to payments for unclaimed annual leave, relocation expenses (if any), severance pay (*uang pisah*) and other expenses. The Labor Law requires bilateral forums consisting of both employers and employees, and the participation of more than half of a company's employees in negotiating collective labor agreements. The Labor Law also set up more permissive procedures for staging strikes. Although several labor unions challenged the Labor Law on constitutional grounds, the Indonesian Constitutional Court declared it valid, except for certain provisions, such as the procedures for terminating the employment of an employee who commits a serious mistake and criminal sanctions against an employee who instigates or participates in an illegal labor strike. As a result, the Company may not be able to rely on certain provisions of the Labor Law.

Labor unrest and activism in Indonesia could disrupt the Company's operations or those of its customers and could affect the financial condition of Indonesian companies in general, depressing the prices of Indonesian securities on the Indonesian stock exchanges and the value of the Rupiah relative to other currencies. Such events could materially and adversely affect the Company's business, prospects, revenues, profitability, financial condition and results of operations.

***Terrorist activities in Indonesia could destabilize Indonesia, which could adversely affect the Company's business, prospects, financial condition and results of operations and the market price of the Offered Shares.***

Since 2002, several bombing incidents with fatalities and injuries have taken place in Indonesia, most significantly, in Bali in October 2002 and October 2005, at the JW Marriott Hotel in Jakarta in August 2003, at the Australian embassy in Jakarta in September 2004, in the town of Tentena on the island of Sulawesi in May 2005 and at the JW Marriott Hotel and Ritz Carlton Hotel in Jakarta in July 2009. Further terrorist acts may occur in the future. Terrorist acts could destabilize Indonesia and increase internal divisions within the Government as it evaluates responses to the instability and unrest. Violent acts arising from, and leading to, instability and unrest have in the past had, and may continue to have, a material adverse effect on investment and confidence in, and the performance of, the Indonesian economy, which could have a material adverse effect on the Company's business, prospects, revenues, profitability, financial condition and results of operations.

***Indonesia is located in a geologically active zone and is subject to the risk of significant geological and other natural disasters, which could lead to social and economic instability.***

The Indonesian archipelago is one of the most volcanically active regions in the world. Because it is located in the convergence zone of three major lithospheric plates, it is subject to significant seismic activity, which can lead to destructive earthquakes, volcanoes and tsunamis. On December 26, 2004, an underwater earthquake off the coast of Sumatra released a tsunami that devastated coastal communities in Indonesia, Thailand and Sri Lanka. In Indonesia, more than 220,000 people died or were recorded as missing and the disaster caused billions of U.S. dollars of damage. On October 25, 2010, an earthquake of magnitude 7.7 on the Richter scale struck the Mentawai Islands, off the coast of West Sumatra, which then triggered a tsunami, killing over 450 people. Starting on October 26, 2010, a series of eruptions of Mount Merapi, a volcano located on Java, killed over 200 people. Volcanic ash from the eruptions caused flight disruptions in certain cities in Indonesia, including Jakarta, affecting domestic and international flights.

While these events have not had a significant impact on the Indonesian capital markets, the Government has had to spend significant amounts on emergency aid and resettlement efforts. Most of these costs have been underwritten by foreign governments and international aid agencies. There can be no assurance that such aid will continue to be forthcoming, or that it will be delivered to recipients on a timely basis. If the Government is unable to deliver foreign aid to affected communities in a timely fashion, political and social unrest could result. Additionally, recovery and relief efforts are likely to continue to impose a strain on the Government's finances, and may impair its ability to meet its obligations on its sovereign debt. Any such failure on the part of the Government, or declaration by it of a moratorium on its sovereign debt, could trigger an event of default under numerous private-sector borrowings, thereby materially and adversely affecting the Company's business, prospects, financial condition, results of operations and the market price of the Offered Shares. In addition, there can be no assurance that future geological or meteorological occurrences will not significantly harm the Indonesian economy. A significant earthquake, other geological disturbances or weather-related natural disasters in any of Indonesia's more populated cities and financial centers could severely disrupt the Indonesian economy



and undermine investor confidence, thereby materially and adversely affecting the Company's business, prospects, revenues, profitability, financial condition and results of operations.

***An outbreak of a contagious disease could adversely affect the Indonesian economy and the Company.***

The outbreak of an infectious disease in Asia, including Indonesia, or elsewhere, or fear of an outbreak, together with any resulting travel restrictions or quarantines could have a negative impact on the economy and business activities in Indonesia and thereby adversely impact the Company's revenue.

In recent years, large parts of Asia experienced unprecedented outbreaks of avian flu. In addition, the World Health Organization ("WHO") announced in June 2006 that human-to-human transmission of avian flu had been confirmed in Sumatra. As of June 8, 2010, the WHO had confirmed 136 fatalities out of the total number of 165 cases in Indonesia reported to the WHO, which only counted laboratory-confirmed cases of avian flu. According to the Indonesian Ministry of Health, between 2005 and 2009, there were 134 fatalities and 1,641 cases of avian flu in Indonesia.

In 2003, certain countries in Asia experienced an outbreak of severe acute respiratory syndrome ("SARS"), a highly contagious form of pneumonia, which seriously interrupted economic activities in affected regions. More recently, in April 2009, there was a global outbreak of the Influenza A (H1N1) virus including confirmed cases in Indonesia, Hong Kong, Japan, Malaysia, Singapore and elsewhere in Asia. There were a number of deaths in Indonesia resulting from the Influenza A (H1N1) virus). The Influenza A (H1N1) virus is believed to be highly contagious and may not be easily contained.

An outbreak of avian flu, SARS, the Influenza A (H1N1) virus or another contagious disease or measures taken by the governments of affected countries, including Indonesia, against potential or actual outbreaks, could seriously interrupt the Company's operations or those of its distributors and customers, which could have a material adverse effect on the Company's business, prospects, financial condition and results of operations. The perception that an outbreak of a contagious disease may occur may also have an adverse effect on the economic conditions of countries in Asia, including Indonesia, and thereby adversely affect the Company's business, prospects, revenues, profitability, financial condition and results of operations.

***A slowdown in global, regional or Indonesian economic growth or economic contraction could adversely affect the Company's and its business, prospects, financial condition and results of operations.***

The Company's performance is significantly dependent on the health of the overall global and Indonesian economies. The economic crisis that affected Southeast Asia including Indonesia from mid-1997 was characterized in Indonesia by, among other effects, currency depreciation, negative economic growth, high interest rates, social unrest and extraordinary political developments. These conditions had a material adverse effect on Indonesian businesses. The economic crisis resulted in the inability of many Indonesian companies to repay their debts when due.

Indonesian financial markets and the Indonesian economy are also influenced by economic and market conditions in other countries. The global financial crisis that began in 2008 had a significant impact on certain segments of the Indonesian economy as well as the stability of Indonesian financial markets, as evidenced by the decrease in Indonesia's real GDP growth rate from 6.3% in 2007 and 6.0% in 2008 to 4.5% in 2009 and 6.1% in 2010, based on data from Badan Pusat Statistik (BPS - Statistics Indonesia). These conditions had a material adverse effect on Indonesian businesses.

The Government continues to have a large fiscal deficit and a high level of sovereign debt, its foreign currency reserves are modest, the Rupiah continues to be volatile and has poor liquidity. Government funding requirements to areas affected by natural disasters, as well as increasing oil prices, may increase the Government's fiscal deficits. A loss of investor confidence in the financial systems of emerging or other markets may also cause increased volatility in Indonesian financial markets which may, in turn, adversely affect the Indonesian economy in general. Any worldwide financial instability could also have a negative impact on the Indonesian economy. There can be no assurance that the improvement in economic conditions in Indonesia since the Asian economic crisis will continue or that adverse economic conditions will not recur. Any adverse economic conditions in Indonesia could adversely affect the end users of the Company's products and thus demand for its products and services as well as affect the ability of its customers to repay their loans. Such developments could have a material adverse effect on the Company's business, prospects, revenues, profitability, financial condition and results of operations.



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***Indonesia relies on funding from multinational lenders and the inability to obtain such funding would have adverse consequences for Indonesia and the Company.***

In 1997, the Government sought financial assistance from the International Monetary Fund (“IMF”) and in October 1997, the IMF agreed to provide relief contingent upon the implementation of economic reforms, such as the Government undertaking asset sales and abolishing subsidies for commodities and other consumer products. The most recent disbursement by the IMF was on December 19, 2003, when it disbursed approximately US\$505.0 million to the Government. Indonesia left the IMF supported program at the end of 2003, with total loans of US\$9.8 billion. On October 12, 2006, the Government repaid US\$3.2 billion in outstanding debt to IMF, clearing all its debt to IMF earlier than the scheduled repayment period of seven years ending in 2010.

In addition to the IMF, the World Bank has been an important source of funding for Indonesia. From 1967 through 2008, the World Bank financed approximately US\$27.4 billion of development projects and programs in all sectors of the Indonesian economy. The World Bank’s lending program is subject to regular compliance reviews and can be reduced or withdrawn at any time.

The total indebtedness of the Government and Indonesian private sector companies from foreign lenders amounted to US\$264.1 billion as of December 2013, which was approximately 30.2% of Indonesia’s GDP for that year, according to the Bank Indonesia.

The members of the Paris Club and the Consultative Group on Indonesia (“CGI”) are all important sources of funding for the Government. The Paris Club is an informal voluntary group of 19 creditor countries that seeks to coordinate solutions for payment difficulties experienced by debtor nations. The CGI is a group of 19 donor countries and 13 international organizations that meets annually to coordinate donor assistance to Indonesia. The CGI is the successor organization to the Inter Governmental Group on Indonesia (“IGGI”), an international group of lenders established in 1967 by the Netherlands to coordinate multilateral aid to Indonesia. The Government dismissed the IGGI on March 24, 1992. Therefore, since April 8, 1992, the IGGI was replaced by the CGI which is led by the World Bank. Most of the members of the CGI were previously members of IGGI, such as Japan, United States, Australia, France, Germany, Italy, the World Bank and the IMF. The Paris Club and the CGI accounted for approximately two-fifths of the Government’s total debt at the end of 2005. However, the Paris Club has publicly stated that as a result of the Government’s decision to end the IMF program, it would no longer reschedule payment of debts owed to its members or to other creditors by the Government, although there was further debt rescheduling as a result of the earthquake and tsunami in December 2004.

The Government may, in connection with future agreements with the World Bank or other lenders, undertake additional economic or structural initiatives, the effects of which are presently unknown. The inability of the Government to obtain adequate funding as a result of the termination of the Government’s IMF program, a reduction or elimination of funding from the World Bank, or similar agencies or creditor support for debt rescheduling, could have adverse economic, political and social consequences in Indonesia, which, in turn, could have a material adverse effect on the Company’s business, financial condition, results of operations and prospects.

***Downgrades of credit ratings of Indonesia or Indonesian companies could adversely affect the Indonesian financial market and the Company’s ability to raise additional financing to finance operations and grow.***

In 1997, certain international credit rating agencies, including Moody’s, Standard & Poor’s and Fitch, downgraded Indonesia’s sovereign rating and the credit ratings of various credit instruments of the Government, a large number of Indonesian banks and other companies. [As of December 31, 2013, Indonesia’s sovereign foreign currency long-term debt was rated “Baa3” by Moody’s, “BB+” by S&P and “BBB-” by Fitch.. These ratings reflect an assessment of the Government’s overall financial capacity to pay its obligations and its ability or willingness to meet its financial commitments as they become due.]

No assurance can be given that Moody’s, Standard & Poor’s, Fitch or any other international credit rating agencies will not downgrade the credit ratings of Indonesia or other Indonesian companies. Any such downgrade could have an adverse impact on liquidity in Indonesian financial markets, on the ability of the Government and Indonesian companies, including the Company, to raise additional financing and on the interest rates and other commercial terms at which such additional financing is available, any of which in turn may have a material adverse effect on the Company’s ability to finance operations and growth and in turn, its business, financial condition, results of operations and prospects.

***Corporate disclosure and accounting standards in Indonesia may vary from those in other jurisdictions.***

There may be different publicly available information about Indonesian public companies, including information about the Company, than is regularly made available by public companies in other jurisdictions. These



differences include the timing and content of disclosure of beneficial ownership of equity securities of officers, directors and significant shareholders; officer certification of disclosure and financial statements in periodic public reports; and disclosure of off-balance sheet transactions in management's discussion of results of operations in periodic public reports. In addition, the Company's financial statements are prepared in accordance with the [Indonesian Financial Accounting Standards ("IFAS")], which differs in significant respects from IFRS.

The Company has not quantified or identified the effects of the aforementioned differences between IFAS and IFRS in this Prospectus. Accordingly, there can be no assurance, for example, that net income distributions and share capital and reserves reported in accordance with IFAS would not be lower if determined in accordance with IFRS. Potential investors should consult their own professional advisers if they want to understand the differences between IFAS and IFRS and how they might affect the information contained herein.

***Compliance and control procedures vary among Indonesian companies, and any future defaults or non-compliance by such companies may adversely impact investors' perception of the risk of investing in Indonesia and the Offered Shares.***

Standards for internal compliance and control procedures vary among Indonesian companies. Some Indonesian companies have not always complied with their reporting and other covenants and obligations under financing documents. Any future defaults or non-compliance by such parties may adversely impact investors' perception of the risk of investing in Indonesia and the Offered Shares.

#### ***Risks relating to the Offer***

***Future changes in the value of the Rupiah against the U.S. dollar or other currencies will affect the foreign currency equivalent of the value of the Offered Shares and any dividends.***

Fluctuations in the exchange rate between the Rupiah and other currencies will affect the foreign currency equivalent of the Rupiah price of the Offered Shares on the IDX. Such fluctuations will also affect the amount in foreign currency received upon conversion of cash dividends or other distributions paid in Rupiah by the Company on, and the Rupiah proceeds received from any sales of, the Offered Shares, as well as the book value of foreign currency assets and liabilities, income, expenses and cash flows in the Company's financial statements.

***There may be less company information available on Indonesian securities markets than securities markets in developed countries.***

The IDX and the Indonesian regulatory regime have different reporting standards than securities exchanges and regulatory regimes in many other countries. As a result, as a shareholder you may not receive the same amount of information or receive information with the same frequency as you may for companies listed in many other countries. Further, corporate governance standards and practices may not be as strict, including with regard to the independence of boards of directors and audit and other committees. Because of this, the directors of Indonesian companies may be more likely to have interests that conflict with the interests of shareholders generally, which may result in them taking actions that are contrary to the interests of shareholders.

***The regulations governing Indonesian securities markets differ from those of other markets, which may cause the market price of the Offered Shares to be more volatile. Indonesian securities markets are less liquid and relatively more volatile compared to securities markets in certain other countries.***

The Indonesian securities markets, including the IDX, on which the Company expects that its Offered Shares will be listed, have in the past experienced substantial fluctuations in the prices of the listed securities. Indonesian stock exchanges have experienced problems which, were they to continue or recur, could affect the market price and liquidity of the securities of Indonesian companies, including the Offered Shares. These problems have included closures of exchanges, broker defaults and strikes, settlement delays, and the bombing of the IDX building. In addition, the governing bodies of the Indonesian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. The levels of regulations and monitoring of the Indonesian securities markets and the activities of investors, brokers and other market participants are not the same as in certain other countries. In addition, the ability to sell and settle trades on the IDX may be subject to delays.

In light of the foregoing, the Company cannot assure you that a holder of the Offered Shares will be able to dispose of its shares at the prices or times that would be available to such holder in a more liquid or less volatile market. There may also be less information publicly available about Indonesian companies than is regularly made available by public companies listed on other markets. Any of these factors could adversely affect the trading price of the Offered Shares.

***Indonesian law may not protect shareholders as extensively as the laws of other jurisdictions.***

The Company's corporate affairs are governed by its Articles of Association, by the laws governing corporations incorporated in Indonesia, the Indonesian capital markets law and the regulations and the rules of the IDX. The rights of the Company's shareholders and the responsibilities of its board of commissioners and board of directors under the Indonesian laws may be different from those applicable to a company incorporated in other jurisdictions. Principal shareholders of Indonesian companies do not owe fiduciary duties to minority shareholders, as compared, for example, to controlling shareholders in the United States. The Company's public shareholders may have difficulties in protecting their interests in connection with actions taken by members of the Company's board of directors or board of commissioners or by its principal shareholders than they would as shareholders of a company incorporated in another jurisdiction.

***You may be subject to limitations on minority shareholders rights.***

The obligations under the Indonesian law of majority shareholders, commissioners and directors with respect to minority shareholders may be more limited than those in certain other countries. Consequently, minority shareholders may not be able to protect their interests under the current Indonesian law to the same extent as in certain other countries. Principles of corporate law relating to matters such as the validity of corporate procedures, the fiduciary duties of the Company's management, directors, commissioners and controlling shareholders and the rights of its minority shareholders are governed by the Indonesian law and the Articles of Association. Such principles of law differ from those that would apply if the Company were incorporated in a jurisdiction other than Indonesia. In particular, concepts relating to the fiduciary duties of management are untested in Indonesian courts. Derivative actions have almost never been brought on behalf of companies or been tested in Indonesian courts, and minority shareholders' rights have only been defined since 1995 and are unproven in practice. Accordingly, there can be no assurance that legal rights or remedies of minority shareholders will be the same, or as extensive, as those available in other jurisdictions or sufficient to protect the interests of minority shareholders.

***Indonesian law may operate differently from the laws of other jurisdictions with regards to the convening of, and the right of shareholders to attend and vote at, general meetings of shareholders.***

The Company is subject to the Indonesian laws and the continuing listing requirements of the IDX. In particular, the convening and conduct of general meetings of its shareholders will continue to be governed by the Indonesian laws. The procedure and notice periods in relation to the convening of general meetings of the Company's shareholders, as well as the ability of its shareholders to attend and vote at such general meetings, may be different from those of jurisdictions outside Indonesia. For instance, the shareholders who would be entitled to attend and vote at general meetings of shareholders are, by operation of the Indonesian law, those shareholders appearing in the register of shareholders on the market day immediately preceding the day (each a "record date") on which the notice of general meeting is issued, regardless of whether such shareholders may have disposed of their shares following the record date and prior to the general meeting of the shareholders. In addition, investors who may have acquired their shares after the record date (and before the day of the general meeting) would not be entitled to attend and vote at the general meeting. Accordingly, potential investors should note that they may be subject to procedures and rights with regards to general meetings of the shareholders that are different from those to which they may be accustomed in other jurisdictions.

***Your right to participate in any future rights offerings could be limited, which would cause dilution to your holdings.***

Under Bapepam-LK Rule No. IX.D.1, a publicly listed company must offer its holders of equity shares preemptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentage prior to the issuance of any new shares.

To the extent that the Company offers its shareholders rights to purchase or subscribe for the Company's shares or otherwise distribute shares to its shareholders, a shareholder may be unable to exercise such rights for the shares unless securities laws in the jurisdiction of that shareholder are complied with, such as registration of the shares with the Securities and Exchange Commission in the United States.

Whenever the Company makes a rights or similar offering of its shares, the Company will evaluate the costs and potential liabilities associated with, and its ability to comply with, non-Indonesian regulations for any such registration statement and any other factors the Company considers appropriate. However, the Company may choose not to comply with the securities laws in some jurisdictions and if the Company does so, and no exemptions from registration or filing requirements are available, then holders of the Offered Shares in such jurisdictions would be unable to participate in rights or similar offerings and would suffer dilution of their shareholdings. Consequently, the Company cannot assure you that you will be able to maintain your proportional equity interests in the Company. Because rights issues in Indonesia generally enable participants to purchase



shares at a significant discount to the recent trading price, your inability to participate could cause you material economic harm.

***You may not be able to enforce a judgment of a foreign court against the Company.***

The Company is a limited liability company incorporated under the laws of Indonesia. All of its commissioners, directors and executive officers reside in Indonesia. All or substantially all of its assets and the assets of such persons are located in Indonesia. As a result, it may not be possible for investors to effect service of process upon the Company or such persons outside Indonesia or to enforce against the Company or such persons outside Indonesia. In addition, judgments obtained in non-Indonesian courts are not enforceable in Indonesian courts. As a result, holders of the Offered Shares may be required to pursue claims against the Company in Indonesia under the Indonesian law. Re-examination of the issue *de novo* would be required before an Indonesian court in order to enforce a foreign judgment in Indonesia. The claims and remedies available under the Indonesian law may not be as extensive as those available in other jurisdictions. No assurance can be given that the Indonesian courts will protect the interests of investors in the same manner or to the same extent as would courts in more developed countries outside Indonesia.

***Through the purchase of the Offered Shares, investors may be exposed to a legal system subject to considerable discretion and uncertainty. It may be difficult or impossible for shareholders to pursue claims relating to the Offered Shares.***

Indonesian legal principles relating to the rights of shareholders, or their practical implementation by Indonesian courts, differ from those that would apply within the countries with more developed economies or other jurisdictions. Absent a binding precedent system, the rights of shareholders under the Indonesian law might not be as clearly evident as in other jurisdictions. In addition, under the Indonesian law, companies may have rights and defenses to actions filed by shareholders that these companies would not have in other jurisdictions.

Indonesia's legal system is a civil law system based on written statutes. Judicial and administrative decisions do not constitute binding precedent and are not systematically published. Indonesia's commercial and civil laws were historically based on Dutch law as in effect prior to the Indonesia's independence in 1945, and some of these have not been revised to reflect the complexities of modern financial transactions and instruments. Indonesian courts may be unfamiliar with sophisticated commercial or financial transactions, leading in practice to uncertainty in the interpretation and application of Indonesian legal principles.

The application of the Indonesian law depends upon subjective criteria such as the good faith of the parties to the transaction and principles of public policy, the practical effect of which is difficult or impossible to predict. Indonesian judges have very broad fact-finding powers and a high level of discretion in relation to the manner in which those powers are exercised. As a result, the administration and enforcement of laws and regulations by Indonesian courts and Indonesian governmental agencies may be subject to considerable discretion, uncertainty and inconsistency. Furthermore, corruption in the court system in Indonesia has been widely reported in publicly available sources. See, for example, U.S. Department of State, *Indonesia: Country Reports on Human Rights Practices* (2008); World Bank, *Raising Investment in Indonesia: A Second Generation of Reforms* (2005) and Transparency International, *International Corruption Perception Index* (2008).

***The application of Bapepam-LK conflict of interests rules may cause the Company to forego transactions that the Company considers to be in its best interests.***

In order to protect the rights of minority shareholders, Bapepam-LK rules afford independent shareholders of Indonesian public companies the opportunity to vote to approve or disapprove any transactions, whether or not material, which entails a "conflict of interests" under the Bapepam-LK rules other than certain excepted transactions. These excepted transactions include conflicted transactions that commenced after a company conducted its initial public offering or after the Registration Statement submitted by the company was declared effective, provided that the initial transaction satisfied the requirements of Bapepam-LK rules on conflict of interests transactions and there are no changes to the terms and conditions of such transactions which might adversely affect the company. Transactions between the Company and its affiliates could constitute conflict of interests transactions under the Bapepam-LK rules. As a result, the approval of holders of a majority of shares owned by disinterested shareholders would have to be obtained if a conflict of interests were to exist. Otoritas Jasa Keuangan (OJK) has the power to enforce this rule and the Company's shareholders may also be entitled to seek enforcement or bring enforcement actions based on this Bapepam-LK rule. The requirement to obtain independent shareholder's approval could be burdensome to the Company in terms of time and expense and could cause the Company to forego entering into certain transactions which it might otherwise consider to be in its best interests. Moreover, the Company cannot assure you that approval of disinterested shareholders would be obtained if sought.

# PROSPECTUS

Bookbuilding Period	29-31 October, 3-7 and 10 November 2014
Indicative Effective Date	20 November 2014
Indicative Offering Period	24-26 November 2014
Indicative Allotment Date	28 November 2014

Indicative Distribution Date	1 Desember 2014
Indicative Refund Date	1 Desember 2014
Indicative Listing Date	2 Desember 2014

**THIS INFORMATION CONTAINED IN THIS PROSPECTUS MAY STILL BE SUPPLEMENTED AND/OR AMENDED. THE STATEMENT OF SHARE REGISTRATION HAS BEEN SUBMITTED TO THE FINANCIAL SERVICES AUTHORITY ("OJK") BUT AS YET HAVE NOT RECEIVED AN EFFECTIVE STATEMENT FROM OJK. THIS DOCUMENT MAY ONLY BE USED WITH RESPECT TO THE INITIAL OFFERING OF THE SHARES PROVIDED HEREIN. THE SHARES MAY NOT BE SOLD PRIOR TO THE STATEMENT OF REGISTRATION AS SUBMITTED TO OJK BECOMING EFFECTIVE. SUBSCRIPTION TO PURCHASE ANY OF THE SHARES MAY BE EFFECTED AFTER THE POTENTIAL BUYER OR SUBSCRIBER HAVING RECEIVED OR HAVING AN OPPORTUNITY TO PERUSE THIS PROSPECTUS.**

**OJK DOES NOT GIVE ITS APPROVAL OR DISAPPROVAL OF THE SHARES DESCRIBED HEREIN, NOR DOES IT CONFIRM THE CORRECTNESS OR COMPLETENESS OF THIS PROSPECTUS. ANY CONTRADICTION STATEMENT SHALL CONSTITUTE AN UNLAWFUL ACT.**

**PT SOECHI LINES Tbk. (THE "COMPANY") AND THE JOINT LEAD UNDERWRITERS ARE FULLY RESPONSIBLE FOR THE CORRECTNESS OF ALL MATERIAL INFORMATION OR FACTS AND THE ACCURACY OF THE OPINIONS CONTAINED IN THIS PROSPECTUS.**

**ALL OF THE OFFERED SHARES WILL BE LISTED ON THE INDONESIA STOCK EXCHANGE (THE "IDX")**



## PT SOECHI LINES Tbk.

### The Company's Line of Business:

Shipping and Shipyard through Subsidiaries also Management Consultant Services

### Head Office :

Plaza Marein Lt. 21, Sudirman Plaza  
Jl. Jend Sudirman Kav 76-78  
Jakarta, 12910, Indonesia  
Telephone : +6221 5793 6883  
Facsimile : +6221 5793 6833  
Website : www.soechi.com  
E-mail address : info@soechi.com

### INITIAL PUBLIC OFFERING

Up to 2,571,428,500 (two billion five hundred seventy one million four hundred twenty eight thousand and five hundred) Ordinary Shares, with a nominal value of Rp100, (one hundred Rupiah) per share, or representing 30.00% (thirty percent) of the Company's issued and paid-up capital following the Initial Public Offering. The Offer Price in the Initial Public Offering is (● Rupiah) per share, to be paid in full upon submission of the Shares Subscription Form ("SSF"). The value of the Offered Shares in the Initial Public Offering is (● Rupiah). Pursuant to the Deed of Shareholders Resolution No.14 dated 19 August 2014, the Company conducted an Employee Stock Allocation ("ESA") Program and allotted a maximum of 3% (three percent) of shares offered in the Initial Public Offering. ESA Shares granted to employees amount to 77,142,500 (seventy seven million one hundred forty two thousand and five hundred) shares.

All of the Company's Shareholders are equal in all aspects with the Shareholders holding the existing issued and authorised shares of the Company prior to the Initial Public Offering pursuant to the Law No.40 Year 2007 dated 16 August 2007 regarding Limited Liability Company.

THE PRIMARY RISK FACED BY THE COMPANY IS THE RISK OF ACCIDENTS AND DAMAGES TO THE COMPANY'S VESSELS. A COMPLETE DESCRIPTION OF THE RISKS FACED BY THE COMPANY IS SET OUT IN CHAPTER VI OF THIS PROSPECTUS.

THE RISK RELATING TO THE OWNERSHIP OF THE COMPANY'S SHARES IS THE ILLIQUIDITY OF THE SHARES OFFERED IN THIS INITIAL PUBLIC OFFERING. EVEN THOUGH THE COMPANY'S SHARES WILL BE LISTED ON THE STOCK EXCHANGE, THERE IS NO GUARANTEE THAT THE SHARES WILL BE TRADED ACTIVELY OR BE LIQUID BECAUSE THERE IS A POSSIBILITY THAT SHARES WILL NOT BE TRADED BY SOME SHAREHOLDERS IN THE SECONDARY MARKET. THEREFORE, THE COMPANY IS UNABLE TO PREDICT WHETHER THERE WILL BE AN ACTIVE MARKET OR WHETHER THE LIQUIDITY OF THE SHARES WILL BE WELL MAINTAINED.

REGARDING THE SHIPPING BUSINESS OF THE COMPANY, THERE IS A MAXIMUM OF FOREIGN OWNERSHIP LIMIT OF 49% IN ACCORDANCE REGULATION OF PRESIDENT OF REPUBLIC INDONESIA NO. 39 YEAR 2014 REGARDING NEGATIVE LIST OF INVESTMENT AND OTHER AVAILABLE BUSINESS WITH CONDITIONS AS MENTIONED IN THAT REGULATION ("PERPRES 39").

THE COMPANY WILL NOT ISSUE COLLECTIVE SHARE CERTIFICATES IN THIS INITIAL PUBLIC OFFERING, AND THE SHARES WILL BE DISTRIBUTED ELECTRONICALLY AND WILL BE ADMINISTERED IN A COLLECTIVE DEPOSITORY WITH PT KUSTODIAN SENTRAL EFEK INDONESIA ("KSEI").

### JOINT LEAD UNDERWRITERS



PT RHB OSK Securities Indonesia



PT MANDIRI SEKURITAS

### UNDERWRITERS

The Joint Lead Underwriters and Underwriters shall guarantee with full commitment the Initial Public Offering of the Company's Shares.

This Prospectus is issued in Jakarta on 29 October 2014





The Company has submitted a Share Issuance Registration Statement with respect to the Initial Public Offering to the Chairperson of the Financial Services Authority pursuant to a letter No.220/FN/IX/2013 dated 13 September 2013 in accordance with the terms as stipulated under Law No. 8 of 1995 regarding Capital Market, State Gazette No. 64 of 1995, Supplemental State Gazette No. 3608 and its implementing regulations and amendments thereto (hereinafter referred to as the "Capital Market Law").

The offered shares in this Initial Public Offering are to be registered with the Indonesia Stock Exchange (the "IDX") in accordance with the Preliminary Securities Registration Agreement dated 12 September 2014 entered into between the Company and IDX. If the share registration requirements are not met, the Initial Public Offering will be terminated and the subscription money received will be returned to the subscribers as stipulated in the Underwriting Agreement and Rule No. IX.A.2. Pursuant to the Letter from the Board of Commissioners of OJK No. [●] dated [●] 2014, the Registration Statement submitted by the Company was declared effective.

For the purpose of this Initial Public Offering, the Company, the Joint Lead Underwriters, the Underwriters and the Capital Market Supporting Professionals are fully responsible for the accuracy of data, accuracy of opinions, statements and reports presented in the Prospectus pursuant to their respective areas of duty in accordance with the prevailing regulations applicable in the territory of the Republic of Indonesia as well as their respective code of ethics, norms and standards of profession.

In connection with the Initial Public Offering, no affiliated party shall give any statement or remarks or explanation whatsoever with regard to matters that have not been disclosed in this Prospectus without the prior written approval from the Company and the Joint Lead Underwriters.

PT Mandiri Sekuritas and PT RHB OSK Securities Indonesia as the Joint Lead Underwriters and the Underwriters, as well as the Capital Market Supporting Professionals expressly state that they are not affiliated with the Company, directly or indirectly, as such term is defined in the Capital Market Law. Further information regarding the affiliation between the Underwriters and the Company are set out in Chapter XIV and between the Capital Market Supporting Professionals and the Company is set out in Chapter XV.

This Prospectus does not constitute an offer, solicitation or invitation to subscribe for and/or purchase the Shares in any jurisdictions in which such offer, solicitation or invitation is unlawful or is not authorized or to any person to whom it is unlawful to make such offer, solicitation or invitation. No action has been or will be taken under the requirements of the legislation or regulations of, or of the legal or regulatory authorities of Hong Kong, Malaysia or Singapore or any other jurisdictions, except for the registration of this Prospectus in Indonesia in order to permit a public offering of the Shares and the public distribution of this Prospectus in Indonesia. The distribution of this Prospectus and the offering of the Shares in jurisdictions other than Indonesia may be prohibited or restricted by the relevant laws in such jurisdictions. Persons who may come into possession of this Prospectus are required by the Company and the Joint Lead Underwriters to inform themselves about, and observe and comply with, any such prohibitions or restrictions at their own expense and without liability to the Company and the Joint Lead Underwriters. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions.

The information contained in this Prospectus does not constitute any legal, business, financial or tax advice, and no representation is made to any person regarding the legality of an investment in the Shares under any laws or regulations. Each potential acquirer of the Shares should determine for itself the relevance of the information contained in this Prospectus and its acquisition of the Shares should be based upon such independent investigations and consultations with its own tax, legal, business and other advisers as it deems necessary.

Prospective investors should read the whole of this Prospectus. The Shares are only being offered, and this Prospectus is only being distributed, to those eligible investors in Indonesia, Hong Kong, Malaysia, and Singapore who are permitted to subscribe for, or purchase, the Shares under applicable law.

In making an investment decision, you must rely on your own examination of the Company and the terms of the Offer, including the merits and risks involved. By receiving this Prospectus, you acknowledge that (i) you have not relied on the Company or the Joint Lead Underwriters or any person affiliated with the Company or any of them, in connection with your investigation of the accuracy of any information in this Prospectus or your investment decision; and (ii) no person has been authorized to give any information or to make any representation concerning the Company or the Shares other than as contained in this Prospectus and, if given or made, any such other information or representation should not be relied upon as having been authorized by the Company or the Joint Lead Underwriters.

No representation or warranty, express or implied, is made by the Joint Lead Underwriters as to the accuracy or completeness of the information contained in this Prospectus. Neither the delivery of this Prospectus nor the offer of the Shares shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Company since the date of this Prospectus or that any information contained herein is correct as of any date subsequent to the date hereof. Where such changes occur, the Company may make an announcement of the same on the IDX. All applicants should take note of such announcement and, upon release of such announcement, shall be deemed to have notice of such changes. Save as expressly stated in this Prospectus,



nothing herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Company.

### **Offering restrictions**

The contents of this Prospectus have not been reviewed or approved by any regulatory authorities outside Indonesia, including the authorities in Hong Kong, Malaysia, or Singapore. You are advised to exercise caution in relation to the Offer. If you are in any doubt about any of the contents of this Prospectus, you should obtain independent professional advice.

### **Hong Kong**

This Prospectus has not been delivered for registration to the Registrar of Companies in Hong Kong and its contents have not been reviewed by any regulatory authority in Hong Kong. Accordingly, the Shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) has been issued or will be issued in Hong Kong or elsewhere other than with respect to the Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance.

### **Malaysia**

This Prospectus has not been and will not be registered as a prospectus with the Securities Commission Malaysia under the Capital Markets and Services Act 2007 of Malaysia (“CMSA”). No prospectus in relation to the Shares which complies with the requirements of the CMSA and the guidelines of the Securities Commission Malaysia has been registered with the Securities Commission Malaysia under the CMSA or with any other regulatory body in Malaysia. As such, the Shares will only be made available and offered for sale to persons falling within any of the paragraphs 2(g)(i) to (xi) of Schedule 5 of the CMSA, provided that the distribution of such Shares is made by a holder of a Capital Markets Services License who carries on the business of dealing in securities. This Prospectus does not constitute and may not be used for the purpose of a public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Securities Commission Malaysia under the CMSA.

### **Singapore**

This Prospectus is not a prospectus as defined in the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”) and accordingly, statutory liability under the SFA in relation to the content of this Prospectus will not apply. As this Prospectus has not been and will not be lodged with, or registered as a prospectus by, the Monetary Authority of Singapore, this Prospectus and any other document or material in connection with the Offer or sale, or invitation for subscription or purchase, of the Shares may not be circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than: (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA; (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1A) of the SFA, or any person pursuant to an offer referred to in Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

Where the Shares are subscribed or purchased under Section 275 of the SFA by a relevant person who is:

- (i) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals; each of whom is an accredited investor; or
- (ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor,

shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest in that trust shall not be transferable for six months after that corporation or that trust has acquired the Shares under Section 275 of the SFA except:

- (i) to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275 (2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and interest in that trust are acquired at a consideration of not less than S\$200,000 (or its equivalent foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets; or
- (ii) where no consideration is given for the transfer;
- (iii) where the transfer is by operation of law; or



(iv) as specified in Section 276(7) of the SFA.

By accepting this Prospectus, the recipient hereof represents and warrants that he is entitled to receive such report in accordance with the restrictions set forth above and agrees to be bound by the limitations contained herein. Any failure to comply with these limitations may constitute a violation of the law.

**THIS INITIAL PUBLIC OFFERING IS NOT REGISTERED UNDER ANY LAW OR REGULATION OTHER THAN THOSE APPLICABLE IN THE REPUBLIC OF INDONESIA. WITH RESPECT TO ANY PERSON OUTSIDE OF THE REPUBLIC OF INDONESIA RECEIVING THIS PROSPECTUS OR OTHER DOCUMENTS RELATED TO THE INITIAL PUBLIC OFFERING, THIS PROSPECTUS OR SUCH DOCUMENT IS NOT MEANT AS AN OFFER DOCUMENT TO PURCHASE THE SHARES, EXCEPT WHERE SUCH OFFER AND PURCHASE OF SHARES DO NOT CONTRADICT, OR DO NOT CONSTITUTE A VIOLATION UNDER THE LAWS AND REGULATIONS PREVAILING IN SUCH COUNTRY.**

**THE COMPANY HAS DISCLOSED ALL MATERIAL INFORMATION REQUIRED TO BE DISCLOSED TO THE PUBLIC AS REQUIRED UNDER THE LAWS AND REGULATIONS OF THE REPUBLIC OF INDONESIA, AND NO MATERIAL INFORMATION HAS BEEN OMITTED WHICH MAY CAUSE THE INFORMATION CONTAINED IN THIS PROSPECTUS TO BE INCORRECT OR MISLEADING.**

**TRANSLATION DISCLAIMER**

**THIS ENGLISH TRANSLATION OF THE PROSPECTUS OF PT SOECHI LINES TBK (THE "ENGLISH TRANSLATION") HAS BEEN PREPARED BY PT PT SOECHI LINES TBK FOR THE PURPOSE OF AND IS INTENDED SOLELY AS A CONVENIENCE TO THE NON-BAHASA INDONESIAN READERS.**

**THIS ENGLISH TRANSLATION IS NOT AN OFFICIAL DOCUMENT. IT HAS ABSOLUTELY NO LEGAL STATUS AND IT IS NOT LEGALLY BINDING IN ANY MANNER WHATSOEVER. READERS RELYING ON ACCURATE AND PRECISE INFORMATION SHOULD REFER TO AND CHECK THE INDONESIAN PROSPECTUS OF PT SOECHI LINES TBK.**

**SHOULD THERE BE ANY DIFFERENCES IN THE INTERPRETATION OF THE MEANING OF THE WORD(S) AND PHRASE(S) BETWEEN THE INDONESIAN PROSPECTUS OF PT SOECHI LINES TBK, AND THE ENGLISH TRANSLATION, THE INDONESIAN PROSPECTUS OF PT SOECHI LINES TBK SHALL PREVAIL.**

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## DEFINITION

Amendment(s) to the Underwriting Agreement	:	Refers to changes and/or additions and/or renewals to the Underwriting Agreement
Abridged Prospectus	:	Refers to the written statement or information which forms the summary of the Preliminary Prospectus prepared jointly by the Company and the Joint Lead Underwriters in accordance with Bapepam Rule No. IX.C.3, which will be announced in at least 1 (one) Indonesian language newspaper with a national circulation in no later than 2 (two) Business Days following the receipt of OJK's statement stipulating the mandatory announcement of the Abridged Prospectus in accordance with the provisions of Bapepam Rule No. IX.A.2
Accounting Principles	:	Refers to the principles in accordance with the Statement of Financial Accounting Standards (SFAS) issued by Ikatan Akuntan Indonesia (IAI, the Indonesian Institute of Accountants)
Affiliate	:	Refers to parties as defined in Article 1 point 1 of the Capital Market Law as follows: <ul style="list-style-type: none"><li>a) Family relationships by either marriage or descents up to the second degree, horizontally and vertically;</li><li>b) Relationship between the parties and employees, Directors or Commissioners of such parties;</li><li>c) Relationship between 2 (two) companies having 1 (one) or more common directors or commissioners;</li><li>d) Relationship between the company and the party which, directly or indirectly, controls or is controlled by the company;</li><li>e) Relationship between 2 (two) companies under common control, either directly or indirectly; or</li><li>f) Relationship between the company and its principal shareholders.</li></ul>
Allotment Date	:	Refers to the date jointly agreed by the Company and the Joint Lead Underwriters, that is a maximum of 2 (two) Business Days following the end of the Offering Period.
Allotment Manager	:	Refers to the party responsible for the allotment of the Offered Shares in accordance with the requirements set forth in Rule No. IX.A.7, which for the purpose of this Initial Public Offering will be conducted by the Joint Lead Underwriter, PT RHB OSK Securities Indonesia.
Associates	:	Refers to an enterprise which one subsidiary owns directly shares issued and outstanding between 20% and 50% so that investment is counted for using equity method. The financial statements are not consolidated with the Company's financial statements.
Bapepam	:	Refers to the Badan Pengawas Pasar Modal (Capital Market Supervisory Agency) as defined in Article 3 of the Capital Market Law.
Bapepam & LK	:	Refers to the Badan Pengawas Pasar Modal & Lembaga Keuangan (Financial Institutions and Capital Market Supervisory Agency) as defined in the Decree of Finance Minister No. 184/PMK.01/2010 dated 11 October 2010 regarding Ministry of Finance Organization and Methodology, or the replacement or beneficiary to its rights and obligations.
Business Day	:	Refers to Monday to Friday, excluding national holidays announced by the Government of the Republic of Indonesia and ordinary Business Days, which as a result of certain conditions are determined otherwise by the Government of the Republic of Indonesia.
Calendar Day	:	Refers to every day in 1 (one) year based on the Gregorian Calendar, with no exception, including Saturday, Sunday and national holidays as announced by the Government of the Republic of Indonesia at any time and ordinary Business



		Days, which as a result of certain conditions are determined otherwise by the Government of the Republic of Indonesia.
Capital Market Law	:	Refers to the Law of the Republic of Indonesia No. 8 Year 1995 regarding the Capital Market, which was announced in the Supplemental State Gazette of the Republic of Indonesia, No. 3608, State Gazette of the Republic of Indonesia No. 64 year 1995, and its implementing regulations.
Collective Custody	:	Refers to depository services of securities owned jointly by more than one party, whose interests are represented by the Custodian as referred to in the Capital Market Law.
Company Law	:	Refers to the Law of the Republic of Indonesia No. 40 year 2007 dated 16 August 2007 regarding Limited Liability Companies as announced in the Supplemental State Gazette of the Republic of Indonesia No. 4756, State Gazette of the Republic of Indonesia No. 106 year 2007, and its implementing regulations.
Company's Group Business	:	Refers to PT Soechi Lines Tbk including its subsidiaries, they are; ABPL, AMO, IEL, MOS, PUL, SIM, SML, SMSA, SMP, and SOKL.
DWT	:	Refers to Deadweight Tonnage, the carrying capacity of a vessel
Effective	:	Refers to the fulfillment of the requirements for the Registration Statement as stipulated in Rule No. IX.A.2 Article 4 of Annex to the Decree of Chairman of Bapepam and LK No. KEP-122/BL/2009 dated 29 May 2009 (hereinafter referred to as "Rule No. IX.A.2) as follows: a. on the basis of elapsed time as set forth below: i. 45 (forty-five) days from the date Bapepam-LK receives the complete Registration Statement, which has included all the criterias set forth in the regulation concerning Registration Procedures for a Public Offering and the regulations related to a Public Offering; or ii. 45 (forty-five) days from the date that the last amendment filed by the Company or requested by Bapepam-LK is fulfilled; or b. on the basis of a declaration of Effective Statement from Bapepam-LK stating that no further changes and/or additional information is required.
Effective Statement	:	Refers to the statement letter issued by Bapepam & LK declaring the fulfillment of all requirements of the Registration Statement in accordance with Article 4 of Rule No. IX.A.2, the content of which is in accordance with Form No. IX.A.2.1 of Rule No. IX.A.2.
ESA	:	Refers to Employee Stock Allocation or a fixed allotment for the Company's Employees, excluding the Company's directors, commissioners and/or principal shareholders.
Exchange Day	:	Refers to the days where the Indonesia Stock Exchange performs securities trading activities, i.e., from Monday to Friday, unless the respective days are national holidays as announced by the Government of the Republic of Indonesia at any time or ordinary Business Days which as a result of certain conditions are determined otherwise by the Indonesia Stock Exchange.
Floating dock	:	Refers to a floating space dock that could hold a vessel/ship for repairing on water.
Free Trade Zone	:	Refers to the area within The Unitary State of the Republic of Indonesia that is free from the imposition of import duties, value added tax, sales tax on luxury goods, and customs.
FSO	:	Refers to Floating, Storage, and Offloading or a type of tanker that serves as shelter for crude oil offshore drilling results.
GMS	:	Stands for the General Meeting of Shareholders, the Company's general meeting of shareholders convened in accordance with the terms set forth in the



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	Company's Articles of Association, the Company Law and the Capital Market Law and its implementing regulations.
HP	: Refers to horsepower, a unit of measurement of machine power.
IDX	: Refers to the Indonesia Stock Exchange (PT Bursa Efek Indonesia), a limited liability company established by virtue of the Indonesian law and regulations and domiciled in Jakarta, (or the replacement or beneficiary to its rights), which is a stock exchange as defined in Article 1 point 4 of the Capital Market Law, where the Company's shares will be listed.
Initial Public Offering	: Refers to the Initial Offering of Offered Shares to the Public conducted by the Company in accordance with the procedures set forth in the Capital Market Law and its implementing regulations and other relevant provisions and the provisions set forth in the Underwriting Agreement.
Initial Public Offering Account	: Refers to the account opened in the name of the Joint Lead Underwriters to collect the funds received from investors.
Joint Lead Underwriters	: Refers to Securities Companies which perform the management and administration of the Initial Public Offering in accordance with the terms and conditions set forth in the Underwriting Agreement, namely PT RHB OSK Securities Indonesia and PT Mandiri Sekuritas, both of which are limited liability companies established by virtue of the laws of the Republic of Indonesia and are domiciled in Jakarta.
KSEI	: Refers to PT Kustodian Sentral Efek Indonesia, an institution that is responsible for the administration and custody of securities in accordance with the Agreement on Securities Registration for the Collective Custody.
Main Business Activities	: Refers to the shipping industry, with focus on shipping and shipyard
Minister of Law	: Refers to the Minister of Law and Human Rights of the Republic of Indonesia (previously referred to as Minister of Law of the Republic of Indonesia, Minister of Law and Human Rights of the Republic of Indonesia, or Minister of Laws and Regulations of the Republic of Indonesia).
Ministry of Law	: Refers to the Ministry of Law and Human Rights of the Republic of Indonesia (Previously Department of Justice and Human Rights).
Offer Price	: Refers to the price of each of the Offered Shares in the Initial Public Offering, which nominally will be defined based on the agreement between the Company and the Joint Lead Underwriters, which will be incorporated in the Amendment to the Underwriting Agreement.
Offered Shares	: Refers to the New Shares to be offered and sold to the Public through the Public Offering at a maximum of 2,571,428,500 (two billion five hundred seventy one million four hundred twenty eight thousand and five hundred ) Ordinary Registered Shares, consisting of new shares at a nominal value of Rp100 (one hundred Rupiah) per share that represent a maximum of 30% of the issued and paid-up capital following the Initial Public Offering, which will be listed on the IDX on the Listing Date.
Offering Period	: Refers to the duration of 1 (one) Business Day at the minimum and 5 (five) Business Days at the maximum in accordance with the Rule No. IX.A.2, where the public may submit the Offered Shares subscriptions as regulated in the Shares Subscription Forms and Chapter XX regarding Terms of Shares Subscriptions.
OJK	: Refers to Otoritas Jasa Keuangan or Financial Services Authority, an independent institution that is free from any intervention, which has the function, responsibilities and authorities to regulate, supervise, examine and investigate as stipulated in Law No. 21 Year 2011 dated 22 November 2011 (regarding Financial Services Authority (Law No. 21, 2011)). Commencing on 31 December 2012 (thirty-one December two thousand and twelve), the functions,

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responsibilities and authorities to regulate and supervise the financial services activities in the Capital Market, were transferred from Bapepam & LK to OJK in accordance with Article 55 of Law No. 21 Year 2011, or the replacement and beneficiary of its rights and obligations.

- Preliminary Offering : Refers to direct or indirect offering through the Preliminary Prospectus, immediately following the announcement of the Abridged Prospectus in the newspaper, for the purpose of learning the Public's interest of the Offered Shares in the form of indication of the number of shares to be subscribed and/or the estimated Offer Price that is non-binding and does not constitute a subscription as set forth in Rule No. IX.A.8, Annex to the Decree of the Chairman of Bapepam No. Kep-41/PM/2000 dated 27 October 2000 regarding Preliminary Prospectus and Information Memorandum and with due consideration to Bapepam Rulo No. IX.A.2.
- Preliminary Prospectus : Refers to the written document prepared by the Company and the Joint Lead Underwriters with regards to the Initial Public Offering, which contains all the information included in the Prospectus submitted to the OJK as part of the Registration Statement, except for the information regarding the number and price of the Offered Shares, underwriting or other matters related to the offering requirements which cannot yet be determined.
- Prospectus : Refers to the final written document prepared by the Company and the Joint Lead Underwriters, which contains all the information and the relevant and essential facts regarding the Company and the Offered shares, which form and substance are in adherence to Bapepam Rule No. IX.C.2.
- Public : Refers to any individual and/or legal entity, of Indonesian or Foreign Nationality or Foreign Legal Entity, residing or legally domiciled in Indonesia or outside the jurisdiction of the Republic of Indonesia.
- Registration Statement : Refers to the compulsory document submitted to OJK by the Company together with the Joint Lead Underwriters prior to the offering and sale of the Offered Shares as stipulated in Article 1 Paragraph 19 of Capital Market Law juncto Rule No. IX.C.1 and with due consideration to the provisions set forth in Rule No. IX.A.2.
- Rp or Rupiah : Refers to the official currency of the Republic of Indonesia.
- Rule No IX.I.5 : Refers to Bapepam & LK Rule No. IX.I.5, Annex to the Decree of Bapepam and LK Chairman No. Kep-643/BL/2012 dated 7 December 2012 regarding Establishment and Working Guidelines of Audit Committee.
- Rule No. IX.A.2. : Refers to Bapepam & LK Rule No. IX. A.2, Annex to the Decree of Bapepam and LK Chairman No. KEP-122/BL/2009 dated 29 May 2009 regarding Procedures for Registration Statement in Relation to a Public Offering.
- Rule No. IX.A.7. : Refers to Bapepam & LK Rule No. IX.A.7, Annex to the Decree of Bapepam and LK Chairman No. KEP-691/BL/2011 dated 30 December 2011 regarding Responsibilities of Allotment Managers with Respect to Subscription and Allotment of Securities in a Public Offering
- Rule No. IX.E.1 : Refers to Bapepam & LK Rule No. IX.E.1, Annex to the Decree of Bapepam and LK Chairman No. KEP-412/BL/2009 dated 25 November 2009 regarding Affiliated Transactions and Conflicts of Interest on Certain Transactions.
- Rule No. IX.E.2 : Refers to Bapepam & LK Rule No. IX.E.2, Annex to the Decree of Bapepam and LK Chairman No. KEP-614/BL/2011 dated 28 November 2011 regarding Material Transactions and Changes in Core Business Activities.
- Rule No. IX.I.7 : Refers to Bapepam & LK Rule No. IX.I.7, Annex to the Decree of Bapepam and LK Chairman No. Kep-496/BL/2012 dated 28 November 2008 regarding Establishment and Guidelines on Preparation of Internal Audit Unit Charter.



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Rule No. VII.G.12	:	Refers to Bapepam Rule No. VIII.G.12, Annex to the Decree of Bapepam Chairman No. KEP-17/PM/2004 dated 13 April 2004 regarding Guidelines for Accountants on Audit of Securities Subscription and Allotment or Distribution of Bonus Shares.
Rule No. X.K.4	:	Refers to Bapepam & LK Rule No. X.K.4, Annex to the Decree of Bapepam and LK Chairman No. KEP-27/BL/2003 dated 17 July 2003 regarding Reports on the Use of Proceeds from Public Offerings.
SAB	:	Refers to the Securities Administration Bureau, namely PT Sirca Datapro Perdana, domiciled in Jakarta, as the party appointed by the Company to undertake the administration of the Offered Shares in the Initial Public Offering based on management agreement based on stock administration No. 68 on 12 September 2014, drawn up before Irma Bonita,S.H., Notary in Jakarta, including all of its ammendments regarding the Initial Public Offering.
SCF	:	Refers to Shares Confirmation Form
Securities	:	Refers to marketable securities, i.e., promissory notes, commercial papers, shares, bonds, debentures, Collective Investment Contract participation unit, securities related forward contracts and any securities derivatives.
Securities Account	:	Refers to the account that records the amount of shares and/or funds owned by the Shareholders that are administered by KSEI, Custodian Banks or Securities Companies based on Securities Account Opening Agreement signed by the Shareholders.
Shareholders	:	Refers to the Public who are the beneficiary of shares in the safekeeping of and administered in: <ul style="list-style-type: none"><li>• The Company's Shareholder List;</li><li>• Securities Account at KSEI; or</li><li>• Securities Account at KSEI through Securities Companies.</li></ul>
Shareholders List	:	Refers to the Shareholders List, means list issued by Shares Administration Bureau which contains the information on the shareholders ownership of the Company's shares.
Sisminbakum	:	Refers to Sistem Administrasi Badan Hukum (Legal Entity Administration System)
Spot/Voyage Charter	:	Refers to renting a ship from a port to the port of destination
SSF	:	Refers to Shares Subscription Form
SSL	:	Refers to the Shares Subscription List
Subsidiaries	:	Refers to companies whose financial reports are consolidated with those of the Company in accordance with prevailing accounting standard in Indonesia
The Company	:	Refers to PT Soechi Lines Tbk, a limited liability company established in accordance with and by virtue of the prevailing laws and regulations in the Republic of Indonesia and is domiciled in South Jakarta, Indonesia.
Time Charter	:	Refers to renting a ship for a specified period under a contract. The owner of ship receives a monthly payment based on a calculation of the number of days the ship is hired (on daily basis)
Underwriters	:	Refers to parties that signed an agreement with the Company to conduct the Initial Public Offering on behalf of the Company and to pay the proceeds of the Initial Public Offering to the Company through the Joint Lead Underwriters, in accordance with the Underwriting Agreement.

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- Underwriting : Refers to an initial public offering of shares conducted by the Company to offer and sell such shares to Public through a Public Offering
- Underwriting Agreement : Refers to the Deed of the Company's Initial Offering Underwriting Agreement No. 66 dated 12 September 2014 as modified by deed addendum I agreement emission effect its No 20 dated 10 October 2014, drawn up before Irma Bonita, S.H., Notaris in Jakarta, including all of its amendments from time to time, by and between the Joint Lead Underwriters, Underwriters and the Company with regards to the Public Offering.
- USD : Refers to United States Dollar
- VLCC : Refers to very large crude carrier, or known as oil tanker with capacity between 200,000 and 320,000 DWT

**Abbreviations of Group Entities in the Company**

ABPL	:	PT Armada Bumi Pratiwi Lines (Indonesia)
AMO	:	PT Armada Maritime Offshore (Indonesia)
IEL	:	PT Inti Energi Line (Indonesia)
MOS	:	PT Multi Ocean Shipyard (Indonesia)
PUL	:	PT Putra Utama Line (Indonesia)
SIM	:	Success International Marine Pte Ltd. (Singapura)
SML	:	PT Sukses Maritime Line (Indonesia)
SMSA	:	Success Marlina XXXIII SA (Panama)
SMP	:	Success Marlina Pte. Ltd. (Singapura)
SOKL	:	PT Sukses Osean Khatulistiwa Line (Indonesia)



## SUMMARY

*The following summary contains facts and information that are most critical to the Company and is an integral part of and must be read in conjunction with the more detailed information, including the consolidated financial statements and notes to the consolidated financial statements, as well as business risks, all of which are provided in this Prospectus. All financial information presented in this Prospectus is derived from the Company's financial statements that are expressed in USD (United States Dollar) and are presented in conformity with the Indonesian Financial Accounting Standards.*

*Unless otherwise stated, all analyses on the financial information presented in this Prospectus are prepared at the consolidation level. All financial information, including balances, amounts and percentages presented in this Prospectus are rounded in USD (United States Dollar), unless stated otherwise. Therefore, any difference that occurs in the totals of financial information presented in the tables included in this Prospectus, i.e., between the value of the totals and the value presented in the Prospectus, is a result of the rounding factor.*

### 1. BRIEF HISTORY OF THE COMPANY

The Company is a limited liability company domiciled in South Jakarta. The Company was established and conducts its business activities based on and in accordance with the prevailing laws and regulations in the Republic of Indonesia, based on Deed of Establishment No. 16 dated 13 August 2010, drawn up before Meissie Pholuan, SH., Notary in Jakarta, which was approved by the Minister of Law and Human Rights by virtue of Decree AHU-44960.AH.01.01.Tahun 2010, and was registered in the Company Registry No. AHU-0068758.AH.01.09.Tahun 2010 dated 22 September 2010, and the Company was registered in the Company Register under Certificate of Company Registration (*Tanda Daftar Perusahaan*, "TDP") No. 09.03.1.70.69774 dated 04 May 2011 at the South Jakarta Company Registration Office and was announced in the State Gazette of the Republic of Indonesia No. 16 dated 24 February 2012, Supplement to the State Gazette of the Republic of Indonesia No. 3923 ("**Deed of Establishment**").

Since the date of establishment up to the date of issuance of this Prospectus, the Company's Articles of Association has been amended several times, and the latest is, in accordance with Deed of Shareholders Resolutions No. 14 dated 19 August 2014, drawn up before Irma Bonita, SH., Notary in Central Jakarta, which has received approval from the Minister of Law and Human Rights by virtue of Decree No. AHU-06828.40.20.2014 dated 21 August 2014, and was registered in the Company Register under TDP No. 09.03.1.70.86232 dated 12 September 2014, whereby the shareholders stipulated their approval to: (i) change the Company's status from a Private Limited Company/Non-public to a Public Company, (ii) change the aims and objectives of the Company, (iii) execute the Company's plan to conduct an initial public offering, (iv) list the entire Company's shares on the Indonesian Stock Exchange, (v) execute the Issuer's Employee Stock Allocation (ESA) with regard to the Company's Initial Public Offering at a maximum amount of 3% (three percent) of the total shares offered in the Company's initial public offering and delegate the authority to determine the related procedures to the Board of Directors, (vi) delegate the authority and power concerning the Substitution Right to the Company's Board of Directors, (vii) amend the Company's Articles of Association in its entirety to conform with the provision concerning main substances of public company's articles of association as stipulated in the Capital Market and Financial Institutions Supervisory Board Rule No. IX.J.I Articles of Association of a Company Conducting an Equity-based Initial Public Offering and a Public Company.

The complete history of the changes in the Company's Articles of Association is presented in Chapter VII Description on the Company and Subsidiaries, sub-chapter Brief History of the Company.

The Company is located at Plaza Marein, 21<sup>st</sup> Floor, Sudirman Plaza, Jl. Jend. Sudirman Kav 76-78, Jakarta, 12910, Indonesia.

### 2. CAPITAL STRUCTURE

The composition of the Company's capital structure as of the date of issuance of this Prospectus is set forth in the Deed of Shareholders Resolutions No. 16 dated 30 June 2014, drawn up before Doddy Natatdihardja, SH., Notary in Tangerang, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. AHU-04800.40.20.2014 Tahun 2014 dated 1 July 2014, and was registered in the Company Registry under No. AHU-0066527.40.80.2014 dated 1 July 2014, and was registered in the Company Register under TDP No. 09.03.1.70.86232 dated 12 September 2014.



Description	Nominal Value Rp100 per share	
	Number of Shares	Total Nominal(Rp)
<b>Authorized Capital</b>	23,000,000,000	2,300,000,000,000
<b>Issued and Paid-up Capital:</b>		
Soechi Group, PT	5,640,000,000	564,000,000,000 94.00
Paulus Utomo	120,000,000	12,000,000,000 2.00
Hartono Utomo	120,000,000	12,000,000,000 2.00
Go Darmadi	120,000,000	12,000,000,000 2.00
<b>Total Issued and Paid-up Capital</b>	<b>6,000,000,000</b>	<b>600,000,000,000 100.00</b>
<b>Shares in Portfolio</b>	<b>17,000,000,000</b>	<b>1,700,000,000,000</b>

The Company's capital structure referred to above, which was stated in accordance with the Deed of Shareholders Resolution No 16 dated 30 June 2014, have been contributed entirely in cash by PT Soechi Group Rp228,224,385,900 (2.282.243.859 shares), Go Darmadi Rp4,855,838,000 (48,558,380 shares), Paulus Utomo Rp4,855,838,000 (48.558.380 shares), and Hartono Utomo Rp4,855,838,000 (48,558,380 shares) price paid at face value Rp100.

If the public offering price is higher than the price of the entire shareholder capital contributions above and considering the capital contributions made within a six months period before the submission of the Registration Statement, in accordance with the Rules No.IX.A.6 all initial shareholders of the Company are prohibited from transferring any of their ownership shares of the Company for eight months after the Registration Statement becomes Effective.

### 3. INITIAL PUBLIC OFFERING

The structure of the Company's Public Offering is described below:

1. Number of Shares Offered : A maximum of 2,571,428,500 (two billion five hundred seventy one million four hundred twenty eight thousand five hundred) new shares
2. Nominal Value : Rp100 (one hundred Rupiah) per share
3. Offer Price : Rp● (● Rupiah) per share, to be fully paid upon submission of SSF
4. Total Initial Public Offering : A maximum of Rp● (● Rupiah)
5. Estimated Offering Period : 24-26 November 2014
6. Estimated Listing Date on the IDX : 2 December 2014

The entire aforementioned shares will provide their holders with equal and similar rights in all respect with the holders of the Company's existing issued and fully paid-up shares, including, the rights to receive dividend distributions.

Upon sale of the entire shares offered in the Initial Public Offering, the Company's proforma capital structure and shareholding composition prior to and after the Initial Public Offering are as follows:

**The Company's Capital Structure Before and After the Initial Public Offering  
Consist of Shares with a Nominal Value of Rp100 (One hundred Rupiah) per share**

Shareholder	Before Initial Public Offering			After Initial Public Offering		
	Nominal Value Rp100 per share			Nominal Value Rp100 per share		
	Number of Shares	Total Nominal Value (Rp)	(%)	Number of Shares	Total Nominal Value (Rp)	(%)
<b>Authorized Capital</b>	<b>23,000,000,000</b>	<b>2,300,000,000,000</b>		<b>23,000,000,000</b>	<b>2,300,000,000,000</b>	
<b>Issued and Paid-up Capital:</b>						
Soechi Group, PT	5,640,000,000	564,000,000,000	94.00	5,640,000,000	564,000,000,000	65.80
Paulus Utomo	120,000,000	12,000,000,000	2.00	120,000,000	12,000,000,000	1.40
Hartono Utomo	120,000,000	12,000,000,000	2.00	120,000,000	12,000,000,000	1.40
Go Darmadi	120,000,000	12,000,000,000	2.00	120,000,000	12,000,000,000	1.40
Public	-	-	-	2,571,428,500	257,142,850,000	30.00
<b>Total Issued and Paid-up Capital</b>	<b>6,000,000,000</b>	<b>600,000,000,000</b>	<b>100.00</b>	<b>8,571,428,500</b>	<b>857,142,850,000</b>	<b>100.00</b>
<b>Total Shares in Portfolio</b>	<b>17,000,000,000</b>	<b>1,700,000,000,000</b>		<b>14,428,571,500</b>	<b>1,442,857,150,000</b>	



#### 4. EMPLOYEE STOCK ALLOCATION (ESA) PROGRAM

Based on the Deed of Shareholders Resolutions No. 14 dated 19 August 2014, drawn up before Irma Bonita, SH., Notary in Jakarta, and The Decree of Board of Directors No. 31/SL/LGL/VIII/2014 dated 26 August 2014 the shareholders of the Company have approved the ESA Program plan. A maximum of 3% (three percent) of the total shares offered in this Initial Public Offering or a maximum of 77,142,500 (seventy seven million one hundred forty two thousand and five hundred) shares is allocated to the ESA Program. The remaining shares that are not subscribed by the employees, if any, will be offered to public.

In the event that all the Offered Shares in this Initial Public Offering are fully subscribed, and the ESA Program referred to above is fully implemented, the Company's proforma capital structure and shareholding composition prior to and after the Initial Public Offering are as follows:

Shareholders	Before Initial Public Offering			After Initial Public Offering and ESA Implementation		
	Nominal Value Rp100 per share			Nominal Value Rp100 per share		
	Number of Shares	Total Nominal Value (Rp)	(%)	Number of Shares	Total Nominal Value (Rp)	(%)
<b>Authorized Capital</b>	<b>23,000,000,000</b>	<b>2,300,000,000,000</b>		<b>23,000,000,000</b>	<b>2,300,000,000,000</b>	
<b>Issued and Paid-up Capital:</b>						
Soechi Group, PT	5,640,000,000	564,000,000,000	94.00	5,640,000,000	564,000,000,000	65.80
Paulus Utomo	120,000,000	12,000,000,000	2.00	120,000,000	12,000,000,000	1.40
Hartono Utomo	120,000,000	12,000,000,000	2.00	120,000,000	12,000,000,000	1.40
Go Darmadi	120,000,000	12,000,000,000	2.00	120,000,000	12,000,000,000	1.40
Public	-	-	-	2,494,286,000	249,428,600,000	29.10
Employees (ESA)	-	-	-	77,142,500	7,714,250,000	0.90
<b>Total Issued and Paid-up Capital</b>	<b>6,000,000,000</b>	<b>600,000,000,000</b>	<b>100.00</b>	<b>8,571,428,500</b>	<b>857,142,850,000</b>	<b>100.00</b>
<b>Total Shares in Portfolio</b>	<b>17,000,000,000</b>	<b>1,700,000,000,000</b>		<b>14,428,571,500</b>	<b>1,442,857,150,000</b>	

#### 5. USE OF PROCEEDS

Proceeds from the Company's Initial Public Offering, net of issuance fees related to the Initial Public Offering, will be used as follows:

1. Approximately 50% will be used for ship procurement through the Subsidiaries in relation to fulfilling a new contract in the future.
2. Approximately 25% will be used to repay a portion of bank loans fully paid in relation to investment and working capital credit facilities through the Subsidiaries.
3. Approximately 25% will be used for additional working capital of its Subsidiaries.

The complete information regarding the planned use of proceeds is presented in Chapter II of this Prospectus regarding Use of Proceeds from the Initial Public Offering.

#### 6. SUMMARY OF KEY FINANCIAL HIGHLIGHTS

Presented below are the Company's consolidated statements of financial position as of 30 June 2014, 31 December 2013, 2012 and 2011, and the consolidated statements of comprehensive income for the six months periods ended 30 June 2014 and 30 June 2013, and the years ended 31 December 2013, 2012 and 2011. The Company's consolidated statements of financial position as of 30 June 2014, 31 December 2013, 2012 and 2011 and the consolidated statements of comprehensive income for the six months periods ended 30 June 2014 and 2013, and the years ended 31 December 2013, 2012 and 2011 were audited by the Public Accountant Firm Kosasih, Nurdiaman, Tjahjo & Partners (member of Crowe Horwath International), which expressed an unqualified opinion in its report dated 9 October 2014.

The statements of financial position and comprehensive income for the period since the establishment (13 August, 2010) until 31 December 2010 were audited by Public Accountant Firm Drs. Effendy, which expressed an unqualified opinion in its report dated 18 July 2012, before the restatement with respect to the implementation of SFAS No. 10 (2010 Revision) "The Effects of Changes in Foreign Exchange Rates" and SFAS No. 38 (2004 Revision) regarding "Accounting for Restructuring".

**Summary of Consolidated Statements of Financial Position**

(in USD)

Description	As of 30 June		As of 31 December		
	2014	2013	2012	2011	2010
Total assets	377.238.527	374.647.116	295.031.905	235.326.194	186.109.697
Total liabilities	202.874.311	236.129.778	212.106.208	169.344.653	127.960.375
Total equity	174.364.216	138.517.338	82.925.697	65.981.541	58.149.322

(in USD)

**Summary of Consolidated Statements of Comprehensive Income**

(in USD)

Description	For six months ended 30 June		For the years ended 31 December			
	2014	2013	2013	2012	2011	2010
Pendapatan-neto	54.771.034	46.282.422	106.404.574	71.391.473	65.131.767	24.975.438
Beban Pokok						
Pendapatan	29.429.386	30.305.560	70.533.203	48.262.552	43.349.412	13.247.937
Laba Bruto	25.341.648	15.976.862	35.871.371	23.128.921	21.782.355	11.727.501
Total Laba						
Komprehensif						
Tahun Berjalan	15.614.220	10.207.147	30.254.210	3.658.313	4.746.186	21.675.894

The complete summary of the Company's key financial highlights is presented in Chapter IV of this Prospectus, regarding Summary of Key Financial Highlights.

**7. BUSINESS RISKS**

*Investment in the Company's Shares involves certain risks. Prior to investing in the Company's shares, prospective investors should carefully consider the following risk factors and other information contained in this Prospectus. The risks described below are not the only risks that may affect the Company's shares. Other risks presently unknown to the Company or considered immaterial by the Company as of the date of issuance of this Prospectus may also affect the Company's business activities, cash flows, operating results, financial condition or business prospects.*

The risks described below are risks that are considered material by the Company. Based on the Company's judgment, the following risks are prepared based on the level of their exposure to the Company's financial performance, beginning with the Company's main risks.

**A. RISKS ASSOCIATED WITH VESSEL CHARTERING BUSINESS ACTIVITIES**

1. Risk of accidents and damages to the Company's vessels
2. Risk of termination or non-renewal of the Company's shipping services agreements
3. Risk of revenue source concentration in one of the Company's customers
4. The Company is exposed to risks related to loans from banks or other financial institutions
5. The Company is exposed to risk of fluctuations in foreign exchange rate
6. Risk of unforeseeable increase in operating or other expenses
7. The Company is exposed to its customers' credit risks
8. Risk of loss of human resources
9. The Company's ships may be detained, which may disrupt the Company's operational activities

**B. RISKS ASSOCIATED WITH SHIPYARD SERVICES BUSINESS ACTIVITIES**

1. Risk of changes in production cost prior to ship handover
2. Risk of failure in obtaining new shipbuilding contracts
3. Risk of losses arising from cancellation of new shipbuilding contracts that are currently underway
4. Risk of work accidents
5. Risk of social community and environment.
6. Risk of human resources
7. Risk of delays in completion of shipbuilding projects
8. Risk of shipyard facilities construction.

**C. RISKS ASSOCIATED WITH SHIPPING INDUSTRY**

1. The global and regional economic, social and political conditions may lower demand for the Company's services
2. Risk of changes in the Government's policies related to national shipping industry and its supporting services
3. Risk of domestic competition

**D. RISKS ASSOCIATED WITH INVESTMENT IN SHARES OF THE COMPANY**

1. Risk of illiquidity of the Offered Shares in this Initial Public Offering
2. Risk of fluctuations in price of the Offered Shares
3. Risk of dilution on share ownership of the shareholders in the event that the said shareholders do not participate in the limited public offering(s) that may be conducted by the Company in the future
4. Risk of the Company's inability to pay dividends
5. Risk of global, regional and domestic changes, which may have adverse impact to business activities in Indonesia

Management of the Company represents that all material business risks faced by the Company in conducting its business activities have been disclosed in the Prospectus, and are prepared based on the level of risk and exposure of each risk to the Company's financial performance, beginning with the Company's main risks.

The risks described above are discussed in more detail in Chapter VI regarding Business Risks.

**10. INFORMATION ON SUBSIDIARIES**

Presented below are the Subsidiaries directly owned by the Company:

No.	Company Name	The Company's Ownership (Direct)	Year of Investment	Year of Establishment	Business Activities	Operational Status
1	ABPL	99.91%	2012	1980	shipping	operating
2	IEL	99.93%	2012	2006	shipping	operating
3	MOS	99.99%	2012	2007	shipyard	operating
4	SOKL	99.80%	2010	1999	shipping	operating
5	PUL	99.99%	2012	2006	shipping	operating
6	SML	99.99%	2013	2011	shipping	operating
7	AMO	99.98%	2012	2011	shipping	operating
8	SIM	99.99%	2012	2012	Shipping through SIM Subsidiaries	operating

The Company has indirect share ownership in the following SIM Subsidiaries:

No.	Company Name	Subsidiary's Direct Ownership % Ownership	Year of Investment	Operational Year	Business Activities	Operational Status
1	Success Marlina XXIII SA	100%	2012	2012	Shipping	Operating
2	Success Marlina Pte Ltd	100%	2013	-	Shipping	Not Yet Operating

**11. DIVIDEND POLICY**

New shareholders with regard to this Initial Public Offering will have equal and similar rights in all respects with the holders of the Company's existing issued and fully paid-up shares, including the rights to receive dividend distributions.

The Company has no plan to distribute cash dividends for the financial year of 2014, considering that in line with the Company's financial projection, the entire profit generated in the financial year of 2014 shall be used to support the Company's plan to expand the business of its Subsidiaries, to pay a portion of bank loan of its Subsidiaries or to provide additional working capital as set forth in Use of Proceeds from Initial Public Offering.

The Company's management plans to distribute cash dividends to the Company's shareholders at a maximum amount of 30% (thirty percent) of the Company's consolidated comprehensive income starting for the book year 2015 and will be paid start in 2016, without disregard to the Company's financial health and without prejudice to the right of the AGM of the Company to determine otherwise in accordance with the Company's Articles of Association.



Payment of cash dividends in the future will depend on a variety of factors, including the retained earnings, operational and financial performance, financial condition, liquidity, future business prospects, cash requirements, business opportunities and compliance with laws and regulations as well as other factors deemed relevant by the Board of Directors.

Cash dividends will be paid in Rupiah. Shareholders, who are registered as of the record date, are entitled to the full amount of paid dividend and subject to the applicable withholding taxes in accordance with the prevailing tax regulations in Indonesia. Dividends received by foreign shareholders will be subject to income tax in accordance with the prevailing tax regulations in Indonesia.



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## I. INITIAL PUBLIC OFFERING

The Company hereby conducts the Initial Public Offering of a maximum of 2,571,428,500 (two billion, five hundred seventy one million, four hundred twenty eight thousand and five hundred) Ordinary Registered Shares consisting of new shares with a nominal value of Rp100 (one hundred Rupiah) per share, which represents a maximum of 30% (thirty percent) of the issued and paid-up capital after the Initial Public Offering, which are offered to Public at an Offer Price of Rp[●] ([●] Rupiah) per share, to be fully paid upon the submission of the Shares Subscription Form ("SSF"). The total value of the shares offered in the Initial Public Offering is a maximum of Rp[●] ([●] Rupiah).

The aforementioned Shares will provide their holders with equal and similar rights in all respect with the holders of the Company's existing issued and fully paid-up shares, including the rights to attend and cast vote in GMS and the rights to receive dividend distributions, bonus shares and HMETD (*Hak Memesan Efek Terlebih Dahulu*, Pre-emptive Rights). The shares offered in this Initial Public Offering consist entirely of new shares issued from the Company's portfolio.



### PT SOECHI LINES TBK

The Company's Line of Businesses:

Shipping and Shipyard through Subsidiaries also management consultant services.

#### Head Office

Plaza Marein Lt. 21, Sudirman Plaza  
Jl. Jend Sudirman Kav 76-78  
Jakarta, 12910, Indonesia  
Telephone : +6221 5793 6883  
Facsimile : +6221 5793 6833  
Website : [www.soechi.com](http://www.soechi.com)  
E-mail : [info@soechi.com](mailto:info@soechi.com)

**THE PRIMARY RISK FACED BY THE COMPANY IS THE RISK OF ACCIDENTS AND DAMAGE TO THE COMPANY'S VESSELS. A COMPLETE DESCRIPTION OF THE RISKS FACED BY THE COMPANY IS SET OUT IN CHAPTER VI OF THIS PROSPECTUS.**

**THE RISK RELATING TO THE OWNERSHIP OF THE COMPANY'S SHARES IS THE ILLIQUIDITY OF THE SHARES OFFERED IN THIS INITIAL PUBLIC OFFERING. EVEN THOUGH THE COMPANY'S SHARES WILL BE LISTED ON THE STOCK EXCHANGE, THERE IS NO GUARANTEE THAT THE SHARES WILL BE TRADED ACTIVELY OR BE LIQUID BECAUSE THERE IS A POSSIBILITY THAT SHARES WILL NOT BE TRADED BY SOME SHAREHOLDERS IN THE SECONDARY MARKET. THEREFORE, THE COMPANY IS UNABLE TO PREDICT WHETHER THERE WILL BE AN ACTIVE MARKET OR WHETHER THE LIQUIDITY OF THE SHARES WILL BE WELL MAINTAINED.**

**REGARDING THE SHIPPING BUSINESS OF THE COMPANY, THERE IS A MAXIMUM OF FOREIGN OWNERSHIP LIMIT OF 49% IN ACCORDANCE REGULATION OF PRESIDENT OF REPUBLIC INDONESIA NO. 39 YEAR 2014 REGARDING NEGATIVE LIST OF INVESTMENT AND OTHER AVAILABLE BUSINESS WITH CONDITIONS AS MENTIONED IN THAT REGULATION ("PERPRES 39").**

**THE COMPANY WILL NOT ISSUE COLLECTIVE SHARE CERTIFICATES IN THIS INITIAL PUBLIC OFFERING, AND THE SHARES WILL BE DISTRIBUTED ELECTRONICALLY AND WILL BE ADMINISTERED IN A COLLECTIVE DEPOSITORY WITH PT KUSTODIAN SENTRAL EFEK INDONESIA ("KSEI").**



As of the date of issuance of this Prospectus, the capital structure and shareholding composition of the Company is in accordance with Deed of Shareholders Resolution No. 16, dated 30 June 2014, drawn up before Doddy Natadihardja, S.H., Notary in Tangerang, which has received formalization from the Ministry of Law and Human Right of the Republic of Indonesia by virtue of Decree No. AHU-04800.40.20.2014 year 2014, dated 1 July 2014, and was registered in the Company Registry No. AHU-0066527.40.80.2014 dated 1 July 2014, and the Company was registered in the Company Register under TDP No 09.03.1.70.86232 dated 12 September 2014:

Description	Nominal Value Rp100 per Share		
	Number of Shares	Nominal Value(Rp)	(%)
<b>Authorized Capital</b>	23,000,000,000	2,300,000,000,000	
<b>Issued and Paid-up Capital:</b>			
Soechi Group, PT	5,640,000,000	564,000,000,000	94.00
Paulus Utomo	120,000,000	12,000,000,000	2.00
Hartono Utomo	120,000,000	12,000,000,000	2.00
Go Darmadi	120,000,000	12,000,000,000	2.00
<b>Total Issued and Paid-up Capital</b>	<b>6,000,000,000</b>	<b>600,000,000,000</b>	<b>100.00</b>
<b>Shares in Portfolio</b>	<b>17,000,000,000</b>	<b>1,700,000,000,000</b>	

The Company's capital structure referred to above, which was stated in accordance with the Deed of Shareholders Resolution No 16 dated 30 June 2014, has been contribute dentirely in cash by PT Soechi Group Rp228,224,385,900 (2,282,243,859 shares), Go Darmadi Rp4,855,838,000 (48,558,380 shares), Paulus Utomo Rp4,855,838,000 (48,558,380 shares), and Hartono Utomo Rp4,855,838,000 (48,558,380 shares) price paid at face value Rp100, and paid-up capital placed by the Company's shareholders

If the public offering price is higher than the price of the entire shareholder capital contributions above and considering the capital contributions made within a six months period before the submission of the Registration Statement, in accordance with the Rules No.IX.A.6 all initial shareholders of the Company is prohibited to transfer all of their ownership shares of the Company up to eight months after the Registration Statement becomes effective.

## 1. INITIAL PUBLIC OFFERING

Total Offered Shares is a maximum of 2,571,428,500 (two billion five hundred seventy one million four hundred twenty eight thousand and five hundred) Ordinary Registered Shares, consisting of new shares issued by the Company at a nominal value of Rp100 (one hundred Rupiah) per share, which represents a maximum of 30% (thirty percent) of the Company's issued and paid-up capital after the Initial Public Offering.

Upon sale of the entire shares offered by the Company in this Initial Public Offering, the capital structure and shareholding composition of the Company before and after the Initial Public Offering on a proforma basis, are as follows:

### The Company's Capital Structure Before and After Initial Public Offering Consisting of Shares with a Nominal Value of Rp100 (One hundred Rupiah) per share

Shareholders	Before Initial Public Offering			After Initial Public Offering		
	Nominal Value Rp100 per Share			Nominal Value Rp100 per Share		
	Number of Shares	Nominal Value (Rp)	(%)	Number of Shares	Nominal Value (Rp)	(%)
<b>Authorized Capital</b>	<b>23,000,000,000</b>	<b>2,300,000,000,000</b>		<b>23,000,000,000</b>	<b>2,300,000,000,000</b>	
<b>Issued and Paid-up Capital:</b>						
Soechi Group, PT	5,640,000,000	564,000,000,000	94.00	5,640,000,000	564,000,000,000	65.80
Paulus Utomo	120,000,000	12,000,000,000	2.00	120,000,000	12,000,000,000	1.40
Hartono Utomo	120,000,000	12,000,000,000	2.00	120,000,000	12,000,000,000	1.40
Go Darmadi	120,000,000	12,000,000,000	2.00	120,000,000	12,000,000,000	1.40
Public	-	-	-	2,571,428,500	257,142,850,000	30.00
<b>Total Issued and Paid-up Capital</b>	<b>6,000,000,000</b>	<b>600,000,000,000</b>	<b>100.00</b>	<b>8,571,428,500</b>	<b>857,142,850,000</b>	<b>100.00</b>
<b>Total Shares in Portfolio</b>	<b>17,000,000,000</b>	<b>1,700,000,000,000</b>		<b>14,428,571,500</b>	<b>1,442,857,150,000</b>	

## 2. EMPLOYEE STOCK ALLOCATION (ESA)

Based on Deed of Shareholders Resolutions No. 14 dated 19 August 2014, drawn up before Irma Bonita SH., Notary in Jakarta and The Decree of Board of Directors No. 31/SL/LGL/VIII/2014 date 26 August 2014. the shareholders of the Company have approved the ESA program. A maximum of 3% (three percent) of the shares offered in the Initial Public Offering or a maximum of 77,142,500 (seventy seven million one hundred forty two

thousand and five hundred) shares is allocated for the ESA program. Remaining shares that are not subscribed by the employees will be offered to public.

The ESA program is designated to the Company's employees, excluding the directors, commissioners and shareholders of the Company. The implementation of the ESA program will adhere to the provisions set forth in Rule No. IX.A.7, Annex to the Decree of Bapepam and LK Chairman No. KEP-691/BL/2011 dated 30 December 2011 regarding Responsibilities of Allotment Managers with Respect to Subscription and Allotment of Securities in a Public Offering.

The objectives of ESA program implementation are as follows:

- **Retention**  
Retaining existing and qualified employees will be easier when the employees have equity participation.
- **Motivation and Performance**  
Making the employees part of the Company will improve employees' performance and motivation, which will eventually improve the Company's overall performance. Therefore, employees with significant equity participation in their Company will be strongly motivated to put their best effort and maximize the Company's performance and shares value.
- **Development of Team Culture**  
Involving employees in the ESA program will improve the spirit of togetherness and teamwork, where all employees work together, focusing on the Company's performance objectives. Employees will be more alert to the Company's needs and will start to think and act like an owner.

The Company will implement and report the ESA program in accordance with the prevailing rules and regulations.

All ESA Program Shares are Award Shares which are given to employees as appreciation.

### **Participation Requirements**

The Company's Board of Directors has appointed officers from the Company's human resources and legal department as the ESA Administrators. Total employees eligible to participate in the ESA program will be further regulated without prejudice to this BOD's provision.

Employees eligible for the ESA program are those who meet the following participation requirements:

- Permanent employees who are actively employed as of 1 November 2014
- Meet certain performance level in accordance with the performance review standards set forth by the Company.
- A minimum period of service of 3 (three) months as ESA program implemented.
- Not being subject to administrative sanctions at the time of the implementation of the ESA program.

### **Award Shares**

- Award Shares are awarded free of charge by the Company to all employees participating in the ESA program who satisfy the requirements; the shares are registered under the name of each participant.
- The allocation of Award Shares is calculated based on performance, rank of office and years of service of the participant.
- The lock-up period for Award Shares is 1 (one) year commencing from the date of shares distribution.
- In the event that the respective employee resigns, is dismissed or is involved in a criminal activity during the lock-up period, the right to the Award shares shall be annulled. The likewise applies in the event that the ESA participants surrender their participating right to the Company on their own will.
- The participants are not subject to any cost for the ownership of Award Shares. Company will bear the cost of Award Shares, which will be paid at full cost in accordance with the Offer Price of each Company Shares

### **Shares Allotment Allocation Procedures**

- The Company allocates the Award Shares to employees who satisfy the requirements; the shares are registered under the name of each participant.
- Allocation of Award Shares is based on the employees' rank of office, work performance and years of service.
- Employees entitled to the ESA program must adhere to the following requirements:
  - Adhere to the ESA share ownership requirements set forth by the Company and the regulation of the Indonesian Capital Market.
  - Register as ESA shares participants through the Human Resources Department of each Working Unit where such employees are assigned by the Company.
- The HRD of each Working Unit records, recapitulates and reports the employees interested to participate in ESA program to the Company's Head Office Human Resources Department.

**ESA Program Implementation Procedures**

The Company shall issue shares allotment forms for employees eligible to the shares allotment under the ESA Program. The shares allotment forms shall be forwarded to the Shares Administration Bureau (SAB) to be further used as the basis of shares distribution on the distribution date.

**Tax Aspects of the ESA Program**

Participants of the ESA program are subject to income tax in accordance with the prevailing tax rate, which must be paid upon receipt of shares. The income tax will be charged to the Company.

In the event that the ESA program participants sell shares through the stock exchange or over the counter subsequent to the lock-up period, the income tax will be borne by each ESA program participant. The following tax regulation applies on such sale of shares:

- Sale of shares through the Indonesian Stock Exchange is subject to 0.1% final income tax, calculated based on the transaction value
- Sale of shares over the counter is subject to the prevailing progressive tax rate, calculated based on the capital gain received by the participant.

Upon sale of the entire shares offered by the Company in this Initial Public Offering and the full implementation of the ESA program referred to above, the Company's capital structure and shareholding composition of the Company before and after the Initial Public Offering, on a proforma basis, will be as follows:

Shareholders	Before Initial Public Offering			After Initial Public Offering and ESA Implementation		
	Nominal Value Rp100 per Share			Nominal Value Rp100 per Share		
	Number of Shares	Nominal Value (Rp)	(%)	Number of Shares	Nominal Value (Rp)	(%)
<b>Authorized Capital</b>	<b>23,000,000,000</b>	<b>2,300,000,000,000</b>		<b>23,000,000,000</b>	<b>2,300,000,000,000</b>	
<b>Issued and Paid-up Capital:</b>						
Soechi Group, PT	5,640,000,000	564,000,000,000	94.00	5,640,000,000	564,000,000,000	65.80
Paulus Utomo	120,000,000	12,000,000,000	2.00	120,000,000	12,000,000,000	1.40
Hartono Utomo	120,000,000	12,000,000,000	2.00	120,000,000	12,000,000,000	1.40
Go Darmadi	120,000,000	12,000,000,000	2.00	120,000,000	12,000,000,000	1.40
Public	-	-	-	2,494,286,000	249,428,600,000	29.10
Employees (ESA)	-	-	-	77,142,500	7,714,250,000	0.90
<b>Total Issued and Paid-up Capital</b>	<b>6,000,000,000</b>	<b>600,000,000,000</b>	<b>100.00</b>	<b>8,571,428,500</b>	<b>857,142,850,000</b>	<b>100.00</b>
<b>Total Shares in Portfolio</b>	<b>17,000,000,000</b>	<b>1,700,000,000,000</b>		<b>14,428,571,500</b>	<b>1,442,857,150,000</b>	

**LISTING OF THE COMPANY'S SHARES ON THE INDONESIAN STOCK EXCHANGE**

Simultaneously with the listing of Shares from the Initial Public Offering of a maximum of 2,571,428,500 (two billion five hundred seventy one million, four hundred twenty eight thousand and five hundred) Ordinary Registered Shares or 30% (thirty percent) of the issued and paid-up capital after the Initial Public Offering; the Company will also list the entire Ordinary Registered Shares of the shareholders prior to the Initial Public Offering, totaling 6,000,000,000 (six billion) shares or 70% (seventy percent) of the issued and paid-up capital after the Initial Public Offering. Therefore, the total Shares to be listed by the Company on the IDX is 8,571,428,500 (eight billion five hundred seventy one million, four hundred twenty eight thousand and five hundred) shares, or 100% (one hundred percent) of the issued and paid-up capital after the Initial Public Offering.

**THE COMPANY HAS NO INTENTION TO AUTHORIZE, ISSUE AND/OR REGISTER OTHER SHARES AND/OR OTHER SECURITIES CONVERTIBLE INTO OR EXCHANGEABLE WITH THE COMPANY'S SHARES DURING THE PERIOD OF 12 (TWELVE) MONTHS FOLLOWING THE DATE OF EFFECTIVENESS OF THE REGISTRATION STATEMENT.**



## II. USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING

Proceeds from the Company's Initial Public Offering, net of issuance fees related to the Initial Public Offering, will be used as follows:

1. Approximately 50% will be used for ship procurement through the Subsidiaries in relation to fulfilling a new contract in the future..

The entire use of proceeds for capital expenditures is planned to be utilized during the years of 2015 and 2016.

The purchase of capital goods will be directly commissioned to third parties that are not affiliated to the Company.

2. Approximately 25% will be used to repay a portion of bank loans in relation to investment and working capital credit facilities through the Subsidiaries.

Descriptions on portion of credit facilities to be fully paid by the Company through Subsidiaries using the proceeds from the Initial Public Offering are summarized below:

No.	Entity	Bank Name*	Credit Agreement	Interest Rate	Maturity Date	Currency	Estimated Outstanding Loan Balance Upon Repayment
1	SOKL	BCA	Overdraft	11.75%	10-Dec-14	IDR	20,000,000,000
2	SOKL	BAGI	RL III	15.25%	20-Jul-15	IDR	37,000,000,000
3	SOKL	BAGI	Fixed Loan II	8.00%	12-Jan-16	USD	1,037,719
4	SOKL	BAGI	Fixed Loan IV	8.00%	19-Sep-17	USD	2,672,749
5	SOKL	BAGI	Fixed Loan III	8.00%	21-Nov-15	USD	611,111
6	SOKL	BAGI	Revolving Loan	8.00%	10-Nov-14	USD	1,000,000
7	SOKL	BAGI	Revolving Loan II	8.00%	10-Nov-14	USD	1,000,000
8	SOKL	BAGI	RL IV	8.00%	20-Jul-15	USD	4,000,000
9	IEL	BCA	Installment loan	12.25%	01-Nov-17	IDR	61,180,000,000
10	IEL	BCA	Investment Credit 6	6.00%	02-Nov-15	USD	3,083,333
11	IEL	BII	Term Loan	7.25%	20-May-15	USD	1,401,428

\*Descriptions:

BAGI : PT. Bank Artha Graha Internasional Tbk.

BCA : PT. Bank Central Asia Tbk.

BII : PT. Bank Internasional Indonesia Tbk.

The Company and the creditors are not affiliated parties.

The Company plans to pay off all the facilities referred to in the table above immediately after the Public Offering; around December 2014.

Payment of loan before the due date by the Company to the bank(s) does not require prior approval from the bank(s), without incurring any penalties if the Company pay the loan before the due date, except IEL's Term Loan from Bank BII that is subject to a penalty of 1% (percent).

3. Approximately 25% will be used for additional working capital of its Subsidiaries.

The allocated use of proceeds from the Initial Public Offering will be used to finance the operational activities of the Company's Subsidiaries, which are entirely related to the Company's main business activities, which covers vessel chartering, ship maintenance, new shipbuilding and ship repair. The working capital will be used to pay suppliers of goods and services related to the business activities of the Company's Subsidiaries. The amount of fund to be allocated to each Subsidiary will be determined based on each Subsidiary's working capital requirement.

The entire proceeds from the Initial Public Offering as mentioned above, will be transferred to the Subsidiary in the form of a capital injection or loan.

Pursuant to the Circular Letter issued by Bapepam and LK No. SE-05/BL/2006 dated 29 September 2006 on Disclosure of Information on Costs Incurred in an Initial Public Offering, the estimated issuance cost incurred by the Company (including taxes) is approximately ●% of the total proceeds from the Initial Public Offering; the detailed percentage of each cost to the total cost incurred is as follows:



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- Underwriting fee	:	●%
- Management fee	:	●%
- Selling fee	:	●%
- Capital market supporting professionals and institutions fee, which consist of:		
Public Accountant's Fee	:	●%
Legal Consultant's Fee	:	●%
Notarial Fee	:	●%
Shares Administration Bureau's Fee	:	●%
Appraiser's fee	:	●%
- Other expenses (consists of registration expense with regard to the Initial Public Offering, listing on IDX, KSEI registration fee, cost of organizing Public Expose and Due Diligence meeting, roadshows, consultants, printing of Prospectus, certificates and forms, newspaper advertisements and others)	:	●%

In accordance with Rule No. X.K.4 regarding Reports on the Use of Proceeds from Public Offerings, Annex to the Decree of Bapepam No. Kep-27/PM/2003 dated 17 July 2003, the Company shall, on a periodical basis, report the realization on the use of proceeds from this Initial Public Offering to FSA, and submit an accountability report to the shareholders of the Company in the Annual General Meeting of Shareholders (Annual GMS).

The use of proceeds from this Initial Public Offering will be conducted in conformity with the prevailing laws and regulations, particularly those prevailing in the capital market.

If, at any time hereafter the Company intends to change the planned use of proceeds from this Initial Public Offering from the plan initially presented in this Prospectus, the Company shall report such plan to the FSA, stating the reason and consideration for such change after first obtaining the approval of the GMS, in accordance with Rule No. X.K.4 regarding Reports on the Use of Proceeds from Public Offerings.

In the event that the proceeds from the Initial Public Offering have not been fully utilized, the temporary placement of the proceeds from the Initial Public Offering should be made with due consideration to the safety and liquidity of such placement, generate fair financial profit for the Company, and conform to the prevailing laws and regulations.

<b>IN THE EVENT THAT THE USE OF PROCEEDS CONSTITUTES A MATERIAL TRANSACTION AND/OR AFFILIATED TRANSACTION OR TRANSACTIONS WITH CONFLICT OF INTERESTS, THE COMPANY, IN ITS CONDUCT, WILL ADHERE TO THE PROVISIONS SET FORTH IN RULE NO. IX.E.1 AND/OR RULE NO. IX.E.2.</b>
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### III. INDEBTEDNESS

Based on the Company's consolidated financial statements for the six months period ended 30 June 2014 audited by Public Accountant Firm Kosasih, Nurdiyaman, Tjahjo & Partners (Crowe Horwarth Intenational), which expressed an unqualified opinion in its report dated 9 October 2014, the outstanding balance of the Company's total consolidated liabilities was USD 202,874,311, consisting of total short-term liabilities totaling USD 72,068,778 and total long-term liabilities totaling USD 130,805,533 as detailed below:

	(in USD)
Liabilities	Amount
<b>Current Liabilities :</b>	
Trade payables:	
Third Parties	8,445,658
Related Parties	256,032
Other Payables	3,390,056
Billings in excess of estimated earnings	1,578,801
Taxes payable	294,988
Accrued Expenses	4,870,686
Short-term bank loan	6,386,810
Due to Related Parties	10,839,738
Current maturities of long-term loans:	
Bank loans	35,603,408
Finance lease	197,414
Consumer financinc payables	205,187
<b>Total Current Liabilities</b>	<b>72,068,778</b>
<b>Non-current Liabilities</b>	
Long-term loans, net of current maturities:	
Bank Loans	129,958,792
Finance lease and consumer financing payables	215,025
Employees' benefits liabilities	631,716
<b>Total Long-term Liabilities</b>	<b>130,805,533</b>
<b>Total Liabilities</b>	<b>202,874,311</b>

Descriptions of each liability are as follows:

#### a. Current Liabilities

##### 1. Short-term Bank Loans

The outstanding balance of short-term bank loans as of 30 June 2014 was USD 6,368,810 as detailed below:

	(in USD)
Description	30 June 2014
PT Bank Artha Graha Internasional Tbk.	6,000,000
PT Bank Mandiri (Persero) Tbk	401,036
Less unamortized loan transaction cost	(14,226)
<b>Total</b>	<b>6,386,810</b>

#### PT Bank Artha Graha Internasional Tbk (BAGI)

##### SOKL

Based on the credit agreement dated 10 November 2010 with BAGI, SOKL obtained a revolving loan credit facility with a limit of USD 1,000,000. This facility is used to finance SOKL's working capital. This facility has been extended up to 10 November 2014. This facility bears interest at 7.5% - 8% per annum for the 2014 (2013: 7.5%, 2012 and 2011: 8%). As of 30 June 2014, 31 December 2013, 2012 and 2011, the loan outstanding balance was USD 1,000,000. The loan outstanding balance as of 30 September 2014 was USD 1,000,000.

Based on the credit agreement dated 21 November 2011, SOKL entered into a credit agreement with BAGI and obtained an additional credit facility, Revolving Loan II, with a limit of USD 1,000,000. This facility is used to finance SOKL's working capital. This facility has been extended up to 10 November 2014. This facility bears interest at 7.5% - 8% per annum for 2014 (2013: 7.5%, 2012 and 2011: 8%). As of 30 June 2014, 31 December 2013, 2012 and 2011, the loan outstanding balance was USD 1,000,000. The loan outstanding balance as of 30 September 2014 was USD 1,000,000



Based on the credit agreement with BAGI dated 20 July 2012, SOKL obtained an additional credit facility, Revolving Loan IV with a limit of USD 4,000,000. This facility is used to finance SOKL's working capital. This facility has been extended up to 20 July 2015. This facility bears interest at 7.5% - 8% per annum for 2014 (2013: 7.5%, 2012 and 2011: 8%). As of 30 June 2014, 31 December 2013, 2012 and 2011, the loan outstanding balance was USD 4,000,000. The loan outstanding balance as of 30 September 2014 was USD 1,000,000.

Based on the credit agreement with BAGI dated 20 July 2012, SOKL obtained an additional credit facility, Revolving Loan III with a limit of Rp. 37,000,000,000. This facility is used to finance SOKL's working capital. This facility has been extended up to 20 July 2015. This facility bears interest at 7.5% - 8% per annum for 2014 (2013: 7.5%, 2012 and 2011: 8%). As of 30 June 2014, the loan outstanding balance was fully paid and SOKL obtained a new loan. The loan outstanding balance as of 30 September 2014 was Rp. 37,000,000,000 (equivalent USD 3,029,807)

#### PT Bank Mandiri (Persero) Tbk (Mandiri)

#### SOKL

Based on the credit agreement dated 28 October 2009, SOKL obtained a working capital credit facility, with a limit of Rp 4,800,000,000. This facility is used to finance SOKL's working capital. This facility has been extended up to 27 October 2014. This facility bears interest of 11% per annum for 2014 (2013: 10.50% - 12.50%, 2012 and 2011: 10.25%) and is secured by the same collateral as SOKL's long-term loan from the same bank, which are trade receivables, inventory, vessel charter agreement and vessels owned by SOKL, AMO and PUL. This facility is also secured by a Corporate Guarantee from ABPL, personal guarantees from all shareholders and land and buildings owned by Agus Utomo and Paulus Utomo.

The loan outstanding balances as of 30 June 2014, 31 December 2013, 2012 and 2011 were Rp 4,800,000,000 (equivalent to USD 401,036), Rp 4,800,000,000 (equivalent to USD 393,798), Rp 4,800,000,000 (equivalent to USD 496,381) and Rp 4,800,000,000 (equivalent to USD 529,333), respectively.

## 2. Trade Payables

The Company's trade payables as of 30 June 2014 was USD 8,701,690 as detailed below:

### a. By vendor

Description	(in USD) 30 June 2014
<b>Third Parties</b>	
Cosco (Zhouzan) Shipyard Pte., Ltd.	1,436,500
Harwil Pte., Ltd.	1,076,405
PT Pertamina (Persero)	1,062,998
Jurong Shipyard Pte., Ltd.	320,254
PT Rivian Samudera Kencana	308,170
ASL Shipyard Pte., Ltd.	240,183
PT Bandar Abadi	218,816
Seabridge Bunkering Pte., Ltd.	201,719
Wartsila Singapore Pte., Ltd.	170,892
PT Samudra Marine Indonesia	136,167
Others (each below USD 100,000)	3,273,554
<b>Sub-total</b>	<b>8,445,658</b>
<b>Related Parties</b>	
PT Rezeki Putra Energi	248,604
Vektor Maritime	3,918
Equator Maritime	3,510
<b>Sub-total</b>	<b>256,032</b>
<b>Total</b>	<b>8,701,690</b>



## b. By currency

	(in USD)
Description	30 June 2014
<b>Third parties</b>	
United States Dollar (USD)	4,171,719
Singapore Dollar (SGD)	2,187,103
Rupiah (IDR)	1,521,460
Japanese Yen (JPY)	275,342
Europe Euro (EUR)	223,198
United Arab Emirates Dirham (AED)	35,953
Norwegian Crone (NOK)	19,764
Hong Kong Dollar (HKD)	8,303
British Pound sterling (GBP)	2,816
<b>Sub-total</b>	<b>8,445,658</b>
<b>Related Parties</b>	
Rupiah (IDR)	256,032
<b>Total</b>	<b>8,701,690</b>

## c. By age

Description	30 June 2014
Current	1,524,245
Past Due:	
1 - 30 days	2,757,688
31 - 60 days	1,858,732
61 - 90 days	276,711
Over 90 days	2,284,314
<b>Total</b>	<b>8,701,690</b>

**3. Other Payables**

The outstanding balance of the Company's other payables as of 30 June 2014 was USD 3,930,056 as detailed below:

## By currency

	(in USD)
Description	30 June 2014
IDR	787,444
SGD	2,339,956
USD	261,537
THB	284
CNY	835
<b>Total</b>	<b>3,390,056</b>

**4. Taxes Payable**

The outstanding balance of the Company's taxes payable as of 30 June 2014 was USD 294,998 as detailed below:

	(in USD)
Description	30 June 2014
Income Tax:	
Article 15 (final)	111,683
Article 21	24,845
Article 23	18,082
Article 4 (2) Final	9
Article 25/29	19,934
Value Added Tax	120,435
<b>Total</b>	<b>294,998</b>

**5. Accrued Expenses**

The outstanding balance of accrued expenses as of 30 June 2014 was USD 4,870,686 as detailed below:

	(in USD)
Description	30 June 2014
Operating costs of vessels	3,281,062
Salaries and allowances	691,151
Interest and provision on bank loan	496,079
Insurance	112,545
Others (each below USD 5,000)	289,849
<b>Total</b>	<b>4,870,686</b>

**6. Due to related parties**

The outstanding balance of due to related parties as of 30 June 2014 was USD 10,839,738 as detailed below:

	(in USD)
Description	30 June 2014
PT Soechi Group	10,839,738

**7. Long-term loans, current maturities**

The outstanding balance of long-term loans, current maturities, as of 30 June 2014 was USD 35,603,408, as detailed below:

	(in USD)
Description	30 June 2014
<b>Bank Loans:</b>	
PT Bank Mandiri (Persero) Tbk.	17,335,940
PT Bank Central Asia Tbk	5,061,587
PT Bank Artha Graha Internasional Tbk	4,391,411
OCBC Ltd, Singapore	3,598,125
PT Bank Internasional Indonesia Tbk	2,158,533
PT Bank OCBC NISP Tbk	3,057,812
<b>Sub total</b>	<b>35,603,408</b>
<b>Total</b>	<b>35,603,408</b>

**b. Non-current Liabilities****1. Long-term loans, net of current maturities**

The outstanding balance of long-term loans, net of current maturities, as of 30 June 2014 was USD 129,958,792 as detailed below:

	(in USD)
Description	30 June 2014
<b>Bank Loan:</b>	
PT Bank Mandiri (Persero) Tbk.	79,764,325
OCBC Ltd, Singapore	11,653,125
PT Bank Artha Graha Internasional Tbk	5,997,159
PT Bank Central Asia Tbk	8,977,368
PT Bank OCBC NISP Tbk	23,566,815
<b>Total</b>	<b>129,958,792</b>

**PT Bank Central Asia Tbk (BCA)****IEL**

Based on the credit agreement dated 1 August 2008, IEL obtained a credit facility from BCA in the form of Investment Credit 5 (IC-5), with a maximum limit of USD 3,700,000. The loan bears interest of 6% per annum and was fully paid on 6 February 2014.

The outstanding balances of the loan as of 31 December 2013, 2012 and 2011 were USD 127,782, USD 894,474 and USD 1,661,166, respectively.

Based on the credit agreement dated 8 October 2009, IEL obtained a credit facility from BCA in the form of Investment Credit 6 (IC-6), with a maximum limit of USD 18,500,000. The loan bears interest of 6% per annum and will be matured on 2 November 2015.



The outstanding balances of the loan as of 30 Juni 2014, 31 December 2013, 2012 and 2011 were USD 4,765,152, USD 6,446,970 and USD 9,810,606 and USD 13,174,242 respectively. And the outstanding balances of the loan in 30 September 2014 was USD 3,924,243.

Based on the credit agreement dated 10 December 2010, IEL obtained an additional credit facility in the form of Investment Credit 7 (IC-7), with a maximum limit of Rp 37,861,000,000. The loan will be paid off on an installment basis for a period of 60 months, with a monthly installment of Rp 631,016,667 up to 10 December 2015. The loan bears interest of 11.25% - 12.25% for 2014 (2013: 10.25%-11.25%, 2012 and 2011: 10.25%).

The loan outstanding balances as of 30 June 2014, 31 December 2013, 2012 and 2011 were Rp 11,358,300,000 (USD 948,977), Rp 15,144,400,000 (equivalent to USD 1,242,465), Rp 22,716,000,000 (equivalent to USD 2,349,183) and Rp 30,288,800,000 (equivalent to USD 3,340,185), respectively. And the outstanding balance of the loan in 30 September 2014 was Rp. 9.465.250.000 (equivalent USD 775.078).

Based on the credit agreement dated 31 October 2013, IEL obtained a credit facility from BCA in the form of Installment Loan (IL) with a maximum facility of Rp 66,500,000,000. The loan will mature on 1 November 2017. The loan bears interest of 12.25% per annum for 2014 (2013: 11.25%).

The loan outstanding balances as of 30 June 2014 and 31 December 2013 were Rp 64,505,000,000 (equivalent to USD 5,389,339) and Rp 66,500,000,000 (equivalent to USD 5,455,739), respectively. The loan outstanding balances in 30 September 2014 was Rp.64.505.000.000 (equivalent USD 5.282.100).

All of IEL's credit facilities obtained from BCA are "joint borrower" facilities with SOKL and AMO, and are secured by vessels owned by IEL, SOKL and AMO, a parcel of land owned by PT Tria Sumatra Corporation and personal guarantees from Paulus Utomo and Go Darmadi.

Based on the credit agreement with BAGI dated 1 April 2008, IEL obtained an additional credit facility, Time Loan Revolving with a limit of Rp. 5,000,000,000. This facility will mature on 10 December 2014. The loan bears interest of 12.25% per annum for the period 2014 (2013:11.25%).

As of 30 June 2014, the loan outstanding balance was fully paid and IEL obtained a new loan. The loan outstanding balance as of 30 September 2014 was Rp. 5.000.000.000 (equivalent USD 409.434)

### **AMO**

Based on the credit agreement dated 21 December 2012, AMO obtained a credit facility in the form of Investment Credit 9 (KI-9), with a maximum facility of RP 42,000,000,000. This facility is used to finance 1 (one) tanker owned by AMO, with a credit term of 7 (seven) years, including a 6 (six) months grace period. The loan bears interest of 12.25% per annum for the 2014 period (2013: 10.25%-11.25%) and shall be paid by the 10<sup>th</sup> day of each month, at the latest. The loan will mature on 10 January 2020.

KI-9 loan outstanding balances as of 30 June 2014 and 31 December 2013 were Rp 35,754,807,692 (equivalent to USD 2,987,284) and Rp 38,956,730,769 (equivalent to USD 3,190,056). KI-9 loan outstanding balances as of 30 September 2014 was Rp. 34.153.846.154 (equivalent USD 2.796.745)

The loan facility is a "joint borrower" facility with SOKL and IEL and is secured by vessels owned by IEL, SOKL and AMO. The loan is also secured by personal guarantees from Paulus Utomo and Go Darmadi.

### **PT Bank Internasional Indonesia Tbk (BII)**

#### **IEL**

Based on the credit agreement dated 20 May 2010, IEL obtained a credit facility in the form of Term Loan, with a maximum limit of USD 7,000,000. The loan bears interest of 7% per annum and will mature on 20 May 2015.

The loan is secured by escrow and operational accounts owned by IEL and SOKL, trade receivables owned by IEL and SOKL. In addition, SOKL's vessels are used as cross collateral with SOKL, personal guarantees from all shareholders of IEL and SOKL and a corporate guarantee from SOKL.

The loan balances as of 30 June 2014, 31 December 2013, 2012 and 2011 were USD 2,166,608, USD 2,931,787, USD 4,344,428 and USD 4,933,028, respectively. The loan balance as of 30 September 2014 was USD 1.911.549.



## **PT Bank Mandiri (Persero) Tbk (Mandiri)**

### **SOKL**

Based on the credit agreement dated 28 October 2009, SOKL obtained credit facilities from Mandiri, in the form of Non-revolving Investment Credit Facilities, with a maximum limit of Rp 30,000,000,000 and USD 8,000,000, respectively. The loans will be paid in monthly installments in accordance with the installment schedule and will mature on 27 October 2014 for the Rupiah denominated facility and on 27 October 2012 for the US Dollar denominated facility.

The Rupiah denominated loan bears interest of 11% per annum for 2014 (2013: 10.50-12.50%, 2012 and 2011: 12.50%). US Dollar denominated loan bore interest of 8% per annum and was fully paid on 23 September 2012. The outstanding balances of the Rupiah denominated loan as of 30 June 2014, 31 December 2013, 2012 and 2011 were Rp 1,500,000,000 (equivalent to USD 125,323), Rp 4,500,000,000 (equivalent to USD 369,185), Rp 10,500,000,000 (equivalent to USD 1,085,832) and Rp 16,500,000,000 (equivalent to USD 1,819,587), respectively. The outstanding balance of the US Dollar denominated loan as of 31 December 2011 was USD 2,100,000. The loan facility of the Rupiah was fully paid in 23 September 2014.

Based on the credit agreement dated 28 December 2009, SOKL obtained a credit facility from Mandiri in the form of Non-revolving Investment Credit, with a maximum facility of USD 44,200,000. The loan is used to purchase 1 (one) tanker and will be paid in installments for a period of 102 months up to 27 June 2018. The loan bears interest of 6.5% per annum for 2014 period (2013: 6.25%-8.25%, 2012 and 2011: 7%). The loan outstanding balances as of 30 June 2014, 31 December 2013, 2012 and 2011 were USD 23,428,000, USD 24,800,000, USD 31,800,000 and USD 38,400,000, respectively. The loan outstanding balance as of 30 September 2014 was USD 22.414.000.

### **ABPL**

#### **Investment Credit 1 (IC-1) IDR**

Based on the credit agreement dated 27 June 2011, ABPL obtained a credit facility from Mandiri in the form of Non-revolving Investment Credit Facility, with a maximum facility of Rp 68,800,000,000. The facility is used to finance 2 (two) tankers owned by ABPL with a credit term of 6 (six) years. The loan bears interest of 11% per annum for 2014 (2013: 10%-12.25%, 2012 and 2011: 10%). The loan will mature on 27 June 2017.

#### **Investment Credit 2 (IC-2) Foreign Currency**

Based on the credit agreement dated 18 January 2011, ABPL obtained a credit facility from Mandiri in the form of Non-Revolving Special Transaction Credit Facility, with a maximum facility of USD 10,000,000. The facility is used to finance 3 (three) units of tanker owned by ABPL, with a credit term of 7 (seven) years, without any grace period. The facility bears interest of 6.5% per annum for 2014 (2013: 6.25% - 9.25%, 2012 and 2011: 6.5%). The loan will mature on 17 January 2018.

The entire credit facility is secured by tankers financed by ABPL, fiduciary lien on vessel charter receivables for 1 month, personal guarantees from Paulus Utomo, Hartono Utomo, Go Darmadi and a corporate guarantee from SOKL.

The outstanding balances of K11-IDR and K12-Foreign Currency as of 30 June 2014 were Rp 36,000,000,000 (equivalent to USD 3,007,770) and USD 5,375,000, respectively. The outstanding balances of K11-IDR and K12-Foreign Currency as of 31 December 2013 were Rp 42,000,000,000 (equivalent to USD 3,445,73) and USD 6,125,000, respectively. The outstanding balances of K11-IDR and K12-Foreign Currency as of 31 December 2012 were Rp 54,000,000,000 (equivalent to USD 5,584,281) and USD 7,625,500, respectively. The outstanding balances of K11-IDR and K12-Foreign Currency as of 31 December 2011 were Rp 66,000,000,000 (equivalent to USD 7,278,341) and USD 9,100,000, respectively. The loan outstanding balance for K11-IDR and K12-Valas as of 30 September 2014 were Rp33.000.000.000 (equivalent USD 2.702.260) dan USD 5.000.000 respectively.

### **PUL**

#### **Investment Credit 1 (IC-1)**

Based on the credit agreement dated 7 July 2011, PUL obtained a credit facility from Mandiri, in the form of Non-revolving Investment Credit facility, with a maximum limit of USD 18,900,000. This facility is used to finance two tankers, with a credit term of 6 (six) years, including a 6 (six) months grace period. The facility bears interest of 6.5% per annum for the 2014 period (2013: 6.25% - 8.25%, 2012 and 2011: 6.25%). The facility will mature on 7 July 2017.



#### Investment Credit II (IC-2)

Based on the credit agreement dated 7 July 2011, PUL obtained a credit facility from Mandiri in the form of Non-revolving Investment Credit Facility, with a maximum limit of USD 11,100,000. This facility is used to finance 2 tankers, with a credit term of 6 (six) years, including a 6 (six) months grace period. This facility bears interest of 6.5% per annum for 2014 (2013: 6.25%-8.25%, 2012 and 2011: 6.25%). The facility will mature on 7 July 2017.

IC-1 and IC-2 outstanding balances as of 30 June 2014 were USD 10,800,000 and USD 6,984,000, respectively. IC-1 and IC-2 outstanding balances as of 31 December 2013 were USD 12,600,000 and USD 8,148,000, respectively. IC-1 and IC-2 outstanding balances as of 31 December 2012 were USD 16,200,000 and USD 10,240,000, respectively. IC-1 and IC-2 outstanding balances as of 31 December 2011 were USD 18,900,000 and USD 3,465,000, respectively. The loan outstanding balance for KI-1 and KI-2 in 30 September 2014 were USD 9,900,000 and USD 6,402,000; respectively.

The entire facilities from Mandiri are secured by the following collateral: tankers financed by PUL, fiduciary lien on charter fee of the said vessel for one month, personal guarantees from all shareholders, corporate guarantees from PT Sukses Oesan Khatulistiwa Line (SOKL) and PT Armada Bumi Pratiwi Lines (ABPL). The facilities are also secured by tankers owned by SOKL as cross collateral. With regard to the planned sale of a vessel owned by PUL, Bank Mandiri has approved the withdrawal of 1 (one) tanker from the collateral pledged for bank loan.



## **MOS**

### **Investment Credit I(IC-1)**

Based on the credit agreement dated 9 February 2012, MOS obtained a credit facility from Mandiri, in the form of Non-revolving Investment Credit Facility, with a maximum limit of Rp 300,000,000,000. The facility is used to finance the construction of shipyard facilities in Karimum, with a credit term of ninety (90) months, including a 24 (twenty four) months grace period. The facility bears an annual interest of 11% per annum for 2014 (2013: 10,25%-12,50%, 2012: 10,75%). The facility will mature on 8 August 2019.

### **Investment Credit II(IC-2)**

Based on the credit agreement dated 9 February 2012, MOS obtained a credit facility from Mandiri, in the form of Non-revolving Investment Credit Facility, with a maximum limit of Rp 572,900,000,000. The facility is used to finance the construction of shipyard facilities in Karimun, with a credit term of 90 (ninety) months, including a 24 (twenty four) months grace period. The facility bears an annual interest of 11% per annum for 2014 (2013: 10,25%-12,50%, 2012: 10,75%). The facility will mature on 8 August 2019.

The agreement was amended in accordance with Letter No. CBC.JPM/SPPK/168/2014 dated 1 April 2014, amending the credit limit to Rp 175,000,000,000.

IC-1 and IC-2 facilities are secured by the shipyard project as collateral, 2 (two) office buildings in Plaza Marein under the name of SOKL, joint collateral with KI-3 facility obtained by SOKL, personal guarantees from all shareholders, and corporate guarantees from SOKL, ABPL and PUL.

The facilities will be paid in accordance with the payment schedule to be issued by Mandiri after the expiry of the grace period, i.e., 24 (twenty four) months after the execution of credit agreement.

KI-1 and KI-2 outstanding balances as of 30 June 2014 were Rp 294,000,000,000 (equivalent to USD 24,563,456) and Rp 171,400,000,000 (equivalent to USD 14,320,328), respectively. KI-1 and KI-2 outstanding balances as of 31 December 2013 were Rp 300,000,000,000 (equivalent to USD 24,612,355) and Rp 155,228,035,239 (equivalent to USD 12,735,092), respectively. IC-1 and IC-2 outstanding balances as of 31 December 2012 were Rp 300,000,000,000 (equivalent to USD 31,023,785) and Rp 73,113,504,235 (equivalent to USD 7,560,859), respectively. The loan outstanding balances for KI-1 and KI-2 as of 30 September 2014 were Rp289.500.000.000 (equivalent USD23.706.191) and Rp168.700.000.000 (equivalent USD13.814.281); respectively.

### **Investment Credit III (IC-3)**

Based on the credit offering letter dated 1 April 2014, MOS obtained a credit facility in the form of Investment Credit 3 (IC-3), with a maximum facility of Rp 325,737,000,000. The facility bears an annual interest of 11% per annum and will mature on 8 August 2019.

The loan outstanding balance as of 30 June 2014 was Rp 111,102,239,672 (equivalent to USD 9,282,500). The loan outstanding balance as of 30 September 2014, was Rp166.205.795.629 (equivalent USD13.610.039)

## **PT Bank Artha Graha Internasional Tbk (BAGI)**

### **SOKL**

Based on the credit agreement dated 28 July 2010, SOKL obtained a credit facility in the form of Fixed Loan, with a maximum limit of USD 6,000,000. The facility bears an annual interest of 7.5%-8% per annum for 2014 (2013: 7.5%, 2012 and 2001: 8%) and will mature in July 2015.

The loan outstanding balances as of 30 June 2014, 31 December 2013, 2012 and 2011 were USD 962,500, USD 1,306,250, USD 2,131,250 and USD 2,956,251, respectively. The loan outstanding balance as of 30 September 2014 was USD 893.750.

Based on the credit agreement dated 12 January 2011, SOKL obtained an additional credit facility in the form of Fixed Loan II Facility, with a maximum limit of USD 4,550,000. The facility is used to finance 1 (one) tanker, with a credit term of 5 years. The facility bears interest of 7,5%-8% per annum for the 2014 period (2013: 7.5%, 2012 and 2011: 8%) and will mature on 12 January 2016.

The loan outstanding balances as of 30 June 2014, 31 December 2013, 2012 and 2011 were USD 1,499,802, USD 1,995,614, USD 2,953,508 and USD 3,911,403, respectively. The loan outstanding balance as of 30 September 2014 was USD 1.436.843.



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Based on the credit agreement dated 21 November 2011, SOKL obtained an additional credit facility in the form of Fixed Loan III, with a maximum limit of USD 2,000,000. The facility is used as additional working capital, with a credit term of 4 years. The loan bears interest of 7.5%-8% per annum for 2014 (2013: 7.5%, 2012 and 2011: 8%) and will mature on 21 November 2015.

The loan outstanding balances as of 30 June 2014, 31 December 2013, 2012 and 2011 were USD 1,000,000, USD 1,277,778, USD 1,944,445 and USD 2,000,000. The loan outstanding balance as of 30 September 2014 was USD 944.445.

Based on the credit agreement dated 19 September 2012, SOKL obtained an additional credit facility in the form of Fixed Loan IV, with a maximum limit of USD 4,373,600. This facility is used as additional working capital, with a credit term of 5 years, including a 6 months grace period commencing on 19 September 2012. The loan bears interest of 7.5%-8% per annum for 2014 (2013: 7.5%, 2012 and 2011: 8%) and will mature on 19 September 2017.

The loan outstanding balances as of 30 June 2014, 31 December 2013 and 2012 were USD 3,239,701, USD 3,644,665 and USD 4,373,600, respectively. The loan outstanding balance as of 30 September 2014 was USD 3.138.804.

Based on the credit agreement dated 11 April 2013, SOKL obtained an additional credit facility in the form of Fixed Loan V Facility, with a maximum limit of Rp 74,690,000,000. This facility is used as additional working capital, with a credit term of 6 years, including a 6 months grace period commencing on 15 April 2013. The facility bears interest of 14.5%-15.25% per annum for 2014 (2013: 12-14%) and will mature on 15 April 2019.

The loan outstanding balances as of 30 June 2014 and 31 December 2013 were Rp 44,946,666,664 (equivalent to USD 3,755,257) and Rp 51,736,666,666 (equivalent to USD 4,244,537), respectively. The loan outstanding balance as of 30 September 2014 was USD 42.683.333.330. (equivalent USD3.495.196).

The entire credit facilities from BAG are secured by several vessels owned by SOKL, IEL, PUL and AMO and personal guarantees from all shareholders.

**PT Bank OCBC NISP Tbk (OCBC) and Oversea-Chinese Banking Corporation Limited, Singapore (OCBC Ltd.)**

**SOKL**

Based on the credit agreement dated 7 October 2011, SOKL obtained credit facilities in the form of Term Loan (TL), consisting of TL-1, TL-2 and TL-3, with a maximum limit of USD 1,500,000, USD 1,500,000 and USD 2,000,000, respectively. The credit terms for the facilities are 4 years and may be extended to 5 years based at OCBC's discretion.

TL-1 credit facility is used for the refinancing of credit facilities obtained from PT Bank International Indonesia Tbk, TL-2 credit facility is used to meet chemical tankers operational requirements and TL-3 is used as a loan to an affiliated company, which shall be used to purchase 1 (one) chemical tanker. TL-1, TL-2 and TL-3 facilities are subject to floating interest rate of 5.75%-6% per annum for 2014 (2013: 5.75%-6%, 2012 and 2011: 5.75%). SOKL utilized TL-3 facility on 7 September 2012.

TL-1, TL-2 and TL-3 outstanding balances as of 30 June 2014 were USD 546,919, USD 606,250 and USD 1,016,667, respectively. TL-1, TL-2 and TL-3 outstanding balances as of 31 December 2013 were USD 716,069, USD 793,750 and USD 1,266,667, respectively. TL-1, TL-2 and TL-3 outstanding balances as of 31 December 2012 were USD 1,054,370, USD 1,168,750 and USD 1,828,5571, respectively. TL-1 and TL-2 outstanding balances as of 31 December 2011 were USD 1,330,648 and USD 1,475,000, respectively. In 30 September 2014, the outstanding balance for TL-1, TL-2 and TL-3 were USD462.342, USD512.500 and USD891.667; respectively.

Loans from OCBC are secured by vessels owned by SOKL and personal guarantees from Paulus Utomo and Go Darmadi.

On 31 October 2013, SOKL entered into a credit agreement with OCBC and OCBC Ltd., granting a Term Loan credit facility, with a maximum limit of USD 25,200,000 (USD 7,560,000 from OCBC and USD 17,640,000 from OCBC Ltd.) These facilities are used to purchase 1 (one) tanker, with a credit term of 5 years, including a 4 months grace period commencing on 31 October 2013. In 2013, the facilities are subject to an interest rate equals to LIBOR + 5,738% per annum from OCBC and an interest rate equals to Cost of Fund + 3,73% per annum from OCBC Ltd. The loans will mature on 31 October 2018.

The loan outstanding balances as of 30 June 2014 and 31 December were USD 24,464,000 (USD 7,339,200 from OCBC and USD 17,124,800 from OCBC Ltd.) and USD 25,200,000 (USD 7,560,000 from OCBC and USD



17,640,000 from OCBC Ltd.), respectively. The loan outstanding balance as of 30 September 2014 was USD23.588.000 (USD7.076.400 from OCBC and USD16.511.600 from OCBC Ltd.)

The loans from OCBC and OCBC Ltd are secured by first degree lien on 1 (one) tanker financed by the loan, personal guarantees from Paulus Utomo and Go Darmadi, a corporate guarantee from the Company, insurance of the said tanker, all revenue, contracts, charter income, charter agreement and other cash flows from the said tanker and restricted cash under an Escrow Account in OCBC.

### OCBC Ltd., Singapore

#### SIM

In 2012, SIM obtained a Term Loan credit facility (Term Loan I) from OCBC Ltd. The loan will expire in 48 months, commencing on September 2012 and is subject to an interest rate equals to Cost of Fund + 4% per annum.

In 2013, SIM obtained a Term Loan credit facility (Term Loan II) from OCBC Ltd. The loan will expire in 57 months, commencing on February 2013 and is subject to an interest rate equals to Cost of Fund + 4% per annum.

In 2013, SIM obtained an Investment Credit facility (Term Loan III) from OCBC Ltd. The loan will expire in 43 months, commencing on May 2013. The loan is subject to an interest rate equals to Cost of Fund + 4% per annum. The loan will mature on 7 April 2017.

Term Loan I outstanding balances as of 30 June 2014, 31 December 2013 and 2012 were USD 4,961,250, USD 5,433,750 and USD 6,234,375, respectively. The loan outstanding balance for Term Loan I in 30 September 2014 was USD4.725.000. Term Loan II outstanding balances as of 30 June 2014 and 31 December 2013 were USD 5,250,000 and USD 5,730,000. The loan outstanding balance for Term Loan II in 30 September 2014 was USD5.010.000. Term Loan III outstanding balances as of 30 June 2014 and 31 December 2013 were USD 5,040,000 and USD 5,880,000. The loan outstanding balance for Term Loan III in 30 September 2014 was USD 4.620.000.

The entire credit facilities from OCBC Ltd. referred to above are secured by several vessels owned by AMO, SML and Success Marlina XXXIII S.A., personal guarantees from Paulus Utomo and Go Darmadi and a corporate guarantee from SOKL.

## 2. Finance Lease and Consumer Financing Payables

The outstanding balance of Finance Lease and Consumer Financing Payables as of 30 June 2014 was USD as detailed below:

	(in USD)
Description	Amount
PT BCA Finance	204,669
PT Bank Jasa Jakarta	7,976
PT Toyota Astra Finance	2,380
<b>Total Finance Lease and Consumer Financing Payables</b>	<b>215,025</b>

## 3. Estimated Employees' Benefit Liabilities

The Group's employees' benefit liabilities for the years/periods 2014, 2013, 2012 and 2011 were determined based on actuarial calculation performed by PT Sakura Aktualita Indonesia, an independent actuary, for the period ended 30 June 2014 and the years ended 31 December 2013, 2012 and 2011, as stated in its reports dated 15 August 2014, 21 April 2014, 24 May 2013 and 10 May 2012, respectively.

The actuarial calculation is based on Projected Unit Credit method based on the following assumptions:

Actuarial interest rate	: 9%
Salary and wages increase	: 8 - 10%
Normal pension age	: 55 years
Mortality rate	: <i>Commissioners Standard Ordinary 1980 (CSO '80)</i>



The details of estimated employees' benefit liabilities are as follows:

	(in USD)
Description	30 June 2014
Present value of obligation	793,108
Unrecognized actuarial losses – net	(156,378)
Unrecognized past service cost	(8,192)
Foreign exchange gain	3,178
<b>Total</b>	<b>631,716</b>

#### 4. Commitments and Contingencies

As of 30 June 2014, the Company's Subsidiary has the following commitments:

a. MOS

On 7 June 2013, MOS entered into a shipbuilding agreement with PT Pertamina (Persero) (Pertamina). MOS agrees to design, build, launch, equip, test, complete and deliver 1 (one) 17,500 LTDW refined oil tanker. Based on the agreement, the ship shall be delivered to MOS shipyard within 24 (twenty four) months commencing on the effective date of the agreement.

On 7 May 2014, MOS entered into a shipbuilding agreement with PT Pertamina (Persero) (Pertamina). MOS agrees to design, build, launch, equip, test and deliver a (one) 17,500 LTDW crude oil tanker. Based on the agreement, the ship shall be delivered to MOS shipyard within 24 (twenty four) months commencing on the effective date of this agreement. There has been no progress on the construction work up to the reporting date.

On 7 May 2014, MOS entered into a shipbuilding agreement with PT Pertamina (Persero) (Pertamina). MOS agrees to design, build, launch, equip, test and deliver a (one) 17,500 LTDW have tanker. Based on the agreement, the ship shall be delivered to MOS shipyard within 24 (twenty four) months commencing on the effective date of this agreement. There has been no progress on the construction work up to the reporting date.

**ALL LIABILITIES OF THE COMPANY AND ITS SUBSIDIARIES AS OF 30 JUNE 2014 HAS BEEN FULLY DISCLOSED IN THIS PROSPECTUS. AS OF 30 JUNE 2014 UP TO THE DATE OF THE INDEPENDENT AUDITOR'S REPORT, AND SUBSEQUENT TO THE DATE OF SUCH INDEPENDENT AUDITOR'S REPORT UP TO THE DATE OF EFFECTIVENESS OF THE REGISTRATION STATEMENT, THERE ARE NO LIABILITIES THAT HAVE FALLEN DUE THAT HAVE NOT BEEN SETTLED BY THE COMPANY.**

**AS OF 30 JUNE 2014 UP TO THE DATE OF THE INDEPENDENT AUDITOR'S REPORT, AND SUBSEQUENT TO THE DATE OF SUCH INDEPENDENT AUDITOR'S REPORT UP TO THE DATE OF EFFECTIVENESS OF THE REGISTRATION STATEMENT, THE COMPANY HAS NO OTHER LIABILITIES, COMMITMENTS AND CONTINGENCIES OTHER THAN LIABILITIES THAT ARISE FROM THE COMPANY'S NORMAL COURSE OF BUSINESS AND THE LIABILITIES WHICH HAVE BEEN PREVIOUSLY PRESENTED IN THIS PROSPECTUS AND DISCLOSED IN THE CONSOLIDATED FINANCIAL STATEMENTS.**

**THROUGH THE SYSTEMATIC MANAGEMENT OF ASSETS AND LIABILITIES AND THE EXPECTED INCREASE OF FUTURE OPERATING RESULTS, THE COMPANY REPRESENTED ITS ABILITY TO DULY MEET ALL ITS LIABILITIES IN ACCORDANCE WITH THE PREVAILING TERMS AND CONDITIONS.**

**AS OF THE DATE OF ISSUANCE OF THIS PROSPECTUS, THERE ARE NO NEGATIVE COVENANTS IMPOSED WHICH MAY ADVERSELY AFFECT THE RIGHTS OF THE PUBLIC SHAREHOLDERS.**



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## IV. KEY FINANCIAL HIGHLIGHTS

Prospective investors should read the key financial highlights presented below relating to the Company's consolidated financial statements together with the related notes to the consolidated financial statements contained in this Prospectus. Prospective investors should also read Chapter V Management's Analysis and Discussion.

Presented below are the Company's consolidated statements of financial position as of 30 June 2014, 31 December 2013, 2012 and 2011, and the consolidated statements of comprehensive income for the six months periods ended 30 June 2014 and June 30 2013, and the years ended as of 31 December 2013, 2012 and 2011. The consolidated financial statements of the Company as of 30 June 2014, 31 December 2013, 2012 and 2011, and the consolidated statements of comprehensive income for the six months periods ended 30 June 2014 and 2013, and the years ended 31 December 2013, 2012 and 2011 were audited by Public Accountant Firm Kosasih, Nurdjaman Tjahjo & Partners (a member of Crowe Horwath International), which expressed an unqualified opinion in its report dated 9 October 2014.

The statements of financial position and comprehensive income for the period since the establishment (13 August, 2010) until 31 December 2010 were audited by Public Accountant Firm Drs. Effendy, which expressed an unqualified opinion in its report dated 18 July 2012, before the restatement with respect to the implementation of SFAS No. 10 (2010 Revision) "The Effects of Changes in Foreign Exchange Rates" and SFAS No. 38 (2004 Revision) regarding "Accounting for Restructuring".

### CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Description	(in USD)				
	As of 30 June 2014	2013	As of 31 December		2010
			2012	2011	
<b>Current Assets</b>					
Cash and Cash Equivalents	10,334,038	2,972,951	3,957,591	3,528,067	3,897,034
Restricted Cash	14,980	74,228	202,506	105,515	3,067
Trade Receivables - net					
Third parties – Less allowance for impairment of trade receivables in the amount of USD260.121 as of June 30, 2014, USD259.783 as of December 31, 2013 and USD25.779 as of December 31, 2012	6,033,248	17,001,764	4,305,707	3,714,251	4,902,957
Related parties	-	338,291	193,600	-	-
Other Receivables					
Third Parties	726,762	537,590	970,964	31,893	29,190
Related Parties	-	-	224,659	-	-
Unbilled revenue	2,212,849	1,770,248	2,863,219	-	-
Inventory	2,524,008	3,985,503	1,835,656	929,168	115,365
Prepaid Tax	867,412	531,214	169,319	2,880	371,718
Advance and Prepaid Expenses	5,990,428	3,378,002	3,730,151	1,909,163	1,782,241
Due from Related Parties	-	-	2,106	510,957	756,451
Non-Current Assets held for Sale	9,000,000	9,000,000	-	-	-
<b>Total Current Assets</b>	<b>37,703,725</b>	<b>39,589,791</b>	<b>18,455,478</b>	<b>10,731,894</b>	<b>11,858,023</b>
<b>Non-Current Assets</b>					
Fixed Assets net of accumulated depreciation in the amount of USD79.302.366 as of June 30, 2014, USD72.868.739 as of December 31, 2013, USD62.464.036 as of December 31, 2012, and USD57.376.307 as of December 31, 2011	331,419,875	326,860,272	268,599,501	220,512,860	170,058,089
Intangible Assets - net of accumulated amortization in the amount of USD66.578 as of June 30, 2014 and USD41.488 as of December 31, 2013	134,146	159,237	39,963	-	-
Deferred Tax Assets	1,235,481	1,528,136	552,797	496,045	231,010
Others Non-Current Assets	6,745,300	6,509,680	7,384,166	3,585,395	3,962,575
<b>Total Non-Current Assets</b>	<b>339,534,802</b>	<b>335,057,325</b>	<b>276,576,427</b>	<b>224,594,300</b>	<b>174,251,674</b>
<b>Total Assets</b>	<b>377,238,527</b>	<b>374,647,116</b>	<b>295,031,905</b>	<b>235,326,194</b>	<b>186,109,697</b>
<b>Liability and Equity</b>					
<b>Current Liabilities :</b>					
Trade Payable:					
Third Parties	8,445,658	8,312,673	5,191,307	2,866,642	2,376,743
Related Parties	256,032	769,745	390,849	367,589	331,766
Others Payables	3,390,056	2,995,088	3,896,532	1,912,363	1,032,063
Billings in excess of estimated earnings on contracts	1,578,801	1,478,502	-	-	-
Tax payable	294,988	235,653	326,410	2,167,714	2,011,204
Accrued Expenses	4,870,686	4,469,704	3,470,317	3,338,706	1,545,820
Short-term Bank Loans	6,386,810	12,633,950	14,037,368	5,251,360	3,424,103
Due to Related Parties	10,839,738	35,528,480	34,701,884	35,701,950	26,879,360
Current maturities of long-term loans:					
Bank Loans	35,603,408	31,912,329	27,421,524	23,873,598	17,887,564
Finance lease payables	197,414	204,425	278,017	154,014	89,709



Description	As of 30 June		As of 31 December		
	2014	2013	2012	2011	2010
Consumer financing payables	205,187	132,597	151,568	72,438	
<b>Total Current liabilities</b>	<b>72,068,778</b>	<b>98,673,146</b>	<b>89,865,776</b>	<b>75,706,374</b>	<b>55,578,332</b>
<b>Non-current Liabilities</b>					
Long-term loans – net of current maturities					
Bank Loans	129,958,792	136,697,661	121,200,034	93,014,860	72,132,734
Finance lease payables	-	80,624	306,084	255,607	46,965
Consumer financing payables	215,025	100,730	167,601	67,566	
Employee benefit liabilities	631,716	577,617	566,713	300,246	202,344
<b>Total non-current liabilities</b>	<b>130,805,533</b>	<b>137,456,632</b>	<b>122,240,432</b>	<b>93,638,279</b>	<b>72,382,043</b>
<b>Total Liabilities</b>	<b>202,874,311</b>	<b>236,129,778</b>	<b>212,106,208</b>	<b>169,344,653</b>	<b>127,960,375</b>
<b>Equity</b>					
Share capital - par value of Rp100 per share as of June 30, 2014, December 31, 2013 and 2012, and Rp1.000.000 per share as of December 31, 2011					
Authorized - 23.000.000.000 shares as of June 30, 2014, 14.000.000.000 shares as of December 31, 2013, 4.000.000.000 shares as of December 31, 2012, and 200.000 shares as of December 31, 2011					
Issued and fully paid - 6.000.000.000 shares as of June 30, 2014, 3.572.081.001 shares as of December 31, 2013, 1.072.081.001 shares as of December 31, 2012, and 50.050 shares as of December 31, 2011	57,064,356	36,831,698	11,494,716	5,567,297	5,567,297
Additional paid-in capital	65,141,276	65,112,248	-	-	-
Proforma equity arising from restructuring transactions of entities under common control	-	-	-	23,097,110	20,011,077
Difference in value from restructuring transactions of entities under common control	-	-	65,110,210	21,615,527	21,615,527
Retained earnings					
Appropriated	7,284,280	-	-	-	-
Unappropriated	44,727,195	36,421,401	6,202,071	3,450,487	60,368
Total equity attributable to owners of the parent entities	174,217,107	138,365,347	82,806,997	53,730,421	47,254,269
Non-controlling interests	147,109	151,991	118,700	12,251,120	10,895,053
<b>Total Equity</b>	<b>174,364,216</b>	<b>138,517,338</b>	<b>82,925,697</b>	<b>65,981,541</b>	<b>58,149,322</b>
<b>Total Liabilities and Equity</b>	<b>377,238,527</b>	<b>374,647,116</b>	<b>295,031,905</b>	<b>235,326,194</b>	<b>186,109,697</b>

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

Description	Six months ended 30 June		Six months ended 31 December			
	2014	2013	2013	2012	2011	2010
Net Revenue	54,771,034	46,282,422	106,404,574	71,391,473	65,131,767	24,975,438
Cost of Revenue	29,429,386	30,305,560	70,533,203	48,262,552	43,349,412	13,247,937
Gross Profit	25,341,648	15,976,862	35,871,371	23,128,921	21,782,355	11,727,501
Operating Expense	2,525,370	2,607,678	6,692,605	5,520,708	5,058,722	1,663,788
<b>Income from Operation</b>	<b>22,816,278</b>	<b>13,369,184</b>	<b>29,178,766</b>	<b>17,608,213</b>	<b>16,723,633</b>	<b>10,063,713</b>
Other Income (Expenses)						
Gain (loss) of foreign exchange – net	(1,102,167)	1,494,696	14,585,266	3,480,129	2,321,612	850,052
Financial cost	(5,163,678)	(3,864,873)	(9,606,422)	(8,895,041)	(8,569,059)	(2,711,312)
Financial income	2,707	5,168	11,101	18,601	11,713	492
Loss on disposal of fixed assets and impairment of no-current asset held for sale	-	(160,279)	(4,161,654)	(743,659)	(2,198,835)	24,426
Others – net	(37,406)	(30,630)	249,714	(167,555)	(10,943)	(105,450)
Other income (expenses) – net	(6,300,544)	(2,555,918)	1,078,005	(6,307,525)	(8,445,512)	(1,941,796)
Income before income tax benefit (expense)	16,515,734	10,813,266	30,256,771	11,300,688	8,278,121	8,121,917
Income tax benefit (expense):						
Final	(562,326)	(514,704)	(1,082,557)	(855,090)	(792,864)	(301,706)
Current	(18,599)	(130,037)	(9,586)	(7,855)	-	-
Deferred	(320,589)	38,622	1,089,582	87,633	266,996	52,784
Income tax expense – net	(901,514)	(606,119)	(2,561)	(775,312)	(525,868)	248,922
Income before proforma income adjustments arising from restructuring transactions of entities under common control	15,614,220	10,207,147	30,254,210	10,525,376	7,752,253	7,872,995
Proforma income arising from restructuring transactions of entities under common control	-	-	-	(6,867,063)	(3,006,067)	(7,812,627)
<b>Income for The Period / Year</b>	<b>15,614,220</b>	<b>10,207,147</b>	<b>30,254,210</b>	<b>3,658,313</b>	<b>4,746,186</b>	<b>60,368</b>
<b>Other Comprehensive Income</b>	-	-	-	-	-	<b>21,615,527</b>
<b>Total Comprehensive Income for The Period / Year</b>	<b>15,614,220</b>	<b>10,207,147</b>	<b>30,254,210</b>	<b>3,658,313</b>	<b>4,746,186</b>	<b>21,675,894</b>



Description	Six months ended 30 June		2013	Six months ended 31 December		
	2014	2013		2012	2011	2010
Income for The Period /Year						
Attributable to :						
Owners of the parent entities	15,590,074	10,194,948	30,219,330	2,751,584	3,390,119	60,368
Non-controlling interest	24,146	12,199	34,880	906,729	1,356,067	-
<b>Total</b>	<b>15,614,220</b>	<b>10,207,147</b>	<b>30,254,210</b>	<b>3,658,313</b>	<b>4,746,186</b>	<b>60,368</b>
<b>Basic earnings per share</b>						
<b>attributable to owners of the</b>						
<b>parent entities</b>	<b>0.0044</b>	<b>0.0095</b>	<b>0.0130</b>	<b>0.0050</b>	<b>0.0068</b>	<b>0.0001</b>

## CONSOLIDATED FINANCIAL RATIOS

Description	30-Jun	2013	31-Dec	2011
	2014		2012	
<b>GROWTH RATIO (%)</b>				
Net Revenue	18.34%	49.04%	9.61%	160.78%
Cost of Revenue	-2.89%	46.14%	11.33%	227.22%
Gross Profit (Loss)	58.61%	55.09%	6.18%	85.74%
Operating Expense	-3.16%	21.23%	9.13%	204.05%
Income (Losses) From Operation	70.66%	65.71%	5.29%	66.18%
Income before income tax benefit (expense)	52.74%	167.74%	36.51%	1.92%
Income before proforma income adjustments arising from restructuring transactions of entities under common control	52.97%	187.44%	35.77%	-1.53%
Comprehensive income for the year	52.97%	727.00%	-22.92%	-78.10%
Total assets	0.69%	26.99%	25.37%	26.44%
Total liabilities	-14.08%	11.33%	25.25%	32.34%
Total equity	25.88%	67.04%	25.68%	13.47%
<b>EARNINGS RATIO (%)</b>				
Gross profit margin	46.27%	33.71%	32.40%	33.44%
Operating Income Margin	41.66%	27.42%	24.66%	25.68%
Net income margin*	28.51%	28.43%	14.74%	11.90%
Return on equity*	19.96%**	27.32%	14.14%	12.49%
Return on assets*	8.31%**	9.04%	3.97%	3.68%
<b>SOLVENCY RATIO (X)</b>				
Liabilities/Assets	0.54	0.63	0.72	0.72
Liabilities/Equity	1.16	1.70	2.56	2.57
EBITDA to Interest Coverage Ratio***	5.71	5.73	3.95	3.65
Debt Service Coverage Ratio****	1.19	1.44	1.05	1.01
<b>LIQUIDITY RATIO (X)</b>				
Current Ratio	0.52	0.40	0.21	0.14

\* Net income refers to Net Income before proforma income adjustments arising from restructuring transactions of entities under common control

\*\*Annualized

\*\*\*EBITDA to Interest Coverage Ratio = EBITDA/ Interest Expense

\*\*\*\*Debt Service Coverage Ratio = EBITDA/ (Principal Payment + Interest Expense)



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## V. MANAGEMENT'S DISCUSSION AND ANALYSIS

*The discussion and analysis presented in this chapter should be read in conjunction with the Key Financial Highlights, the Company's consolidated financial statements and the accompanying notes and other financial information, which are presented in this Prospectus. The Company's financial statements are presented in conformity with the Indonesian Statement of Financial Accounting Standards.*

*The following discussion is prepared based on the Company's consolidated statements of financial position as of 30 June 2014, 31 December 2013, 2012 and 2011, and the consolidated statements of comprehensive income for the six month periods ended 30 June 2014 and 30 June 2013 and the years ended 31 December 2013, 2012 and 2011. The Company's consolidated statements of financial position as of 30 June 2014, 31 December 2013, 2012 and 2011, and the consolidated statements of comprehensive income for the six month periods ended 30 June 2014 and 2013, and the years ended 31 December 2013, 2012 and 2011 were audited by Public Accountant Firm Kosasih, Nurdjaman, Tjahjo & Partners (member of Crowe Horwath International), which expressed an unqualified opinion in its report dated 9 October 2014.*

### 1. General

The Company's Business Group was started with the establishment of ABPL in 1980, a company engaged in marine transportation operating in domestic and international waters. Along with the growing business scale, the Company's operation activities encompasses domestic and international shipping services and shipyard services. In 2010, the Company's group underwent a business restructuring through the establishment of a holding company covering all the subsidiaries, totaling 10 entities, including indirect subsidiaries located in Singapore and Panama.

In 2005, the Republic of Indonesia Presidential Instruction No. 5/2005 on Empowerment of the National Shipping Industry was issued, instructing the implementation of cabotage principle which requires domestic sea transportation to be served by Indonesian-flagged vessels operated by national shipping companies. The implementation of cabotage principle provides a positive growth climate for the domestic shipping industry in general, and the Company's Business Group in particular. The Company's group managed to achieve sustainable growth in business scale, marked by the number of oil tankers and chemical tankers, with a total of 33 types of vessels, including 2 VLCCs. Currently, the Company claims to be the first private company in Indonesia to own a VLCC.

The Company's shipping business is currently expanding to other supporting services, such as the development of a new line of business, i.e. the shipyard, which main business activities are ship repair, maintenance and new shipbuilding. The shipyard owned by the Company is located in Karimun Archipelago within the FTZ ring that is believed to provide advantages in the form of tax incentives on commercial transactions of goods and services. This factor provides an added value in the form of highly competitive prices of ship spare parts, ship maintenance fee and repair fee offered by the shipyard. In terms of location, the shipyard owned by the Company is located in the connecting area between the Indonesian and Singaporean territorial waters, which provides easy access to international shipping traffic and therefore has a high occupancy opportunity from vessels operating in the area.

The business growth of the Company's group is also marked by its ability to recognize continuously increasing revenue since its establishment and the start of consolidated accounting for all its Subsidiaries. The charts in section 3.1 below indicated that the Company's revenue has grown at a compounded annual growth rate (CAGR) of 27.82% for the period from 2011-2013 and at a CAGR of 18.34% for the six months period ended 30 June 2013 up to 30 June 2014. In overall, the growth of the Company's consolidated revenue was due to the additional number of vessels. In addition, revenue from shipyard services contributed USD 3,906,506 and USD 5,053,909, respectively for the periods ended 31 December 2013 and 30 June 2014.

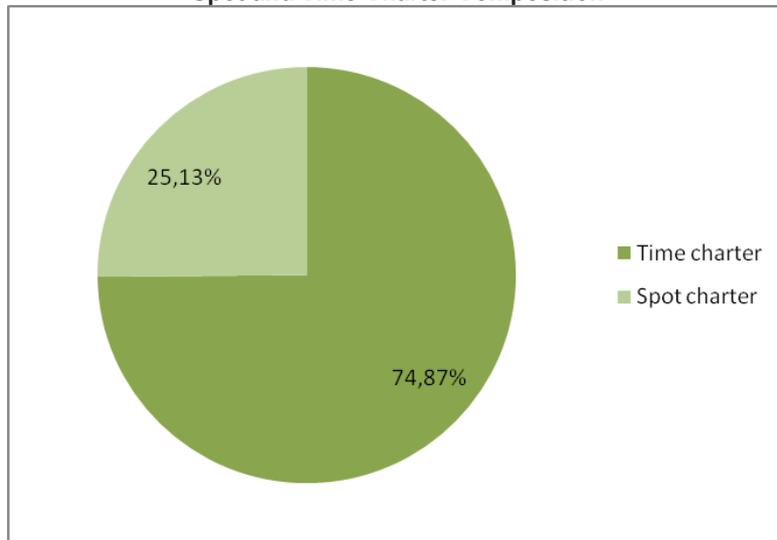
Furthermore, net profit recorded by the Company also experienced positive increase, in line with the Company's growing business scale and number of vessels. The comprehensive income for the year has grown at a CAGR of 97.55% for the past three years since 2011-2013 and the comprehensive income for the six months period ended 30 June 2013 and 2014 recorded a CAGR of 52.97%, from USD 10,207,147 to USD 15,614,220. The net profit is derived from profit before proforma income adjustment. The comprehensive income adjustment was recognized in relation to the implementation of SFAS 38 (2004 Revision) concerning "Accounting for Entities Under Common Control Restructuring", whereby the Company's financial information must be presented as if the Company has completed the acquisition of all Subsidiaries and consolidated the financial statements of the said subsidiaries to the Company's consolidated reporting system since 2010.

As of 30 June 2014, the composition of revenue recognized by the Company, in terms of vessel charter revenue from time charter method and spot charter method, indicated that the revenue from time charter contract was 74.87%, whereas 25.13% was contributed by per trip vessel charter (spot). Vessel charter contract using the time charter method provides better assurance on the vessels' utilization rate, since the contracts are normally valid for



longer term, i.e., between 1 to 10 years in average. Such contracts provide assurance on the Company's future cash flow and revenue.

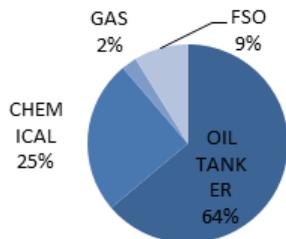
Spot and Time Charter Composition



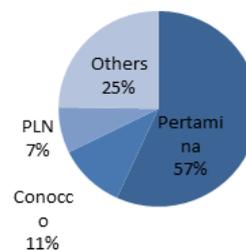
Vessel charter contracts based on the time charter method are the Company's main focus. The growth of time charter contracts is also related to the Company's ability to obtain new contracts with customers who are long-term use oriented. Some of the Company's customers with long-term use orientation are PT Pertamina, Conoco Philips (Grissik) Ltd., and Cama Resources Canada Inc. The following chart presents the contribution of revenue per customer in percentage to the total revenue recognized in the Company's consolidated statements of comprehensive income. Several names categorized as others are the Company's customers who are mostly engaged in chemical manufacturing industry and CPO and charter vessels using the spot charter method. Transportation of chemicals and CPO tends to use spot contract since it is adjusted to the production quantity and transportation schedule from the processing location to buyers' location, and is normally far lower in quantity compared to transportation of material.

In line with the types and number of vessels owned by the Company, the largest revenue up to the end of the first semester for the year 2014 was contributed by charter of oil tankers, i.e., approximately 64% of the total revenue, followed by chemical tankers, which contributed 25% for the transportation of chemical substances and CPO and FSO and gas tankers, which contributed approximately 9% and 2%, respectively.

Revenue Composition by Ship Type



Revenue Composition per Customer



The Company's vision in conducting its business activities is to be widely recognized as the leader in the world shipping and shipyard industry for its excellence in providing quality, reliability and world class services to its customers.

The Company's missions are as follows

1. To offer quality and safety assurances by effectively applying international standards that are certified by credible institutions to the Company's system
2. To expand client networks in order to rapidly develop the Company's business capacities
3. To be part of the community of responsible citizen who supports quality, health, safety and preservation of the environment
4. To provide a comfortable workplace in which our employees can utilize their skills and talents effectively and contribute to the improvement of the Company's performance
5. To create value to the Company as an organization that is professionally, effectively and efficiently managed with healthy financial foundation.

The Company embraces 6 main values in conducting its business activities, which are:

- Stakeholders Service
- Organizational Awareness
- Excellent Teamwork
- Continuous Improvement
- High Operational Performance
- Integrity

## 2. Government Policies Affecting the Company's Operational Performance

The growth of the Company's performance recorded in the past few years cannot be separated from the role of Government policies in the national maritime industry. Several policies supporting the development of national shipping industries are, among others, as follows:

- Implementation of Cabotage Principle

The implementation of cabotage principle based on Law No. 17 Year 2008 by 1 January 2011, at the latest. The law stipulates the mandatory use of Indonesian-flagged vessels for sea freight transportations, particularly for oil and gas downstream and upstream industry support sector. The implementation of cabotage principle has limited the role of foreign-flagged vessels and created opportunities for national shipping companies. The limitation was imposed as part of the Government's effort to support the growth of national shipping companies and to reduce foreign exchange income outflow as a result of charter fee payments to foreign-flagged vessels.

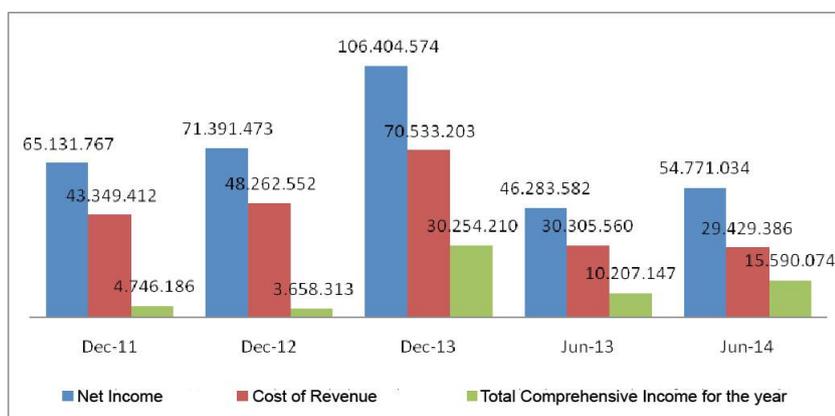
- Foreign Investments

Presidential Regulation No. 36 Year 2010 concerning Negative Investment List limits the foreign investments in Indonesian Domestic and Overseas Sea Transportation up to 49%. This regulation has a positive impact on the Company's business growth as the level of competition, particularly from foreign competitors, will be minimized.

## 3. Finance

### 3.1. Growth of the Company's Revenue, Direct Cost and Gross Profit

The following chart presents the growth of the Company's revenue, cost of revenue and comprehensive income from the year 2011 up to 30 June 2014:





In overall, revenue growth during the period from 2011 to 30 June 2014 was mainly contributed by the growing business scale, marked by the increase in fleet size, which, up to the date of issuance of this Prospectus has reached a total of 33 vessels of various types of tankers. As previously stated, revenue has grown at a compounded annual growth rate of 27.82% from 2011 to 2013, and at a CAGR of 18.34% for the six months periods ended 30 June 2013 and 2014.

In line with revenue growth, cost of revenue also experienced growth that was fairly similar from the years 2011 to 2013, as well as the six months periods ended 30 June 2013 and 2014. The most crucial component of cost of revenue is the vessel fuel/bunker cost. Fuel/bunker cost represents the cost of fuel used to operate various supporting facilities on the ship and to run the ships' engine to travel from one location to the next. The increase in cost has a positive correlation with the Company's business frequency.

### 3.1.1. Revenue

Presented below is the growth of revenue derived from the Company's vessel chartering services (time charter, spot charter) and shipyard services from 2011 up to 30 June 2014.

*(in USD)*

Type of Revenue	30 June		31 December		
	2014	2013	2013	2012	2011
Vessel Chartering Services					
Time charter	37,223,934	27,720,128	61,696,073	52,783,473	44,778,512
Spot charter	12,493,191	18,340,390	40,801,995	18,172,124	20,353,255
Shipyard	5,053,909	221,904	3,906,506	435,876	-
<b>Total revenue</b>	<b>54,771,034</b>	<b>46,282,422</b>	<b>106,404,574</b>	<b>71,391,473</b>	<b>65,131,767</b>

The Company's revenue for the six months period ended 30 June 2014 was USD 54,771,034, with time charter contracts as the largest contributor, i.e., 67.96% of the Company's total revenue (including revenue from shipyard).

#### Comparison of revenue for the periods ended 30 June 2014 and 30 June 2013

Revenue for the period ended 30 June 2014 increased by approximately 18.34% or USD 8,488,612 compared to the period ended 30 June 2013. The increase was mainly due to additional revenue from new shipbuilding in the Company's shipyard with a total value of USD 4.8 million. In addition, the increase was contributed to by the addition of 1 VLCC recently purchased by the Company at the end of 2013.

#### Comparison of revenue for the years ended 31 December 2013 and 31 December 2012

Revenue for the year ended 31 December 2013 increased by approximately 49.04% or USD 35,013,101 compared to 2012. The increase in revenue was due to the addition of 3 new vessels, which contributed to approximately USD 12.5 million to the increase in revenue. The increase in revenue from vessels also increased as the Company chartered ships from external parties to meet the demand of the contracts obtained by the Company. In 2013, revenue generated from chartered ships nearly reached USD 12 million. In addition, the Company had additional revenue from new shipbuilding in the Company's shipyard with a total value of USD 3.5 million.

#### Comparison of revenue for the years ended 31 December 2012 and 31 December 2011

Revenue for the year ended 31 December 2012 increased by approximately 9.61% or USD 6,259,706 compared to 2011. The increase in revenue was due to the replacement of 3 old vessels with 3 new vessels (2 chemical tankers and 1 oil tanker). The new vessels replacing the old ones were entirely allocated for the new vessel charter contract with a total value of approximately USD 4.5 million.

### 3.1.2. Cost of Revenue

The following table presents the growth and composition of the Company's cost of revenue from 2011 up to 30 June 2014:

*(in USD, except %)*

Cost of Revenue	30 June				31 December					
	2014	%	2013	%	2013	%	2012	%	2011	%
Vessel operating cost	10,730,612	36.46%	15,735,699	51.92%	36,475,242	51.71%	21,796,401	45.16%	19,419,602	44.80%
Depreciation	5,469,565	18.59%	6,047,310	19.95%	11,053,449	15.67%	11,174,999	23.15%	10,160,312	23.44%
Shipbuilding cost	4,020,499	13.66%	-	-	2,861,455	4.06%	-	-	-	-
Salary & Benefit	3,131,838	10.64%	3,948,321	13.03%	7,269,387	10.31%	4,737,366	9.82%	3,818,885	8.81%
Docking	2,143,101	7.28%	1,823,619	6.02%	3,803,997	5.39%	3,451,861	7.15%	3,690,459	8.51%
Insurance	1,622,707	5.51%	1,776,616	5.86%	3,679,612	5.22%	3,780,585	7.83%	3,592,808	8.29%
Vessel charter cost	1,436,273	4.88%	165,493	0.55%	3,390,402	4.81%	316,933	0.66%	646,734	1.49%
Vessel	388,258	1.32%	405,718	1.34%	1,225,234	1.74%	558,940	1.16%	921,506	2.13%



Cost of Revenue	30 June				31 December					
	2014	%	2013	%	2013	%	2012	%	2011	%
management cost										
Others	486,533	1.65%	402,784	1.33%	774,425	1.10%	2,445,467	5.07%	1,099,105	2.54%
<b>Total</b>	<b>29,429,386</b>	<b>100.00%</b>	<b>30,305,560</b>	<b>100.00%</b>	<b>70,533,203</b>	<b>100.00%</b>	<b>48,262,552</b>	<b>100.00%</b>	<b>43,349,412</b>	<b>100.00%</b>

Note: the percentage stated above represents percentage to total Cost of Revenue for each respective period.

The Company's Cost of Revenue for the six months period ended 30 June 2014 was USD 29,429,386, with vessel operational cost as the largest contributor, totaling USD 10,730,612.

#### Comparison of Cost of Revenue for the periods ended 30 June 2014 and 30 June 2013

Cost of revenue for the period ended 30 June 2014 was nearly similar to the cost of revenue for the period ended 30 June 2013 despite of the increase in the Company's revenue. This result occurred primarily because the Rupiah exchange rate depreciated significantly against USD in 2014, from approximately Rp 9,700 per USD in the period between January to June 2013 to Rp 11,700 for the same period in 2014, therefore the cost of revenue paid in Rupiah appeared lower by approximately 21% in USD. In addition to Rupiah depreciation, vessel operating cost in 2014 decreased by approximately 32% compared to 2013 as a result of the lower repair cost of the Company's vessels.

#### Comparison of Cost of Revenue for the years ended 31 December 2013 and 31 December 2012

Cost of Revenue for the period ended 31 December 2013 increased by approximately 46.07% compared to similar period in 2012, from USD 48.2 million to USD 70.5 million. The increase was mainly due to the increase in vessel operating cost, crew salary and vessel charter cost as a result of the addition of 3 new vessels and charter of vessels from external parties, with a total value of close to USD 15 million. The Company chartered vessels from external parties to replace the Company's vessels that were docking or in order to meet the increase in demand for vessel charter.

#### Comparison of Cost of Revenue for the years ended 31 December 2012 and 31 December 2011

Cost of Revenue for the period ended 31 December 2012 increased by approximately 11.39% compared to similar period in 2011, from USD 43 million to USD 48 million. The increase was mainly due to the increase of vessel operating cost by 12%, from USD 19.4 million in 2011 to USD 21.8 million in 2012. The component of cost of revenue experiencing the largest increase was vessel operating cost by USD 2.4 million, which included bunker usage cost of approximately USD 1 million.

The use of bunker in 2012 was mainly caused by the increase in docking activities for the Company's vessels for the purpose of maintenance on repairs of the Company's vessels. Bunker cost incurred when a vessel is docking must be borne by the Company, although at the time in question, the vessel is under charter contract using the time charter method. On the other hand, the increase in bunker cost was also contributed to by the increase in fuel purchased in 2012, where fuel price increased by approximately 10%-15% compared to the prior year.

### 3.1.3. Operating Expense

The following table presents the growth of the Company's Operating Expense, which consists of General and Administration Expense

Operating Expenses	30 June				31 December					
	2014	%	2013	%	2013	%	2012	%	2011	%
Salaries and Allowances	975,572	38.63%	912,611	35.00%	2,098,283	31.35%	1,744,128	31.59%	1,746,147	34.52%
Travel expense	297,245	11.77%	281,476	10.79%	600,879	8.98%	418,057	7.57%	397,558	7.86%
Depreciation	184,374	7.30%	161,579	6.20%	335,053	5.01%	308,209	5.58%	600,995	11.88%
Electricity, water and telecommunication	140,905	5.58%	169,843	6.51%	327,133	4.89%	369,032	6.68%	304,595	6.02%
Entertainment and donation	123,469	4.89%	161,934	6.21%	400,514	5.98%	164,057	2.97%	205,931	4.07%
Repair and maintenance	117,024	4.63%	104,189	4.00%	216,809	3.24%	177,965	3.22%	331,394	6.55%
License and taxes	79,131	3.13%	60,180	2.31%	231,894	3.46%	335,954	6.09%	314,592	6.22%
Professional fees	66,014	2.61%	179,261	6.87%	356,829	5.33%	324,643	5.88%	222,615	4.40%
Employee benefit	43,486	1.72%	105,110	4.03%	128,021	1.91%	285,160	5.17%	99,621	1.97%
Others	498,150	19.73%	471,425	18.08%	1,997,190	29.84%	1,393,503	25.24%	835,274	16.51%
<b>Total</b>	<b>2,525,370</b>	<b>100.00%</b>	<b>2,607,678</b>	<b>100.00%</b>	<b>6,692,605</b>	<b>100.00%</b>	<b>5,520,708</b>	<b>100.00%</b>	<b>5,058,722</b>	<b>100.00%</b>

#### Comparison of general and administrative expense for the periods ended 30 June 2014 and 30 June 2013

General and administrative expense for the period up to 30 June 2014 was nearly similar to the period ended 30 June 2013, showing a slight decrease of approximately 3.17% or approximately USD 82 thousand. The decrease



was mainly due to the depreciation of Rupiah exchange rate against USD in 2014, therefore the expenses paid in Rupiah were lower when translated to USD.

Comparison of general and administrative expense for the years ended 31 December 2013 and 31 December 2012

General and administrative expense for 2013 increased by approximately USD 1.171 million or approximately 21.23% compared to 2012 as a result of the increase in salary expense by approximately 20% or USD 350 thousand due to the increase in average salary and the increase in number of employees. In addition, the increase was also due to the increase in travel expense by USD 183 thousand due to business trips related to the purchase of vessels hips and the increase in bank charges by almost USD 500 as a result of additional facilities from bank, particularly bank guarantee.

Comparison of general and administrative expense for the years ended 31 December 2012 and 31 December 2011

General and administrative expense for 2012 increased by 9.13% compared to 2011 (2012: USD 5.5 million; 2011: USD 5.06 million). The increase was due to payment of brokerage fee made by the Company's Subsidiary, SIM, to ship brokerage service provider in Singapore as one of the Company's marketing efforts. The Company paid a total brokerage fee of approximately USD 116 thousand in 2012; the transactions have only started in 2012.

The Company believes that the use of brokerage services will be able to increase the Company's revenue and it was proven by the fact that the Company, through SIM, managed to recognize a total vessel charter revenue based on spot method totaling USD 2.1 million in 2012.

### 3.1.4. Other Income (Expenses)

The following table presents the growth of the Company's Other Income (Expenses):

Other Income (Expense)	<i>(in millions of USD)</i>				
	30 June		31 December		
	2014	2013	2013	2012	2011
Financial Income	2,707	5,168	11,101	18,601	11,713
Gain (loss) on foreign exchange- net	(1,102,167)	1,494,696	14,585,266	3,480,129	2,321,612
Finance cost	(5,163,678)	(3,864,873)	(9,606,422)	(8,895,041)	(8,569,059)
Gains (loss) on sale of fixed assets	-	(160,279)	(4,161,654)	(743,659)	(2,198,835)
Others – net	(37,406)	(30,630)	249,714	(167,555)	(10,943)
Other Income (Expense) - net	(6,300,544)	(2,555,918)	1,078,005	(6,307,525)	(8,445,512)

The Company's other expense – net for the six months period ended 30 June 2014 was USD 6,300,544. Other expense, net, mainly comprised of finance cost of USD 5,163,678.

Comparison of Other Income (Expenses) – Net for the periods ended 30 June 2014 and 30 June 2013

Other expense - net for the period ended 30 June 2014 increased by USD 3.7 million compared to the period ended 30 June 2013, mainly due to the increase in banks' interest rate in relation to the additional loans obtained to finance the purchase of new vessels and construction of shipyard. The increase in interest expense was USD 1.3 million. Another factor contributing to the increase was the decrease in foreign exchange gains by USD 2.6 million in the period ended June 2014 as a result of the strengthening of Rupiah exchange rate against USD in June 2014 compared to early January 2014.

Comparison of Other Income (Expenses) – Net for the years ended 31 December 2013 and 31 December 2012

Other income – net in 2013 increased by approximately USD 7 million compared to prior year, which was mainly contributed by gain on foreign exchange. In 2013, the Company recognized a foreign exchange gain of USD 14.5 million, whereas in 2012, the Company recognized a foreign exchange gain of only USD 3.5 million. The difference in foreign exchange rate was due to the depreciation of Rupiah against USD, from approximately Rp 9,670 at the end of 2012 to Rp 12,180 at the end of 2013. The functional currency of the Company's bookkeeping is the United States Dollar (USD), in which all transactions are converted into the said functional currency (USD). The depreciation of Rupiah against USD has consequently lowered the expenses incurred by the Company in terms of Dollar value. The foregoing has resulted in the increase in gain on foreign exchange in 2013.

Comparison of Other Income (Expenses) – Net for the years ended 31 December 2012 and 31 December 2011

Other expense – net in 2012 decreased by USD 2 million or approximately 25% compared to prior year. The decrease was mainly due to foreign exchange gain, as the Company recognized foreign exchange gains of USD 3.5 million in 2012 compared to USD 2.3 million in 2011. The difference in foreign exchange gain occurred in



relation to the implementation of PSAK No. 10 (2010 Revision), "Effect of Changes in Foreign Exchange Rate" effectively from 1 January 2012, which changed the Company's financial reporting currency to USD and recalculated the translation effect of prior years' financial statements.

In addition, the Company recorded a net loss on sale of fixed assets totaling USD 2.2 million. The Company decided to sell its fixed assets, in the form of vessels, to improve the cost efficiency of operational and maintenance cost for its obsolete vessels. The proceeds from the sales provided additional liquidity to finance the purchase of the Company's new vessels.

### 3.1.5. Profit for the Period/Year

The following table presents the growth of the Company's Income Before Proforma Income Adjustment Arising From Restructuring Transactions of Entities Under Common Control, Proforma (Income) Losses Arising from Restructuring Transactions of Entities Under Common Control and Income for the Period/Year:

	30 June		2013	31-Dec	
	2014	2013		2012	2011
Income Before Proforma Income Adjustments Arising from Restructuring Transactions of Entities Under Common Control	15,614,220	10,207,147	30,254,210	10,525,376	7,752,253
Proforma Income Arising from Restructuring Transactions of Entities Under Common Control	-	-	-	(6,867,063)	(3,006,067)
<b>Income for the Year</b>	<b>15,614,220</b>	<b>10,207,147</b>	<b>30,254,210</b>	<b>3,658,313</b>	<b>4,746,186</b>

#### Comparison of Income for the Periods ended 30 June 2014 and 30 June 2013

Income for the period/year for the period ended 30 June 2014 increased by approximately USD 5.4 million due to the increase in the Company's Income from Operations by approximately USD 9 million, arising from Revenue from New Shipbuilding and the addition of 1 VLCC. On the other hand, foreign exchange gains decreased by USD 2.6 million as a result of the strengthening of Rupiah at the end of June 2014 compared to Rupiah exchange rate to USD at the beginning of January 2014.

#### Comparison of Income for the Years ended 31 December 2013 and 31 December 2012

Income for the year ended 2013 was higher by USD 26.6 million, mainly due to Foreign Exchanged Gains of USD 14.5 million that was recognized by the Company, which was USD 11 million higher compared to the Foreign Exchange Gains recognized in 2012. In addition, the increase in the Company's Net Revenue as a result of the new vessel purchased has resulted in a USD 11 million increase in the Company's Income from Operation compared to 2012.

#### Comparison of Income for the Years ended 31 December 2012 and 2011

Income for the year ended 2012 was approximately USD 1 million or 23% lower compared to prior year, which was mainly due to the difference in Proforma Income Arising from Restructuring Transactions of Entities Under Common Control of USD 3.8 million (2012: USD 6.8 million, 2011: USD 3 million). The Proforma Income has reduced Income After Income Tax.

Whereas Net Income increased by USD 2.8 million or approximately 36% as a result of the increase in the Company's Net Revenue in 2012 and the increase in Foreign Exchange Gains in 2012.

### 3.1.6. Restructuring of Entities Under Common Control

In the presentation of the Company's statement of profit and loss, the proforma (income) losses adjustment arising from restructuring transactions of entities under common control was presented before comprehensive income; the transaction was recognized since the merger of the Company with several Subsidiaries.

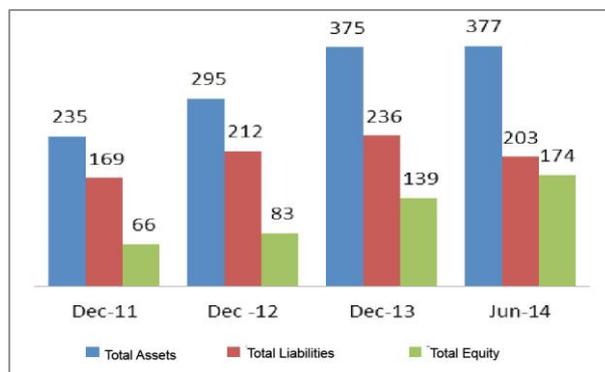
In 2012, the Company acquired ABPL, IEL, PUL, AMO and MOS. As the Company and the Subsidiaries acquired were entities under common control, the acquisition by the Company was treated using the pooling of interest method in accordance with SFAS No. 38 (2004 Revision), "Accounting for Restructuring of Entities Under Common Control". For presentation purposes, the Company's consolidated financial statements for the years ended 31 December 2010 and 2011 have been restated, consolidating the financial statements of the Subsidiaries for the year 2011 and 2012, as if the Subsidiaries acquired in 2012 had been acquired since the Company's date of establishment (13 August 2010) and with the assumptions that the shares of Subsidiaries acquired by the Company are not intended to be sold or transferred within a short period of time, implying that the Company's control over Subsidiaries was not intended to be temporary. Furthermore, the Company's share of ownership in the Subsidiaries' net equity was presented as "Proforma equity from restructuring of entities under common control."



### 3.2. Growth of Assets, Liabilities and Equity

Presented below is the growth of the Company's assets, liabilities and equity since 2011 up to 30 June 2014:

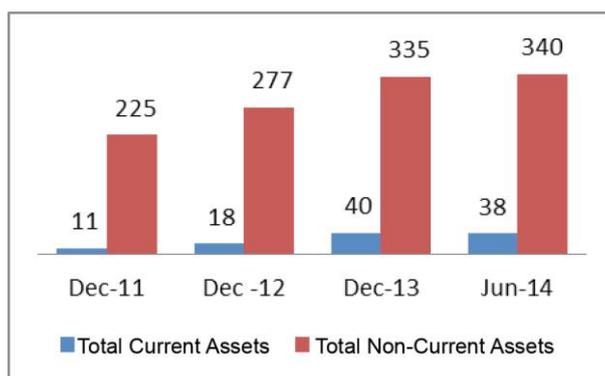
(in millions of USD)



#### 3.2.1. Assets

Presented below is the growth of the Company's current and non-current assets from 2011 up to 30 June 2014:

(in millions of USD)



In accordance with the characteristics of the business that the Company's Business Group engaged in, fixed assets are the largest component in the asset composition of the Company's consolidated financial statements, consisting of vessels and various supporting facilities of shipping services business. From the total assets reported by the Company at the end of each financial year, approximately more than 90% consists of non-current assets.

The compounded annual growth rate of the Company's total assets has reached 26.18% from 2011 up to 2013. While the compounded annual growth rate of the Company's fixed assets has reached 93.24%, indicating that the growth of the Company's assets was solely attributable to new investments in the form of new vessels or supporting facilities of the shipping services business owned by the Company.

The Company continuously strives to maintain growth of current assets in order to maintain the Company's liquidity to provide the working capital requirements that will be used for daily operations, among others by maintaining the adequacy of cash and cash equivalent and trade receivables and inventory turnover.

#### Comparison of total assets as of 30 June 2014 and 31 December 2013

The Company's reported total assets as of 30 June 2014 increased by approximately 0.7% or USD 2.6 million compared to the end of 2013 (30 June 2014: USD 377 million; 31 December 2013: USD 375 million). The increase was due to the following factors: (1) the increase in fixed assets (net) by USD 5 million as a result of the additional shipbuilding projects in progress and the Company's fixed assets depreciation, (2) the increase in the Company's cash by approximately USD 7 million, and (3) the decrease in trade receivables by approximately USD 11 million.

Comparison of total assets as of 31 December 2013 and 31 December 2012

The Company's assets as of 31 December 2013 increased by approximately 27% or USD 80 million compared to total assets as of 31 December 2012. Total assets as of 31 December 2013 and 2012 were USD 375 million and USD 295 million, respectively. The increase in the Company's assets was due to the increase in fixed assets (net) by USD 58 million or an increase of approximately 22% compared to prior year. The increase in fixed assets was due to the additional vessels acquired, with a total value of nearly USD 55 million and the increase in shipyard construction in progress of USD 12 million.

In addition, the increase in total assets was attributable to the following factors, among others: (i) the increase in Trade Receivables by USD 13 million as a result of the Company's vessel charter and new shipbuilding billed at the end of 2013, (2) Available for sale non-current assets of USD 9 million, that was planned to be sold in 2014.

Comparison of total assets as of 31 December 2012 and 31 December 2011

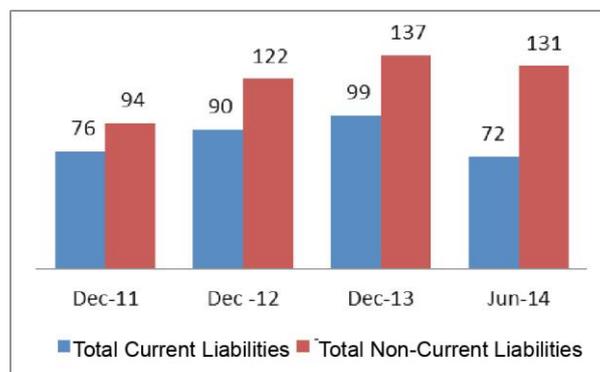
The Company's total assets as of 31 December 2012 increased by approximately 25% or USD 60 million compared to the balance as of 31 December 2011. Total assets as of 31 December 2012 and 2011 were USD 295 million and USD 235 million, respectively. The increase in the Company's assets was due to the increase in fixed assets (net) by USD 48 million or an increase of approximately 22% compared to prior year. Out of the total, USD 28 million represented additional vessels and USD 25 million represented the increase in assets in progress for shipyard construction project.

Furthermore, several other factors also contributed to the increase in total assets, among others (1) the increase in other receivables by USD 1.2 million arising from charges other than vessel charter fee, such as bunker cost charged to customers, (2) the increase in unbilled revenue by USD 2.9 million, consisting of total charges to charterers that have not been billed (before 2012, the Company's accounting system could not accommodate the recording of unbilled revenue, which was started to be recorded after the accounting system was updated), (3) the increase in advance payment and prepaid expense by USD 1.7 million, which was mainly allocated for the down payment of vessel operating cost to suppliers and down payment of shipyard construction, which amounted to USD 3.7 million as of 31 December 2012.

**3.2.2. Liabilities**

Presented below is the growth of the Company's current and non-current liabilities from 2011 up to 30 June 2014:

(in millions of USD)



The compounded annual growth rate for the Company's liabilities has reached 18.1% from 2011 to 2013. The Company's management maintains a balanced composition between current and non-current liabilities, which will be adjusted with the short-term and long-term liquidity level. Liabilities' maturity profile is managed by differentiating the use of third party funds for working capital requirements and the use of proceeds from long-term loans to be mainly used for capital expenditures.

The overall growth of the Company's liabilities correlates with the Company's growing scale of business. The increase was contributed by several accounts in liabilities, both arising from daily operational activities as part of working capital component (trade payables and others) and credit facilities from third parties.

The Company's current alternative funding consists of loans and payables from related parties, bank loans and leasing facilities. In conformity with the accounting standard, the Company recognized the current portion of long-term funding as current liabilities.



Comparison of total liabilities as of 30 June 2014 and 31 December 2013

The Company's total liabilities as of 30 June 2014 (USD 203 million) decreased by USD 33 million or approximately 14% compared to the balance as of 31 December 2013 (USD 236 million). The decrease was due to the repayment of due to related parties of USD 25 million to PT Soechi Group. Proceeds from Due to Related Parties was utilized by the Company as a bridging loan for the shipyard construction projects, which was subsequently paid by MOS, a Subsidiary, after the Company obtained the refinancing facility from Bank Mandiri. For the overall shipyard construction project with a total value of approximately RP 1.6 trillion, a funding scheme with reimbursement system was entered between the Company, PT Soechi Group, and PT Bank Mandiri Tbk (Persero) as the main creditors.

In addition, short-term bank loans decreased by USD 3 million and long-term bank loans decreased by USD 7 million, as several loans for the purchase of vessels have been fully paid.

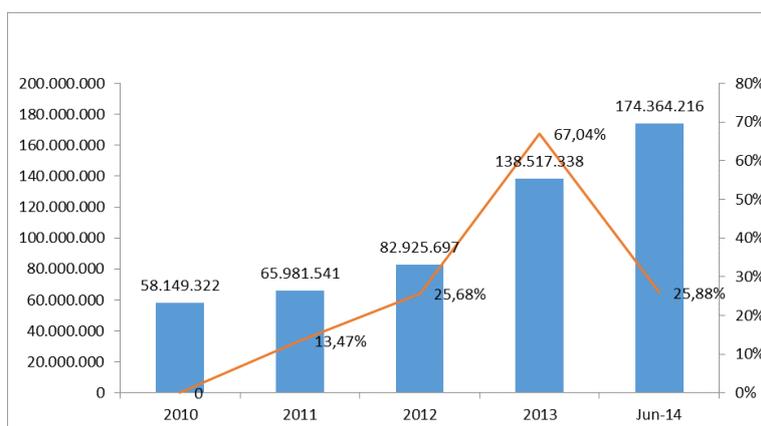
Comparison of total liabilities as of 31 December 2013 and 31 December 2012

The Company's total liabilities as of 31 December 2013 increased by USD 24 million compared to total liabilities as of 31 December 2012. The increase was mainly due to the increase in short-term bank loans by USD 3 million and long-term bank loans by USD 15.5 million. The additional loans were mainly obtained to finance the purchase of 3 vessels and the completion of shipyard construction project.

Comparison of total liabilities as of 31 December 2012 and 31 December 2011

The Company's liabilities as of 31 December 2012 increased by USD 43 million compared to total liabilities as of 31 December 2011. The increase was mainly due to the increase in short-term bank loans by USD 12 million and long-term bank loans by USD 28 million. The proceeds from the loans were allocated by the Company to finance the purchase of vessels. In 2012, the Company purchased three tankers with a total value of USD 39 million.

**3.2.3. Equity**



Comparison of total equity as of 30 June 2014 and 31 December 2013

The Company's equity as of 30 June 2014 increased by USD 36 million compared to total Equity as of 31 December 2013 as a result of additional retained earnings for the period ended 30 June 2014 totaling close to USD 16 million and additional capital totaling more than USD 20 million.

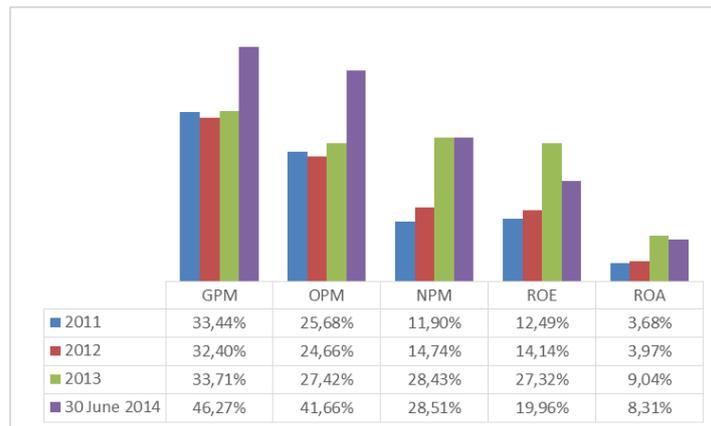
Comparison of total equity as of 31 December 2013 and 31 December 2012

The Company's equity as of 31 December 2013 increased by close to USD 55 million compared to total Equity as of 31 December 2012 as a result of the increase in retained earnings for the year of USD 30 million and additional capital of USD 25 million.

Comparison of total equity as of 31 December 2012 and 31 December 2011

The Company's equity as of 31 December 2012 increased by USD 17 million compared to total equity as of 31 December 2011 as a result of additional paid-in capital with a total value close to USD 6 million, increase in the difference in value from restructuring transactions entities under common control totaling USD 20 million, a decrease in non-controlling interest arising from acquisition of Subsidiaries totaling USD 12 million and the increase in retained earnings by USD 2.7 million as a result of the accumulated comprehensive income for the year and prior years.

### 3.3. Profitability and Solvency



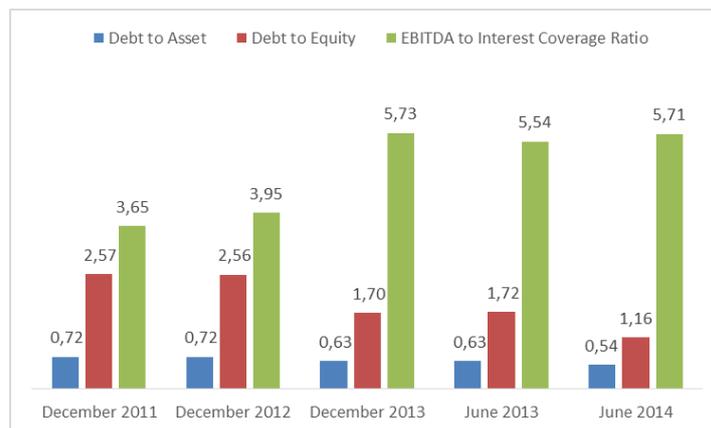
#### Profitability ratio

The Company's profitability ratio for the period between 2011 up to 30 June 2014 demonstrated the Company's ability to achieve the profitability on investment in assets and equity. The fluctuation in net comprehensive income was affected by the adjustment from transactions between entities under common control and the effect of the changes in functional currency from Rupiah to United States Dollar, effectively from 1 January 2012.

To minimize the effect on the recognition of proforma adjustment from restructuring on entities under common control, return on assets and equity (ROA and ROE) are calculated based on Profit before proforma (income) losses adjustment arising from restructuring transactions of entities under common control.

Profitability Ratio	2011	2012	2013	30-Jun-14
GPM	33.44%	32.40%	33.71%	46.27%
OPM	25.68%	24.66%	27.42%	41.66%
NPM	11.90%	14.74%	28.43%	28.51%
ROE	12.49%	14.14%	27.32%	19.96%*
ROA	3.68%	3.97%	9.04%	8.31%*

\*(annualised)



Solvency represents the capability to service all existing liabilities using all assets or equity. Solvency is measured by Debt-to-Asset ratio, by comparing the total liabilities with total assets, by debt-to-equity ratio, by comparing the total liabilities with total equity and by debt service ratio or interest coverage, by comparing earnings before interest, tax and depreciation with financial (interest) expense. The Company's assets solvability, measured by debt-to-assets ratio, as of 31 December 2011, 2012, 2013 and 30 June 2014 were 0.72x, 0.72x, 0.63x and 0.54x, respectively. While debt-to-equity as of 31 December 2011, 2012, 2013 and 30 June 2014 were 2.57x, 2.56x, 1.70x and 1.16x, respectively.

Debt service ratio (EBITDA to interest coverage ratio) as of 31 December 2011, 2012, 2013 and 30 June 2014 were 3.65x, 3.95x, 5.73x and 5.71x, respectively.



### 3.4. The Company's liquidity

The Company's cash flows are highly sufficient, where the Company still maintains its operating performance supported by the continuously growing industry. The Company also implements various programs that support efficient cost management in order to maintain its profitability.

The Company's liquidity, as reflected in the Company's statements of cash flows, is presented in the following table:

Description	30 June		31 December		
	2014	2013	2013	2012	2011
Cash flows Provided by Operational Activities	27,739,174	8,754,985	20,224,533	8,094,055	19,314,117
Cash flows Used In Investing Activities	(5,325,875)	(28,299,408)	(76,048,257)	(52,505,915)	(57,648,194)
Cash flows Provided by (Used in) Financing Activities	(13,000,823)	17,150,998	54,902,947	43,837,359	37,212,597
Net increase (decrease) in Cash and Bank	9,412,476	(2,393,425)	(920,777)	(574,501)	(1,121,480)
Cash and Bank, Beginning of Year/Period	936,542	1,857,319	1,857,319	2,431,820	3,553,300
Cash and Bank, End of Year/Period	10,349,018	(536,106)	936,542	1,857,319	2,431,820

(in USD)

The Company's liquidity is affected by its ability to improve cash flows generated from its operating and financing activities. In conducting its operational activities, the Company entered into vessel charter agreements with customers. For the funding activities, the Company entered into credit agreement with banks, other financial institutions and related parties.

The Company's ability to improve its operating cash flows depends on the number of vessels available for charter and operational cost management. For cost management, the majority of the Company's contracts with customers are based on the time charter system, where most of the operational cost can be passed through to the customers and will be borne by customers. In order to increase revenue from customers, the Company invested in new vessels to increase its capacity in providing vessel charter services.

#### Cash flows Provided by Operating Activities

Cash flows provided by operating activities represents cash flows from the Company's operations, consisting of Receipts from Customers, Payments to Suppliers and Others, Payments to Employees, Payments for Financing Cost and Income Tax.

#### Comparison of cash flows provided by operating activities for the six months periods ended 30 June 2014 and 30 June 2013

Cash flows provided by operating activities for the six months period ended 30 June 2014 increased by USD 19 million compared to the period ended 30 June 2013. The increase in cash flows was due to the increase in receipts from customers by USD 22 million, which was offset by the increase in payments for financing cost of USD 1.5 million.

#### Comparison of cash flows provided by operating activities for the years ended 2013 and 2012

Cash flows provided by operating activities for the year 2013 increased by USD 12 million compared to cash flows in 2012. The increase was due to the increase in receipts from customers by USD 28 million, offset by the increase in payments to suppliers and employees totaling approximately USD 13 million and the increase in payments of interest expense by approximately USD 3 million.

#### Comparison of cash flows provided by operating activities for the years ended 2012 and 2011

Cash flows provided by operating activities for the year 2012 decreased by USD 11 million compared to cash flows in 2011. The decrease was due to the increase in Payments to Suppliers (USD 8 million) and the increase in Payments of Financing Cost for the year 2012 (USD 3 million).

#### Cash Flows Provided by (Used in) Investing Activities

Cash flows used in Investing Activities were utilized for acquisition of Fixed Assets, acquisition of Intangible assets and cash flows provided by investing activities were obtained from the proceeds from Disposal of Fixed Assets.

Comparison of cash flows provided by (used in) investing activities for the six months periods ended 30 June 2014 and 30 June 2013

For the six months period ended 30 June 2014, cash flows used in investing activities decreased by close to USD 23 million compared to the period ended 30 June 2013. The decrease was solely due to the Company's [reduced?] expenditure for acquisition of fixed assets.

Comparison of cash flows provided by (used in) investing activities for the years ended 2013 and 2012

For the year ended 31 December 2013, cash flows used in investing activities increased by 46% or close to USD 24 million compared to the year ended 31 December 2012 as a result of the increase in expenditure for acquisition of fixed assets totaling USD 23 million.

Comparison of cash flows provided by (used in) investing activities for the years ended 2012 and 2011

For the year ended 31 December 2012, cash flows used in investing activities decreased by 9% or USD 5 million compared to the year ended 31 December 2011 as a result of the decrease in acquisition of fixed assets by USD 8 million, which was offset by the decrease in sale of fixed assets by USD 3 million.

**Cash Flows Provided by (Used in) Financing Activities**

Cash Flows Provided by Financing Activities represents cash flows related to Proceeds from Loan Borrowings, Increase in Additional Share Capital, Due to/Due From Related Parties, Payment of Cash Dividends, Acquisition of Subsidiaries, Payment of Finance Lease and Consumer Financing Liabilities and repayment of Bank Loans.

Comparison of cash flows provided by (used in) financing activities for the six months period ended 30 June 2014 and 30 June 2013

For the six months period ended 30 June 2014, cash flows provided by financing activities increased by USD 30 million compared to the same period in 2013. The increase was due to the absence of additional paid-in capital in 2014 and the decrease in proceeds from loan borrowing by USD 15 million and the increase in repayment of bank loans by USD 5 million.

Comparison of cash flows provided by (used in) financing activities for the years ended 2013 and 2012

For the period ended 31 December 2013, cash flows used in financing activities increased by 25% or USD 11 million compared to the period ended 2012 as a result of the increase in additional paid-in capital by USD 19 million, which was offset by the increase in repayment of bank loans by USD 4 million and the decrease in proceeds from loan borrowings by USD 7 million.

Comparison of cash flows provided by (used in) financing activities for the years ended 2012 and 2011

For the period ended 31 December 2012, cash flows provided by financing activities increased by close to USD 7 million or 18% compared to the year ended 2011 as a result of the increase in proceeds from loan borrowings by USD 14 million, the increase in additional paid-in capital by USD 6 million, which was offset by the increase in repayment of bank loans by USD 2 million and the decrease in due to related parties by USD 9 million.

**3.5. Capital Expenditure**

The following table presents information on capital expenditures for the six months period ended 30 June 2014 and the years ended 31 December 2013, 2012 and 2011:

Description	(in USD)			
	30 June 2014	2013	31 December 2012	2011
Land	-	-	1,469,758	-
Buildings	-	2,007,188	3,963,059	147,853
Vessels	-	54,571,088	28,446,258	39,161,695
Vessel Supplies	94,269	171,704	216,893	171,424
Machineries	324,780	1,526,777	99,846	117,550
Vehicles	386,842	213,686	1,078,344	1,148,907
Office and Shipyard Equipment	57,630	1,280,193	988,432	101,317
Workshop Equipment	-	15,688	-	-
Assets under Capital Lease – Machineries	-	76,128	-	152,550
Assets under Capital Lease– Vehicles	44,658	-	579,737	479,431
Construction in Progress	10,085,051	24,176,226	24,944,219	24,154,024
<b>Total Capital Expenditures</b>	<b>10,993,230</b>	<b>84,038,678</b>	<b>61,786,546</b>	<b>65,634,751</b>



The capital expenditures referred to above had a positive impact to the Company's performance, considering the largest assets acquired in terms of value were vessels to be used for business development. Up to the date of issuance of this Prospectus, the Company has not experienced any issue where the capital expenditures do not match the purchase and purpose. Capital expenditures are financed by cash flows provided from operating activities, loans from banks or other financial institutions, and loans from related parties. The Company does not enter into any hedge transactions for the loans considering its revenue and capital expenditures are mainly in USD.

### 3. Accounts in Foreign Currencies

The following table presents monetary assets and liabilities in foreign currencies as of 30 June 2014, presented by currency:

Description	30 June 2014		
	Original Currency	USD Equivalent	
<b>Assets</b>			
Cash and cash equivalents	Rp	47,280,446,498	3,950,242
	SGD	21,006	16,818
	CNY	2,812	457
Restricted Cash	Rp	17,223,391	1,439
Trade Receivables, net	Rp	5,854,251,475	489,118
Other Receivables	Rp	1,363,629,714	113,930
	SGD	3,527	2,824
<b>Liabilities</b>			
Trade Payables	Rp	21,274,789,779	1,777,492
	SGD	2,731,760	2,187,103
	JPY	27,893,427	275,342
	EUR	163,562	223,198
	GBP	1,654	2,816
	SAR	134,840	35,953
	NOK	121,126	19,764
	HKD	64,358	8,303
Other Payables	Rp	9,424,917,236	787,444
	SGD	2,922,679	2,339,956
	THB	9,213	284
	CNY	5,138	835
Accrued Liabilities	Rp	32,380,908,662	2,705,398
Long-term bank loan	Rp	762,541,112,044	63,709,676
Finance lease & consumer financing payables	Rp	7,392,365,594	617,626
Short-term bank loans	Rp	4,792,435,476	400,404
<b>Assets (Liabilities) in foreign currencies, net</b>	Rp	(783,290,977,713)	(70,516,766)
	SGD	(5,629,906)	
	JPY	(27,893,427)	
	EUR	(163,562)	
	SAR	(134,840)	
	GBP	(1,654)	
	NOK	(121,126)	
	HKD	(64,358)	
	THB	(9,213)	
	CNY	(2,326)	

### 4. Risk Management

The Company implements the following measures in managing risks that may arise, either from physical and legal consequences or financial risks:

- The demand for domestic shipping services is believed to remain high, considering the implementation of cabotage principle, which provides more room for competition for domestic shipping companies compared to foreign-flagged shipping companies. The Company will strive to maintain the operational quality of vessel charter and shipyard in conformity with the quality management certificates and ship classification, as well as maintaining the vessel charter fee and ship production cost at a competitive rate compared to the market, therefore maintaining ample opportunities to secure vessel charter contracts and ship works.
- Along with the increase in number of vessels from year to year in accordance with the Company's business plan with regard to its capital expenditure budget, the risk of revenue contribution concentration faced by the Company will be minimized. With a growing fleet, the number of customers that the Company is able to service will increase. Another strategy implemented by the Company is the active participation in tenders to secure new contracts from other customers.
- The Company will continuously conduct internal evaluation on the collectibility of trade receivables arising from revenues recorded from its entire customers. The evaluation process will be particularly conducted in relation to tender process involving new customers for the Company. For long-term vessel charter or shipbuilding contract, payment from customers will be made in several terms of payment in order to avoid the



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accumulation of outstanding receivables at the end of the contract period. The majority of the Company's customers are notable oil and gas companies and petrochemical factories such as Pertamina and ConocoPhillips, which generate substantial amount of revenue, therefore the probability of default in payments is considered remote.

- d. To minimize the risk of the Company's vessels being detained by the authorities of Indonesian waters, the Company continuously maintains its operational standards to conform with the prevailing maritime regulations, both in terms of trade or safety and security. Furthermore, the operational quality standards will continuously be maintained in conformity with the operational and quality standards of ship classification. Crews will be provided with trainings to avoid unwanted mistakes. Therefore, provided that all requirements have been fulfilled, the risk of vessel detention may be eliminated. Furthermore, the Company also has an International class Protection and Indemnity (P&I) insurance from London, which will cover all claims from third parties such as pollution, collision and other claims, either from the Government Agencies or Public. In the event of detainment, P&I, through its local correspondent, will coordinate with the authorities to lodge the required security and the vessel in question will be released to resume operation.
- e. As previously described in point a, the Company will strive to maintain the operational quality of vessel charter and shipyard in conformity with the quality management certificate and ship classification, as well as maintaining the vessel charter fee and ship production cost at a competitive rate compared to the market, therefore maintaining ample opportunities to secure vessel charter contracts and ship works.
- f. The Company is able to minimize risk of losses arising from termination of ongoing contracts by securing an agreement before the start of any new shipbuilding process.
- g. The Company will continuously consider the establishment of programs related to CSR to contribute for the benefit of its surrounding communities.
- h. To minimize the risk of delay in the completion of shipbuilding projects, the Company and its respective customer are bound by an agreement, which includes the clause that allows the Company to extend the completion time should events beyond the Company's control arise, such as natural disasters and bad weather.
- i. The Company has established a business plan to continue to grow the business scale of its vessel charter and shipyard services, therefore the Company will be able to secure a growing market share from time to time. The Company's market share for tanker charter in Indonesia is currently at 15%, the remaining market share is shared by small players with individual market share of approximately 2-5%. The Company's annual capital expenditure budget to purchase vessels will be prepared based on the economic capability and the requirements for additional tankers, therefore the Company's market share will be maintained and will continue to have potential for growth.
- j. Currently, the Government extends strong support to the growth of Indonesia's shipping industry. As the largest tanker company in Indonesia, the Company will continue to actively participate in shipowners associations acknowledged by the Government, INSA, FKRK, and others in order to promote dialogue with the Indonesian Government in planning the Government programs to advance the national shipping industry.
- k. The Company's shares have the potential to be fairly liquid in the trading in the Indonesian Stock Exchange as a result of the fairly large number of shares offered to the public and its expected high market capitalization.
- l. The Company will optimize its efforts in improving the Company's performance in order to meet investors expectation on their return on investment.
- m. The Company will consider its financial condition and business expansion plan before taking the decision to distribute dividends. The Company views that dividend distribution to the Shareholders will be the best if accompanied by investment gain (capital gain) from the Company's shares that is supported by the Company's operational and financial performance.
- n. Maximize the use of favorable "natural hedging" by maximizing the natural offsets between revenue, costs and payables and receivables denominated in the same currency.
- o. The majority of the Company's contracts with its customers are prepared based on the time charter method, therefore the risk of increase in fuel prices resides with the customers. In contracts prepared based on the time charter method, fuel cost shall be borne by the charterer/customer.
- p. For vessel charter contracts prepared based on the spot charter method, the Company takes into account several significant cost components, among others, bunker fee. The vessel charter fee has considered the total fuel required for each transporting trip from one location to the next. Therefore, the risk of fluctuation in fuel prices has been taken into account. Voyage charter contracts always include the bunker escalation clause, which stipulates that charter fee will increase should bunker fee increase.
- q. The Company insures its fleet with sufficient and adequate sum insured, using notable world class insurance companies, with a minimum financial rating of A (based on International rating agencies). The performance of



the Insurance Companies are continuously evaluated through their ability to settle minor claims and the information available in the insurance market.

- r. The Company maintains all vessels and equipment in prime condition through periodical maintenance and by implementing the policy to maintain vessels that are young in age.

## **5. Business Strategies**

1. To expand the Company's business in keeping with the increase in the Company's customers'/domestic's tonnage requirements for marine transportation services and to obtain new contracts that are in line with the business prospects/opportunities that arise and service the new contracts through additional vessels.
2. The Company's Commercial Team continuously promotes the competitive edge of the Company's shipyard facilities, both through the association as well as potential customers in order to obtain new shipbuilding and docking contracts.
3. Improve cost efficiency through the synergy between shipping and shipyard services, with the aim to reduce queuing time before docking and to benefit from advantages such as the close proximity to Singapore as well as tax incentive and exemptions of custom duty applicable in the Free Trade Zone.
4. Improve operational efficiency through expertise in shipping, financial synergy and development of appropriate standard system in all areas. The Company is developing an integrated system, which will facilitates better process flow and internal control, and therefore will result in lower operational cost.
5. Continuously improve and develop human resources by providing trainings to improve the quality of the Company's office staffs and ship crew, with the final goal to provide reliable and high-quality services to customers.
6. After the first phase shipyard development is completed and the shipyard is running and operating properly, the Company will start the construction of a Dry dock with a total capacity up to 300,000 DWT (phase 2 and 3 development).



## VI. BUSINESS RISKS

*Investment in the Company's Shares involves certain risks. Prior to investing in the Company's shares, prospective investors should carefully consider the following risk factors and other information contained in this Prospectus. The risks described below are not the only risks that may affect the Company's shares. Other risks presently unknown to the Company or considered immaterial by the Company as of the date of issuance of this Prospectus may also affect the Company's business activities, cash flows, operating results, financial condition or business prospects.*

The risks described below are risks that are considered material by the Company. Based on the Company's judgment, the following risks are prepared based on the level of their exposure to the Company's financial performance, beginning with the Company's main risks.

### A. RISKS ASSOCIATED WITH VESSEL CHARTERING SERVICES BUSINESS ACTIVITIES

#### 1. Risk of accidents and damages to the Company's vessels

Due to the nature of vessel charter operation, the Company is exposed to the risk that employee(s) or third party(ies) are involved in accidents that take place in the Company's vessels. Accidents may be triggered by fire, explosions or other incidents. In addition, the Company's vessels may be involved in collisions resulting in damages to the cargoes or vessels or in loss of lives, where the Company may be held responsible by the said third party(ies). Accidents and disruptions to the Company's operating activities may adversely affect the Company's image and financial performance.

#### 2. Risk of termination or non-renewal of the Company's shipping services agreements

Vessel charter activities are based on work contracts with customers, with contract terms ranging between 1 (one) year to 10 (ten) years. The work contract may be extended by filing an extension prior to the expiry of the said contract. Work contract may also be terminated before its expiry date in the event of a *force majeure* or if any of the parties fails to carry out its obligations as defined in the contract.

The Company's failure to extend expired contracts may adversely affect the Company's financial condition, operating activities and business prospects.

#### 3. Risk of revenue source concentration in one of the Company's customers

Historically, the majority of the Company's revenue was derived from one of the state-owned oil companies; with a weighted average of 63.4% during the period from 2011 up to the end of 2013. As of 30 June 2014, total revenue from vessel charter and shipyard services derived from the aforementioned customer represented approximately 55% of the Company's total revenue. Although revenue generated from customers other the main customer referred to above continues to increase, the growth of revenue from the said customer also continues to increase from year to year.

#### 4. The Company is exposed to risks related to loans from banks or other financial institutions

The Company has significant obligation to service the interest and principals of loan from third parties, consisting of banks and financial institutions. There is no guarantee that the Company's cash flows will continue to be adequate to meet all of its obligations arising from loans in the future. In addition, the Company may require capital, loans or other funding to meet its working capital requirements. In that event, should the Company fails to obtain additional capital, loans or other funding sources, the Company's business activities, operational performance, liquidity and financial position may be adversely affected.

The Company's loans are secured by the Company's vessels and/or personal guarantees from the Company's shareholders. In the event of default, the existing collateral(s) may be forfeited by the respective financial institution(s).

#### 5. The Company is exposed to risk of fluctuations in foreign exchange rate

The majority of the Company's revenue are in USD, while certain portion of the Company's operating expenses and loans are in Rupiah. Significant appreciation of Rupiah exchange rate against USD may affect the Company's financial position and performance.



## **6. Risk of unforeseeable increase in operating or other expenses**

Operating expenses continue to increase from year to year and the increase fluctuates in accordance with Indonesia's economic condition. In addition, other expenses not anticipated by the Company may arise and may increase vessel operating expenses, which eventually affects the Company's profit.

## **7. The Company is exposed to its customers' credit risks**

The Company generally grants certain payment terms to customers and therefore is exposed to delay(s) in payment(s) and/or payment default(s). There is no guarantee that the Company will be able to collect the receivables as they fall due or to collect them in full. In the event that the Company's customers experience cash flows problems or setbacks in their business performance, they may not be able to meet their obligations to the Company. In addition, economic recession may adversely affect the Company's customers and increase the likelihood of payment defaults. Accordingly, the Company may experience delayed payments or unpaid receivables. In that event, the Company may have to set up an allowance for doubtful account or write-off the receivables in question, which will adversely affect the Company's profitability.

## **8. Risk of loss of human resources**

Currently, the Company is managed by several senior management and employees, who are experienced in the Company's operating activities and the shipping industry. If the Company fails to maintain the senior management or personnel due to health issues or other reasons, and is unable to recruit competent replacement(s) in a timely manner, the Company's operating activities, revenue and profit may be adversely affected.

The Company believes that the Company's ability to maintain competent, qualified and experienced employees and maintain its vessel crews is a key factor to the Company's success. If the Company fails to attract, maintain and motivate its employees and vessel crews, the Company's performance result may be adversely affected.

## **9. The Company's ships may be detained, which may disrupt the Company's operational activities**

The Company's vessels may be detained for investigation by the authorities with regard to violations of laws and regulations, such as compliance of safety aspects, or in the event of dispute with the respective customer, either disputes related to the cargo being transported or other disputes. Detention of one or more vessels owned by the Company will prevent the vessels from being chartered and the Company will have to pay significant amount to release the vessel(s) referred to above, and therefore the Company's business activities, financial position and performance will be adversely affected.

During the past few years, the Company's vessels have never been detained by the authorities. However, as is the case with other fixed assets (such as buildings, heavy equipment and other), we realize that the risk of vessel detention does exist and has the potential to disrupt the Company's operational performance.

## **B. RISKS ASSOCIATED WITH SHIPYARD SERVICES BUSINESS ACTIVITIES**

### **1. Risk of changes in production cost prior to ship handover**

Building large size ships requires construction time that may extend beyond one year since the signing of the contract, therefore there is a risk that production cost may fluctuate greater than those estimated by the Company during formulation of the contract value. Such risk may affect the Company's profitability.

### **2. Risk of failure in obtaining new shipbuilding contracts**

As of the date of issuance of this Prospectus, the first phase of shipyard facilities has reached the completion stage. However, the existing facilities are ready to be used for several shipbuilding contracts. Although the Company has obtained several shipbuilding contracts, there is no guarantee that the Company will be able to obtain other shipbuilding contracts upon completion of the currently existing contracts.

### **3. Risk of losses arising from cancellation of new shipbuilding contracts that are currently underway**

New shipbuilding activities in the Company's shipyard generally last from 6 months to 2 years, depending on the technical specification and complexity of the building process. Shipbuilding works always require an agreed building contract between the customer and the Company before the start of any shipbuilding activities. Should there be any difference between technical specification ordered by the customer and the actual condition of the shipyard during the shipbuilding process, the Company is exposed with the risk of bearing all losses incurred from

all costs and work in progress that are already underway. In extreme cases, the customer may cancel the order and terminate the previously agreed contract.

The foregoing may affect the Company's financial condition as all cost and components as well as spare parts purchased will not be immediately sold. In certain cases, considering ship orders generally have very specific use, the work in progress may need to be reworked or adjusted in order to sell the ship to another customer who requires the ship.

#### **4. Risk of work accidents**

Shipbuilding and ship works carry with it the risk of work accidents, which may result in claims from third parties, which may eventually delay the completion of the project in progress and affect the Company's revenue. Although the Company has insurance policies for work accidents, there is a possibility that certain work accidents are not covered by the Company's insurance policies.

#### **5. Risk of social community and environment**

Shipyards construction may face substantial disruptions from communities in the surrounding areas of the project. The community may have negative reactions to changes in their environment, particularly if the Company does not provide any benefit to their quality of life. Although the Company strives to meet proper environmental management standard, there is a possibility of damages to the natural ecosystem and environment that may affect the relationship with its surrounding communities.

#### **6. Risk of human resources**

The Company's activities in building and operating shipyards require a large number of labor. Therefore, labor management must be conducted properly to avoid undesirable turmoil.

#### **7. Risk of delays in completion of shipbuilding projects**

On-site project execution highly depends on site condition, rainfall, material availability and project management. The construction work must be supported by contractors and supervisors experienced in executing shipyard projects. If all the above factors are not properly managed, the project may not be completed according to schedule, which will result in the decrease of the Company's revenue projection as well as the risk of fine from customers as the party injured by the Company's delay.

#### **8. Risk of shipyard facilities construction**

Currently, the construction of the Company's shipyard has reached the finalization of the first phase (phase 1 development) and the shipyard is currently available to carry out shipbuilding works. However, there remains the risk of disruption in the construction of other shipyard supporting facilities, which may result in delays in the completion of shipbuilding or ship maintenance works, which ultimately hinder the accomplishment of the Company's business plan. Factors that may give rise to the risk of shipyard facilities construction are, among others, the availability of funding required for the shipyard facilities construction and social and security issues that may arise in the area where the Company's shipyard is located.

### **C. RISKS ASSOCIATED WITH THE SHIPPING INDUSTRY**

#### **1. The global and regional economic, social and political condition may lower demand for the Company's services**

The shipping industry generally depends on the global and regional economic, social and political condition. The slowdown in global economic condition or unfavorable social and political conditions such as terrorist attacks, wars, riots, trade sanctions and embargoes in general may result in the decline in shipping industry. In vessel charter industry, the slowdown of economy in general may affect demands for certain goods transported by the Company. Therefore any unfavorable economic, social and political events may affect the Company's financial performance.



## **2. Risk of changes in the Government's policies related to national shipping industry and its supporting services**

The shipping industry is heavily regulated and the Company's business activities are affected by the regulations prevailing in Indonesia, such as the implementation of cabotage principle since 2005, which requires domestic sea transport to be served by Indonesian-flagged vessels and the inclusion of shipping industry in the negative list stipulated in Presidential Regulation No. 36/2010 under which foreign ownership is limited to 49%, provided that the respective companies owns vessels with gross tonnage of 5,000 tons or more.

The Indonesian Government may add or amend the laws and regulations applicable to the shipping industry, which may limit the Company's business activities and adversely and materially affect the Company's financial condition and operating performance.

In addition, the shipping industry must comply with various international conventions, regulations regarding required certifications and permits and operating standards and codes. Compliance to the aforementioned requirements may require significant amount of cost to modify the vessels, conduct periodical vessels repair, maintenance and inspection, change the operating system, preserve the environment and the crews' health and safety and renew the required certificates and permits.

In the event that international conventions, certification and permit regulations as well as operating standards and codes become more rigid and additional regulations are enacted, the Company's operating cost may increase. In addition, failure to comply with the regulations referred to above may result in sanctions and revocation of business license. The conditions referred to above may limit the Company's ability to carry out its business activities and adversely and materially affect the Company's financial condition and operational performance.

## **3. Risk of domestic competition**

The Company's competitors or new players in the industry may have lower operating expense and better access of financial, technological and/or other resources compared to the Company. Other competitors with less resources and lower capability than the Company may compete by offering aggressively lower prices in order to gain market share and satisfy customers' needs. If the Company's competitors are able to provide the same level of service at a lower price and/or shorter preparation time, the Company may have to reduce its charter fee in order to secure contracts, which will result in lower profit margin. In addition, the Company may fail to secure prospective contracts.

## **D. RISKS ASSOCIATED WITH INVESTMENT IN SHARES OF THE COMPANY**

### **1. Risk of illiquidity of the Offered Shares in this Initial Public Offering**

Although the Company will list its shares on the IDX, there is no guarantee that the Company's shares that are traded will be active or liquid since there is a possibility that the Company's shares will be owned by one or more parties that do not trade their shares in secondary market.

### **2. Risk of fluctuations in price of the Offered Shares**

The price of the Offered Shares after the Initial Public Offering may fluctuate, depending on several factors, including:

- Difference between realization of the Company's actual financial and operating performance compared to that expected by investors and analysts;
- Changes in analysts' recommendations or perceptions on the Company or Indonesia;
- Changes in the economic, political or market condition in Indonesia;
- Fluctuation in foreign companies' share prices (particularly in Asia) and other developing countries;
- Final verdict of a litigation that may occur in the future;
- Sale of shares offered by the Company's majority shareholders; and
- Prospects of sea transportation industry.
- Future substantial sale of the Company's shares to public, or the perception that such sale may take place, may adversely affect the prevailing market price of the Company's shares or to the Company's ability to raise capital through public offering of additional shares or equity-related securities.
- The Offer Price may be substantially higher than the net asset value per share of outstanding shares issued to the Company's existing shareholders; therefore investors are exposed to substantial decline in value of their investments.



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### **3. Risk of dilution on share ownership of the shareholders in the event that the said shareholders do not participate in the limited public offering(s) that may be conducted by the Company in the future**

Based on Rule No. IX.D.1, Annex to the Decree of Chairman of Bapepam and LK No. Kep-26/PM/2003 dated 17 July 2003 regarding Pre-emptive Rights (*Hak Memesan Efek Terlebih Dahulu* ("HMETD")), a publicly listed company must offer its shareholders the pre-emptive rights to proportionally order the offered share in advance, in order to retain their respective shareholding percentages prior to issuance of the new shares. In the event that the respective shareholders choose not to exercise their pre-emptive rights in the limited public offering(s) that may be conducted by the Company in the future, the aforementioned shareholders may experience dilution of their share ownership in the Company.

### **4. Risk of the Company's inability to pay dividends**

The Company's ability to announce dividend distribution in relation to the Company's Offered Shares will be dependent on the Company's future financial performance, which will also be dependent on the success of the growth strategy implemented by the Company; and on factors such as competition, regulations, technical, environment and other factors; on the economic condition in general; and certain factors inherent in the sea transportation services industry or certain projects undertaken by the Company, which are mostly beyond the Company's control. Recognition of loss on operating result in the Company's financial statements may serve as a ground not to distribute dividends.

### **5. Risk of global, regional and domestic changes, which may have adverse impact to business activities in Indonesia.**

The economic crisis that gripped South-East Asia in mid-1997, including Indonesia, resulted in the weakening of currencies, decrease in Gross Domestic Product ("GDP"), increase in interest rate, social problems and political instability. This situation adversely affects the business activities in Indonesia, including the Company. Indonesia entered into a recession between 1999 to 2002, which was marked by slow economic growth. Indonesia's GDP growth based on World Bank Data in 2012, 2011, 2010, 2009, 2008, 2007, 2006 and 2005 were 6.2%, 6.5%, 6.1%, 4.5%, 6.1%, 6.3%, 5.5%, and 5.6%, respectively.

The global financial market experienced disturbance and instability as a result of shortage in liquidity due to defaults of the United States subprime mortgages in 2007, which resulted in the bankruptcy of several financial institutions. Global crisis affected the credit facilities availability, resulted in reduced foreign investments, bankruptcy of several global financial institutions, the crash of stock prices in global market, weakening of global economic growth and the decline in demand for several commodities. Furthermore, the dispute in Middle East and natural disasters, such as earthquake and tsunami that hit Japan in March 2011, also contributed to the decline in global economic condition.

Indonesia and other countries incorporated in the Association of Southeast Asian Nations ("**ASEAN**"), as well as other developing countries, were also adversely affected by the global economic and financial condition. Although the government has taken the necessary measures to maintain economic stability and public trust on the Indonesian economy, the impact of crisis may still adversely affect the economic growth, fiscal position, foreign exchange currency and other economic problems.

The government continues to experience fiscal deficit, additional debentures, low level of foreign exchange reserve and the Rupiah remains fluctuated and illiquid, whereas the banking sectors experience non-performing loans. The government funding needs are hindered by natural disasters, increase in oil price and the increase in fiscal deficit. The economic problems faced by Indonesia during the Asian economic crisis since 1997 is reflected in interest rate fluctuation, which adversely affects Indonesian companies that are in debts. Although the interest rate of Certificate of Bank Indonesia has significantly decreased from 70.8% in July 1998 to 6.8% in March 2011, there is no guarantee that Indonesia's economic condition will continue to improve or that the slowdown in Indonesia's and Asia Pacific's economies will not occur in the future.

The loss of investor confidence in the developing countries' monetary system may increase the volatility in the financial market and hinder Indonesia's economic growth. The Company's ability to maintain operating activities and profit and pay its debts as they fall due will depend on factors beyond the Company's control, for example, the effectiveness of fiscal activities and other government's actions to solve the economic problems. The slowdown in global, regional and economic conditions may have material adverse effect to the Company's business activities and prospects, financial condition and operating results.

<b>THE COMPANY'S MANAGEMENT HAS DISCLOSED ALL BUSINESS RISKS FACED BY THE COMPANY THAT WERE PREPARED BASED ON THE EXPOSURE OF SUCH RISKS TO THE COMPANY'S FINANCIAL PERFORMANCE.</b>
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## **VII. MATERIAL EVENTS OCCURRING SUBSEQUENT TO THE INDEPENDENT AUDITOR'S REPORT**

There are no important events that have a material effect on the Company's financial condition and business results subsequent to the date of Independent Auditor's Report dated 9 October 2014 on the Company's consolidated statements of financial position as of 30 June 2013, 31 December 2013, 2012 and 2011, and the consolidated statements of comprehensive income (losses) for the six months periods ended 30 June 2014 and 30 June 2013, and the years ended 31 December 2013, 2012 and 2011. The Company's consolidated statements of financial position as of 30 June 2014, 31 December 2013, 2012 and 2011, and consolidated statements of comprehensive income (losses) for the six months periods ended 30 June 2014 and 2013, and the years ended 31 December 2013, 2012 and 2011 were audited by Public Accountant Firm Kosasih, Nurdiyaman, Tjahjo & Partner (member of Crowe Horwath International) with an unqualified opinion.



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## VIII. DESCRIPTION OF THE COMPANY AND SUBSIDIARIES

### 1. Brief History of the Company

The Company is a limited liability company domiciled in South Jakarta. The Company was established under the name of PT Soechi Lines and conducts its business activities based on and in accordance with the prevailing laws and regulations in the Republic of Indonesia, based on Deed of Establishment No. 16 dated 13 August 2010, drawn up before Meissie Pholuan, SH., Notary in Jakarta, which was approved by the Minister of Law and Human Rights by virtue of Decree AHU-44960.AH.01.01.Tahun 2010, and was registered in the Company Registry No. AHU-0068758.AH.01.09.Tahun 2010 dated 22 September 2010, and the Company was registered in the Company Register under TDP No. 09.03.1.70.69774 dated 04 May 2011 at the South Jakarta Company Registration Office and was announced in the State Gazette of the Republic of Indonesia No. 16 dated 24 February 2012, Supplement to the State Gazette of the Republic of Indonesia No. 3923 (“**Deed of Establishment**”).

Since the date of establishment up to the date of issuance of this Prospectus, the Company’s Articles of Association has been amended several times, as described below:

- a. Deed of PT Soechi Lines Shareholders Resolution No. 52 dated 13 December 2012, drawn up before Yulia, SH., Notary in South Jakarta, which was approved by the Minister of Law and Human Rights by virtue of Decree No. AHU-64231.AH.01.02.Tahun 2012 dated 14 December 2012, and was registered in the Company Registry No. AHU-0108796.AH.01.09.Tahun 2012 dated 14 December, and was registered in the Company Register under TDP No. 09.03.1.70.86232 dated 13 September 2013, which stipulated the approval of the shareholders to: (i) change the nominal value of the shares from Rp 1,000,000 (one million Rupiah) per share to Rp 100 (one hundred Rupiah), (ii) increase the Company’s authorized capital from Rp 200,000,000,000 (two hundred billion Rupiah) to Rp 400,000,000,000 (four billion Rupiah) and increase the Company’s issued and paid-up capital from Rp 50,050,000,000 (fifty billion and fifty million Rupiah) to Rp 107,208,100,100 (one hundred seven billion two hundred eight million one hundred thousand and one hundred Rupiah).
- b. Deed of PT Soechi Lines Shareholders Resolution No. 192 dated 21 June 2013, drawn up before Ardi Kristiar, SH., MBA, Notary in South Jakarta, acting on behalf of Yulia, SH., Notary in South Jakarta, which was approved by the Minister of Law and Human Rights by virtue of Decree No. AHU-34706.AH.01.02.Tahun 2013 dated 26 June 2013, which stipulated the approval of the shareholders to: (i) increase the Company’s authorized capital from Rp 400,000,000,000 (four hundred billion Rupiah) to Rp 1,400,000,000,000 (one trillion four hundred billion Rupiah), (ii) increase the Company’s issued and paid-up capital from Rp 107,208,100,100 (one hundred seven billion two hundred eight million one hundred thousand and one hundred Rupiah) for Rp 357,208,100,100 (three hundred fifty seven billion two hundred eight million one hundred thousand and one hundred Rupiah);
- c. Deed of PT Soechi Lines Shareholders Resolution No. 122 dated 30 August 2013, drawn up before Ardi Kristiar, SH., MBA, Notary in South Jakarta, acting on behalf of Yulia, SH., which has (i) received approval from the Minister of Law and Human Rights by virtue of Decree No. AHU-46582.AH.01.02.Tahun 2013 dated 4 September 2013 and was registered in the Company Registry No. AHU-0083310.AH.01.09.Tahun 2013 dated 4 September 2013, which stipulated the approval of the shareholders to: (i) change the aims and objectives of the Company, (ii) change and adjust the Company’s Articles of Association in its entirety to conform with the provisions stipulated in Rule No. IX.J.1 and to change the Company’s status from a private company to a public company and to subsequently change the name of the Company to: “PT SOECHI LINES TBK.”
- d. Deed of Shareholders Resolution No. 119 dated 25 March 2014, drawn up before Ardi Kristiar, SH., MBA, acting on behalf of Yulia, SH., Notary in South Jakarta Municipality, which has received the Notification of Changes in Articles of Association from the Minister of Law and Human Rights by virtue of Letter No. AHU-00244.40.21.2014 dated 8 April 2014, registered in the Company Registry under No. AHU-00244.40.21.2014 dated 8 April 2014 and has received the Notification of Changes of the Company’s Data from the Minister of Law and Human Rights by virtue of Letter No. AHU-01328.40.22.2014 dated 8 April 2014, and was approved by the Minister of Law and Human Rights by virtue of Decree No. AHU-00224.40.20.2014 Tahun 2014 dated 8 April 2014, and was registered in the Company Registry under No. AHU-00224.40.20.2014.Tahun 2014 dated 8 April 2014, which stipulated the approval of the Company’s shareholders to (1) change the aims and objectives of the Company, and therefore to amend Article 3 of the Company’s Articles of Association, (2) change the composition of the Issuer’s management; (3) change the Company’s status to Private Company, and the subsequent change of name to PT Soechi Lines.
- e. Deed of Shareholders Resolutions No. 16 dated 30 June 2014, drawn up before Doddy Natadihardja, SH., Notary in Tangerang, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. AHU-04800.40.20.2014 Tahun 2014 dated 1 July 2014, and was



registered in the Company Registry under No. AHU-0066527.40.80.2014 dated 1 July 2014, which stipulated the approval of the shareholders to (i) increase the Company's authorized capital, (ii) increase the Company's issued and paid-up capital.

- f. In accordance with Deed of Shareholders Resolutions No. 14 dated 19 August 2014, drawn up before Irma Bonita, SH., Notary in Central Jakarta, which has received approval from the Minister of Law and Human Rights by virtue of Decree No. AHU-06828.40.20.2014 dated 21 August 2014, and was registered in the Company Register under TDP No. 09.03.1.70.86232 dated 12 September 2014, whereby the shareholders stipulated their approval to: (i) change the Company's status from a Private Limited Company/Non-public to a Public Company, (ii) change the aims and objectives of the Company, (iii) execute the Company's plan to conduct an initial public offering, (iv) list the entire Company's shares on the Indonesian Stock Exchange, (v) execute the Issuer's Employee Stock Allocation (ESA) with regard to the Company's Initial Public Offering of a maximum amount of 3% (three percent) of the total shares offered in the Company's initial public offering and delegate the authority to determine the related procedures to the Board of Directors, (vi) delegate the authority and power concerning the Substitution Right to the Company's Board of Directors, (vii) amend the Company's Articles of Association in its entirety to conform with the provision concerning main substances of public company's articles of association as stipulated in the Capital Market and Financial Institutions Supervisory Board Rule No. IX.J.I Articles of Association of a Company Conducting an Equity-based Initial Public Offering and a Public Company.

The Company's head office is located at Sudirman Plaza Building, Plaza Marein 21st Fl, Jl. Jenderal Sudirman Kav. 76-78, Jakarta.

The Company categorized its business activities in shipping and shipyard through the Subsidiaries also management consulting services.

## 2. The Company's Business Licenses

In conducting its business activities, the Company has obtained the required licenses and approvals from the authorized government agencies, as required by the prevailing laws and regulations. The aforementioned licenses and approvals are, among others, as follows:

No.	License	Validity	Issued by
1	Certificate of Company Registration No. 09.03.1.70.86232	Valid from 12 September 2014 up to 12 September 2018	Head of South Jakarta Municipality Cooperatives, Small and Medium Enterprises and Trade Department
2	Company Certificate of Domicile No. 194/-1.824.7/14	Valid from 12 April 2014 up to 12 April 2015	Head of Setiabudi Village
3	Trading Business Permit ( <i>Surat Izin Usaha Perusahaan</i> , "SIUP") No.03763-04/PB/1.824.271	From 9 September 2014, which shall remain valid as long as the Company continues to operate its business	DKI Jakarta Cooperatives, Small and Medium Enterprises and Trade Agency

### Licenses of the Company's Subsidiaries

#### (1) ABPL

In conducting its business activities, ABPL has obtained the required licenses and approvals from the authorized government agencies, as required by the prevailing laws and regulations. The aforementioned licenses and approvals are, among others, as follows:

No.	License	Validity	Issued by
1	Certificate of Company Registration No. 09.05.1.50.31545	Valid from 26 September 2013 up to 12 January 2017	Ministry of Trade, Head of of DKI Jakarta Province Cooperatives, Small and Medium Enterprises and Trade Department as the Head of Company Registration Office
2	Importer Identification Number for Producer ( <i>Angka Pengenal Importir – Produsen</i> , "API-P") No. 090202618-P	From 23 November 2012, which shall remain valid as long as ABPL continues to operate its business	Ministry of Trade, Head of DKI Jakarta Province Cooperatives, Small and Medium Enterprises and Trade Department
3	Custom Identity Number ( <i>Nomor Identitas Kepabeanan</i> ,	Indefinite period of time	Directorate General of Customs and Excise, Ministry of Finance of the



	"NIK") No. 09.015488		Republic of Indonesia
4	Marine Transportation Business Permit ( <i>Surat Izin Usaha Perusahaan Angkatan Laut</i> , "SIUPAL") No. BXXV-960/AL.58	From 18 March 2002, which shall remain valid as long as ABPL continues to operate its business	Directorate General of Sea Transport
5	Company Certificate of domicile No. 879/1.824/IV/2014	Valid from 28 May 2014 up to 28 May 2015	Head of South Mangga Dua Village
6	Letter of Reference No. 879/1.824/IV/2014	28 May 2014	Head of South Mangga Dua Village

**(2) IEL**

In conducting its business activities, IEL has obtained the required licenses and approvals from the authorized government agencies, as required by the prevailing laws and regulations. The aforementioned licenses and approvals are, among others, as follows:

No.	License	Validity	Issued by
1	Certificate of Company Registration No. 09.05.1.50.60900	Valid from 21 August 2014 up to 14 November 2018	Head of Central Jakarta Cooperatives, Small and Medium Enterprises and Trade Department.
2	Company Certificate of Domicile No. 970/1. 824/VI/2014	Valid from 13 June 2014 up to 13 June 2015	Head of South Mangga Dua Village
3	Importer Identification Number for Producer (API-P) No. 090206990-P	From 2 February 2011, which shall remain valid as long as IEL continues to operate its business	DKI Jakarta Cooperatives, Small and Medium Enterprises and Trade Department
4	Marine Transportation Business Permit (SIUPAL) No. B XXXIV-586/AT.54	From 30 October 2008, which shall remain valid as long as IEL continues to operate its business	Directorate General of Sea Transport
5	Custom Identity Number (NIK) No. 09.020582	Indefinite period of time	Directorate General of Customs and Excise

**(3) SOKL**

In conducting its business activities, SOKL has obtained the required licenses and approvals from the authorized government agencies, as required by the prevailing laws and regulations. The aforementioned licenses and approvals are, among others, as follows:

No.	License	Validity	Issued by
1	Certificate of Company Registration No. 09.05.1.50.79844	Valid from 26 September 2013 up to 26 September 2018	Head of DKI Jakarta Province Cooperatives, Small and Medium Enterprises and Trade Department
2	Importer Identification Number for Producer (API-P) No. 090202467-P	From 20 November 2012, which shall remain valid as long as SOKL continues to operate its business	Ministry of Trade, Head of DKI Jakarta Province Cooperatives, Small and Medium Enterprises and Trade Department
3	Custom Identity Number (NIK) No. 09.021097	Indefinite period of time	Directorate General of Custom and Excise, Ministry of Finance of the Republic of Indonesia
4	Marine Transportation Business Permit (SIUPAL) No. BXXV-728/AL.58	Indefinite period of time	Directorate General of Sea Transport
5	Letter/Certificate of Domicile No. 795/1.824/V/2014	Valid from 14 May 2014 up to 14 May 2015	Head of South Mangga Dua Village

**(4) AMO**

In conducting its business activities, AMO has obtained the required licenses and approvals from the authorized government agencies, as required by the prevailing laws and regulations. The aforementioned licenses and approvals are, among others, as follows:



No.	License	Validity	Issued by
1	Certificate of Company Registration No. 09.03.1.50.81665	Valid from 5 September 2014 up to 31 January 2018	Head of South Jakarta Municipality Cooperatives, Small and Medium Enterprises and Trade Department as the Head of Company Registration Office
2	Importer Identification Number for Producer (API-P) Nomor: 090507669	From 24 April 2013, which shall remain valid as long as AMO continues to operate its business	Head of DKI Jakarta Province Cooperatives, Small and Medium Enterprises and Trade Department, Ministry of Trade
3	Custom Identity Number (NIK) No. 09.041617	Indefinite period of time	Directorate General of Custom and Excise, Ministry of Finance of the Republic of Indonesia
4	Marine Transportation Business Permit (SIUPAL) No. B.X-9/AL 001	From 4 January 2013, which shall remain valid as long as AMO continues to operate its business	Directorate General of Sea Transport
5	Company Certificate of Domicile No. 83/-1.824.7/2014	Valid from 10 February 2014 up to 10 February 2015	Head of Setiabudi Village

**(5) MOS**

In conducting its business activities, MOS has obtained the required licenses and approvals from the authorized government agencies, as required by the prevailing laws and regulations. The aforementioned licenses and approvals are, among others, as follows:

No.	Izin	Jangka waktu	Dikeluarkan oleh
1	Importer Identification Number for Producer (API-P) No. 310200004-K	Valid from 29 October 2012 up to 29 October 2017	Head of Karimun Free Trade and Free Port Areas Management Board, Ministry of Trade
2	Custom Identity Number (NIK) No. 05.022117	Indefinite period of time	Directorate General of Custom and Excise
3	Decision Letter of the Ministry of Trade No. KP 17 Tahun 2013	From 7 January 2013, which shall remain valid as long as the Private Interest is managed to support MOS' business activities	Minister of Trade
4	Grant of License to Reclaim Land No KP.109 tahun 2013	04 February 2013	Ministry of Trade
5	Certificate of Company Registration under No 33.05.1.33.00506	Valid from 24 September 2014 up to 12 June 2019	Government of Karimun Regency, Head of Integrated Licensing and Capital Investment Board of Karimun Regency
6	Building Permit under No 1611/BPPT/IMB-50/2011	Indefinite period of time	Head of Integrated Licensing Services of Karimun Regency
7	Building Permit under No 1672/BPPT/IMB-57/2011	Indefinite period of time	Head of Integrated Licensing Services of Karimun Regency
8	Agreement on Environmental Impact Analysis Terms of Reference ( <i>Kerangka Acuan Analisis Dampak Lingkungan Hidup</i> , "KA-ANDAL") under No. 142.D year 2013	-	Regent of Karimun
9	Certificate of Environmental Feasibility of Shipyard Industry Development Activities under No. 169. C. Year 2013	-	Regent of Karimun
10	Certificate of Environmental Permit of Shipyard Industry Development Activities under	-	Regent of Karimun



	No. 169.D Year 2013		
11	Office Location License under No 121.B year 2008	-	Regent of Karimun
12	Business License under No I/3/IU/PMDN/Industri/2012	From 25 May 2012, which shall remain valid as long as MOS continues to operate its business	Head of Karimun Free Trade and Free Port Areas Management Board
13	Company Certificate of Domicile No. 10/ DP/II/2014	From 10 February 2014, which shall remain valid as long as there is no changes in domicile	Head of Pangke Village, Karimun Regency, Meral District, Pangke Village
14	Trade Business License No. 1573/BPMPT/SIUP-PB/15/VI/2014	Valid from 12 June 2014 up to 12 June 2019	Head of Integrated Licensing and Capital Investment Board of Karimun Regency
15	Business Location Permit No. 1555/BPMPT/SITU- 589/2014	12 June 2014, with compulsory reporting on 31 December 2014	Head of Integrated Licensing and Capital Investment Board of Karimun Regency
16	Industry Business License No. 503.BPPT-IUI/VIII/2011/01	23 August 2011	Head of Integrated Licensing Board of Karimun Regency

**(6) PUL**

In conducting its business activities, PUL has obtained the required licenses and approvals from the authorized government agencies, as required by the prevailing laws and regulations. The aforementioned licenses and approvals are, among others, as follows:

No.	License	Validity	Issued by
1	Certificate of Company Registration No. 09.05.1.50.68396	Valid from 22 August 2014 up to 8 April 2016	Head of Central Jakarta Municipality Cooperatives, Small and Medium Enterprises and Trade Department
2	Company Certificate of Domicile No. 880/1.824/V/2014	Valid from 28 May 2014 from 28 May 2015	Head of South Mangga Dua Village
3	Marine Transportation Business Permit (SIUPAL) No. 16 XXXIV.114/AT.54	From 17 February 2011, which shall remain valid as long as PUL continues to operate its business	Directorate General of Sea Transport
4	Importer Identification Number for Producer (API-P) No. 090201233-P	From 3 October 2012, which shall remain valid as long as PUL continues to operate its business	Head of DKI Jakarta Province Cooperatives, Small and Medium Enterprises and Trade Department
5	Customs Identity Number (NIK). Under No. 09.025017	Indefinite period of time	Directorate General of Customs and Excise

**(7) SML**

In conducting its business activities, SML has obtained the required licenses and approvals from the authorized government agencies, as required by the prevailing laws and regulations. The aforementioned licenses and approvals are, among others, as follows:

No.	License	Validity	Issued by
1	Certificate of Company Registration No. 09.03.1.49.89031	Valid from 12 February 2014 up to 12 February 2019	Head of South Jakarta Municipality Cooperatives, Small and Medium Enterprises and Trade Department
2	Marine Transportation Business Permit (SIUPAL) No. B.X-738/AL 001	Indefinite period of time	Directorate General of Sea Transport in Jakarta
3	Company Certificate of Domicile No. 145/-1.824.7/201	Valid from 13 March 2013 up to 13 March 2015	Head of Setiabudi Village



### 3. Development of the Company's Share Ownership

From the date of establishment up to the date of issuance of this Prospectus, the development of capital structure and share ownership of the Company is as follows:

#### Year 2010

Based on the Company's Deed of Establishment, i.e., Deed No. 16 dated 13 August 2010, the Company's capital structure and share ownership is as follows:

No.	Description	Nominal Value Rp 1,000,000 per share		
		Number of Shares	Total Nominal (Rp)	(%)
<b>Authorized Capital</b>		<b>200,000</b>	<b>200,000,000,000</b>	
<b>Issued and Paid-up Capital:</b>				
1.	PT, Soechi Group	50,000	50.000.000.000	99.9
2.	Go Darmadi	50	50.000.000	0.1
<b>Total Issued and Paid-up Capital</b>		<b>50,050</b>	<b>50,050,000,000</b>	<b>100.0</b>
<b>Shares in Portfolio</b>		<b>149,950</b>	<b>149,950,000,000</b>	

At the time of establishment has been fully paid in cash to the Company.

#### Year 2012

Based on Deed of PT Soechi Lines Shareholders Resolution No. 52 dated 13 December 2012, drawn up before Yulia, SH., Notary in South Jakarta, which was approved by the Minister of Law and Human Rights by virtue of Decree No. AHU-64231.AH.01.02.Tahun 2012 dated 14 December 2012, registered in the Company Registry No. AHU-0108796.AH.01.09.Tahun 2012 dated 14 December 2012, and registered in the Company Register under Certificate of Company Registration No. 09.03.1.70.86232 dated 13 September 2013, which stipulated the shareholders' approval to: (i) change the nominal value of the shares from Rp 1,000,000 (one million Rupiah) per share to Rp 100 (one hundred Rupiah), (ii) increase the Company's authorized capital from Rp 200,000,000,000 (two hundred billion Rupiah) to Rp 400,000,000,000 (four hundred billion Rupiah) and increase the Company's issued and paid-up capital from Rp 50,050,000,000 (fifty five billion fifty million Rupiah) to Rp 107,208,100,000 (one hundred seven billion two hundred eight million one hundred thousand Rupiah), thereby changing the Company's shareholding structure to the following:

No.	Description	Nominal Value Rp 100 per share		
		Number of Shares	Total Nominal(Rp)	(%)
<b>Authorized Capital</b>		<b>4,000,000,000</b>	<b>400,000,000,000</b>	
<b>Issued and Paid-up Capital:</b>				
1.	PT Soechi Group	1,007,756,141	100.775.614.100	94.00
2.	Go Darmadi	21,441,620	2.144.162.000	2.00
3.	Paulus Utomo	21,441,620	2.144.162.000	2.00
4.	Hartono Utomo	21,441,620	2.144.162.000	2.00
<b>Total Issued and Paid-up Capital</b>		<b>1,072,081,001</b>	<b>107,208,100,100</b>	<b>100.00</b>
<b>Shares in Portfolio</b>		<b>2,927,918,999</b>	<b>292,791,899,900</b>	

The Company's capital structure referred to above, which was stated in accordance with the Deed of Shareholders Resolution No 52 dated 13 December 2012, have been conducted entirely in cash by PT Soechi Group Rp50,775,614,100 (507.756.141 shares), Go Darmadi Rp2,094,162,000 (20.941.620 shares), Paulus Utomo Rp2,144,162,000 (21.441.620 shares), and Hartono Utomo Rp2,144,162,000 (21.441.620 shares) price paid at face value Rp100, and paid-up capital placed by the Company's shareholders

#### Year 2013

Based on PT Soechi Lines Shareholders Resolution NO. 192 dated 21 June 2013, drawn up before Yulia, SH., Notary in South Jakarta, which was approved by the Minister of Law and Human Rights by virtue of Decree No. AHU-34706.AH.01.02.Tahun 2013 dated 26 June 2013, registered in the Company Registry No. AHU-0060720.AH.01.09 Tahun 2013 dated 26 June 2014, which stipulated the shareholders approval to: (i) increase the Company's authorized capital from Rp 400,000,000,000 (four hundred billion Rupiah) to Rp 1,400,000,000,000 (one trillion four hundred billion Rupiah), (ii) increase the Company's issued and paid up capital from Rp 107,208,100,100 (one hundred seven billion two hundred eight million one hundred thousand one hundred Rupiah) to Rp 357,208,100,100 (three hundred fifty seven billion two hundred eight million one hundred thousand one hundred Rupiah), thereby changing the Company's shareholding composition to the following:



No.	Description	Nominal Value Rp 100 per share		
		Number of Shares	Total Nominal (Rp)	(%)
<b>Authorized Capital</b>		14,000,000,000	1,400,000,000,000	
<b>Issued and Paid-up Capital:</b>				
1.	PT Soechi Group	3,357,756,141	335.775.614.100	<b>94.00</b>
2.	Go Darmadi	71,441,620	7.144.162.000	<b>2.00</b>
3.	Paulus Utomo	71,441,620	7.144.162.000	<b>2.00</b>
4.	Hartono Utomo	71,441,620	7.144.162.000	<b>2.00</b>
<b>Total Issued and Paid-up Capital</b>		<b>3,572,081,001</b>	<b>357,208,100,100</b>	<b>100.00</b>
<b>Shares in Portfolio</b>		<b>10,427,918,999</b>	<b>1,042,791,899,900</b>	

The Company's capital structure referred to above, which was stated in accordance with the Deed of Shareholders Resolution No 192 dated 21 June 2013, has been contributed entirely in cash by PT Soechi Group Rp235,000,000,000 (2.350.000.000 shares), Go Darmadi Rp5,000,000,000 (50.000.000 shares), Paulus Utomo Rp5,000,000,000 (50.000.000 shares), and Hartono Utomo Rp5,000,000,000 (50.000.000 shares) price paid at face value Rp100, and paid-up capital placed by the Company's shareholders

#### Year 2014

Based on Deed of Shareholders Resolutions No. 16 dated 30 June 2014, drawn up before Doddy Natadihardja, SH., Notary in Tangerang, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. AHU-04800.40.20.2014 Tahun 2014 dated 1 July 2014, registered in the Company Registry No. AHU-0066527.40.80.2014 dated 1 July 2014, and registered in the Company Register under Certificate of Company Registration No. 09.03.1.70.86232 dated 12 September 2014, which stipulated the shareholders approval to: (i) increase the authorized capital from Rp 1,400,000,000,000.00 (one trillion four hundred billion Rupiah) to Rp 2,300,000,000,000.00 (two trillion three hundred billion Rupiah), (ii) increase the Company's issued and paid-up capital from Rp 357,208,100,100.00 (three hundred fifty seven billion two hundred eight million one hundred thousand one hundred) to Rp 600,000,000,000.00 (six hundred billion Rupiah), thereby changing the Company's capital structure and shareholding composition to be the following:

No.	Description	Nominal Value Rp 100 per Share		
		Number of Shares	Total Nominal(Rp)	(%)
<b>Authorized Capital</b>		<b>23,000,000,000</b>	<b>2,300,000,000,000</b>	
<b>Issued and Paid-up Capital</b>				
1.	PT Soechi Group	5,640,000,000	564.000.000.000	94.00
2.	Go Darmadi	120,000,000	12.000.000.000	2.00
3.	Paulus Utomo	120,000,000	12.000.000.000	2.00
4.	Hartono Utomo	120,000,000	12.000.000.000	2.00
<b>Total Issued and Paid-up Capital</b>		<b>6,000,000,000</b>	<b>600,000,000,000</b>	<b>100.00</b>
<b>Shares in Portfolio</b>		<b>17,000,000,000</b>	<b>1,700,000,000,000</b>	

The Company's capital structure referred to above, which was stated in accordance with the Deed of Shareholders Resolution No 16 dated 30 June 2014, has been contributed entirely in cash by PT Soechi Group Rp228,224,385,900 (2.282.243.859 shares), Go Darmadi Rp4,855,838,000 (48.558.380 shares), Paulus Utomo Rp4,855,838,000 (48.558.380 shares), and Hartono Utomo Rp4,855,838,000 (48.558.380 shares) price paid at face value Rp100, and paid-up capital placed by the Company's shareholders

The capital structure presented in the above table is the Company's latest capital structure as of the date of issuance of this Prospectus.

#### 4. Management and Supervision

As of the date of issuance of this Prospectus, composition of the Company's Board of Commissioners and Directors as stated in the Deed of Shareholders Resolutions No. 14 dated 19 August 2014 is as follows:

##### Board of Commissioners:

President Commissioner	:	Paulus Utomo
Commissioner	:	Johanes Utomo
Independent Commissioner	:	Edy Sugito



**Board of Directors:**

President Director	:	Go Darmadi
Director	:	Hartono Utomo
Director	:	Pieters Adyana Utomo
Director	:	Paula Marlina
Independent Director	:	Liem Joe Hoo

The appointment of the Company's Board of Directors and Commissioners was conducted in conformity with Rule No. IX.1.6, Annex to the Decree of Chairman of Bapepam No. Kep-45/PM/2004 dated 29 November 2004 concerning Board of Directors and Commissioners of Issuers and Public Companies.

The appointment of Independent Director was conducted in conformity with Decree of the Board of Directors of PT Bursa Efek Jakarta No. Kep-305/BEJ/07-2004 concerning Rule No. I-A concerning Listing of Shares and Equity Based Securities other than Shares Issued by Listed Company, issued by the IDX on 19 July 2004.

The appointment of Independent Director was conducted in conformity with PT Bursa Efek Indonesia Rule No. 1-A concerning Listing of Shares and Equity Based Securities other than Shares Issued by Listed Company, as Annex I of the Decree of the Board of Directors of PT Bursa Efek Indonesia No. KEP—00001/BEI/01-2014 dated 20 January 2014.

Presented below are the short descriptions of each member of the Board of Commissioners and Directors:

**Board of Commissioners**



**Paulus Utomo, President Commissioner**

Indonesian citizen. Presently 66 years old.

He has been serving as the Company's President Commissioner since 2010. In addition, he also serves as President Commissioner of PT Soechi Group (2010-present), President Commissioner of PT Multi Ocean Shipyard (2007-present), Commissioner of PT Sukses Osean Khatulistiwa Line (1999-present), President Commissioner of PT Tria Sumatera Corporation (1992-present), and President Director of PT Armada Bumi Pratiwi Lines (1980-present). He graduated from Chung Wen High School in Indonesia in 1965.



**Johanes Utomo, Commissioner**

Indonesian citizen. Presently 31 years old.

He has been serving as the Company's Commissioner since 2013. In addition, he also serves as Director of Success International Marine Pte Ltd (2012-present), Commissioner of PT Armada Maritime Offshore (2012-present), Director of PT Multi Ocean Lines (2011-present), Commissioner of PT Inti Rezeki Energi (2008-present), Commissioner of PT Rezeki Putera Energi (2007-present), Commissioner of PT Putera Utama Line (2006-present), Commissioner of PT Inti Energi Line (2006-present), Director of PT Tria Sumatera (2004-present). He graduated with a Bachelor of Science Degree majoring in Computer Science from University of Southern California in the United States of America in 2004.



**Edy Sugito, Independent Commissioner**

Indonesian citizen. Presently 49 years old.

He has been serving as the Company's Independent Commissioner since August 2014. In addition, he also currently serves as Independent Commissioner of several public companies, among others, PT Wismilak Inti Makmur Tbk (2012-present), PT PP London Sumatra Indonesia Tbk (2012-present), PT Astra Otoparts Tbk (2012-present), PT Dharma Satya Nusantara Tbk (2012-present), PT Trimegah Securities Tbk (2012-present), PT Hero Supermarket Tbk (2012-present) and President Commissioner of PT Gayatri Kapital Indonesia (2012-present). Previously served as Listing Director of PT Bursa Efek Indonesia (2005-2012), Director of PT Kliring Penjaminan Efek Indonesia (2002-2005), Director of PT Kustodian Sentral Efek



Indonesia (1998-2000), Head of Operations – Associate Director of PT Bahana Securities (1997-1998), Operation Manager of PT ABN Amro Asia Securities Indonesia (1994-1997), Finance and Administration manager of PT KOLL IPAC-Property Consultant & Management (1993-1994), Corporate Accounting Manager of Barito Pacific Group – Non Timber Division (1989-1991), Senior Auditor in Arthur Andersen (Drs. Prasetyo, Utomo \*Co.) (1989-1991), Auditor in Ernst and Whinney (Drs. Johan, Malonda & Partners) (1987-1988). He graduated with Bachelor Degree in Accounting from Trisakti University, Jakarta in 1991.

## Board of Directors



### **Go Darmadi, President Director**

Indonesian citizen. Presently 56 years old.

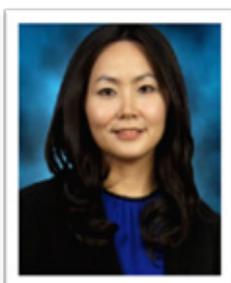
He has been serving as the Company's President Director since 2010. In addition, he also serves as President Director of PT Soechi Group (2010-present), President Commissioner of PT Rezeki Putra Energi (2007-present), Director of PT Multi Ocean Shipyard (2007-present), President Director of PT Sukses Osean Khatulistiwa Line (1999-present), Commissioner of PT Tria Sumatra Corporation (1993-present), and Commissioner of PT Sumaputra Anindya (1987-present), Director of PT Armada Bumi Pratiwi Lines (1980-present). He graduated with Bachelor Degree in Civil Engineering from Trisakti University in 1983.



### **Hartono Utomo, Operational Director –Shipyard**

Indonesian citizen. Presently 65 years old.

He has been serving as the Company's Director since 2013. In addition, he also serves as Director of PT Soechi Group (2010-present), Director of PT Multi Ocean Shipyard (2007-present), Commissioner of PT Sukses Osean Khatulistiwa Line (1999-present), Director of PT Tria Sumatera (1992-present), Commissioner of PT Sumaputra Anindya (1987-present), Commissioner of PT Armada Bumi Pratiwi Lines (1980-present). He graduated from Andalas High School in Medan, Indonesia, in 1967.



### **Paula Marlina, Finance Director**

Indonesian citizen. Presently 37 years old.

She has been serving as the Company's Director since 2013. In addition, she also serves as Director of Success Marlina, Pte, Ltd (2013-present), Chief Finance Officer of PT Sukses Osean Khatulistiwa Line (2005-present), and previously served as General Manager of PT Sumatera Anindya (2003-2005), Senior Tax Consultant in KPMG (2000-2003), Internship in Novotel Hotel Soechi Medan (1999-2000), Deloitte (1999) and Accounting in Ramada Inn (1997-1998). She graduated with a Master Degree in Accounting/MBA from Northeastern University in the United States of America in 1999 and Business of Administration degree from University of Oregon in the United States of America in 1997.

**Pieters Adyana Utomo, Operational Director - Shipping**

Indonesian citizen. Presently 26 years old.

He has been serving as the Company's Director since 2013. In addition, he also serves as President Director of P Sukses Maritime Line (2013-present), Commissioner of PT Armada Maritime Offshore (2011-present), President Commissioner of PT Utama Raya Abadi (2009-present), President Commissioner of PT Rezeki Sumber Gas (2008-present), President Commissioner of PT Putra utama Line (2006-present), and Commissioner of PT Inti Energi Line (2006-present). He graduated with a Bachelor degree in Business Administration from University of Wisconsin-Madison, United States of America, in 2009.

**Liem Joe Hoo, Independent Director**

Indonesian citizen. Presently 52 years old.

He has been serving as the Company's Independent Director since 2014.

Previously served as Commissioner of PT Global Multimedia Optima (Dec 2012-present), General Manager Business Development of PT Sukses Osean Khatulistiwa Line (2006- Dec2012), General Manager Finance & Accounting of PT Sukses Osean Khatulistiwa Line (1999-2006), Finance & Accounting Manager of PT Armada Bumi Pratiwi Lines (1994-1999), Accounting Manager of PT Sumaputra Anindya (1991-1994), Vice Director of PT Taruna Mekar Sakti (1990-1991), Accounting & Finance Manager of PT Ekamitra Jayatama (1988-1990), Chief Accountant of PT Harum Inti Manis (1984-1988), and Cost Accounting Supervisor in PT Djayanti Group (1982-1984). He graduated with a Bachelor Degree in Accounting from Universitas Kristen Indonesia, in 1992.

**Remuneration of the Board of Commissioners and Board of Directors**

The Board of Commissioners and Board of Directors receive the remuneration set forth by the shareholders in the annual GMS. The aforementioned remuneration is paid on a monthly basis. The Board of Commissioners and the Board of Directors do not receive any service fee for their attendance in the meetings of Board of Directors or Board of Commissioners.

(in Rupiah)

Total Remuneration	30 June 2014	31 December		
		2013	2012	2011*
Board of Directors	946,437,350	2,235,960,450	67,202,050	0
Board of Commissioners	382,358,800	972,235,900	67,340,650	0
<b>Total</b>	<b>1,328,796,150</b>	<b>3,208,196,350</b>	<b>134,542,700</b>	<b>0</b>

\*: No remuneration of the Board of Commissioners and Board of Directors

**Corporate Secretary**

By virtue of Decision Letter No. 11/SL/LGL/VIII/2014 dated 21 August 2014, the Company has appointed Paula Marlina as the Company's Corporate Secretary. The duties of a Corporate Secretary as defined in Rule No. IX.I.4, Annex to the Decree of Chairman of Bapepam No. Kep-63/PM/1996 dated 17 January 1996 concerning the Establishment of a Corporate Secretary, are as follows:

- Monitor the developments in the capital market, particularly the regulations prevailing in the capital market;
- Serve the Public by providing any information required by investors with regard to the Company's condition;
- Provide advice to the Company's Board of Directors with regard to the compliance of the provisions of the Capital Market Law and its implementing regulations;
- Act as the liaison or contact person between the Company, FSA and the Public.

Address of Corporate Secretary : Plaza Marein, Lt. 21, Sudirman Plaza, Jl. Jend. Sudirman Kav. 76-78  
Jakarta 12910, Indonesia.

Telephone No. : +62 21 5793 6883  
Facsimile : +62 21 5793 6833  
E-mail address : corsec@soechi.com

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## Audit Committee

The Company's Audit Committee was established in accordance with the prevailing law and regulations, based on the Letter of Establishment and Appointment of Audit Committee of PT Soechi Lines Tbk dated 21 August 2014 No. 13/SL/LGL/VIII/2014 and Audit Committee Charter of PT Soechi Lines Tbk dated 21 August 2014, headed by Edy Sugito, assisted by the following members:

### **Drs. Herbudianto, AK**

Indonesian citizen. Presently 58 years old.

He has been serving as a member of the Company's Audit Committee since 2014. In addition, he also serves as Audit Committee of PT Wismilak Inti Makmur Tbk (2013-present), Audit Committee of PT. Lippo Karawaci Tbk (2013-present), Audit Committee of PT Bekasi Fajar Industrial Estate Tbk (November 2012-present), Audit Committee of PT Supra Boga Lestari Tbk (November 2012-present), Independent Commissioner of PT Lippo Securities Tbk (2013-present), Independent Commissioner of PT Sarana Meditama Metropolitan Tbk (November 2012-present).

### **Dumaria Louise Togina Pohan, CPA**

Indonesian citizen. Presently 38 years old.

She has been serving as a member of the Company's Audit Committee since 2014. In addition, she is currently a partner of Auditor Independent Consultant (2013-present) and previously served as Audit Manager of Morison International (2010-2013), Finance Manager of Lutheran World Relief (January 2006-April 2009), Senior Auditor in Ernst & Young (August 1999-January 2006).

## Internal Audit Unit

The Company has established the Internal Audit Charter, which was approved by the Board of Commissioners and was later enacted by the Company's Board of Directors Decision Letter No. 003/DIR/SL/IX/13 on 1 September 2013.

Based on Decision Letter of the Company's Board of Directors No. 002/DIR/SL/VIII/13 dated 30 August 2013 concerning the designation and appointment of Head of Internal Audit, the composition of the Internal Audit Unit is as follows:

Head : Stephanie Anindya Utomo

The functions of Internal Audit Unit are as follows:

1. Assist the president director in conducting inspection/audit, review, presentation, evaluation, providing recommendation for improvements and consultation to work units in order to carry out their tasks and responsibilities in effective and efficient manners in accordance with the policies set by the Company.
2. Conduct analysis and evaluation on the effectiveness of internal control system on the management and implementation of the Company's activities.

The tasks and responsibilities of Internal Audit are as follows:

1. Conduct inspection/audit on the implementation of internal control system in accordance with the Company's policies/regulations.
2. Conduct analysis and evaluation on the effectiveness of systems and procedures.
3. Conduct monitoring and inspection and activities related to the following:
  - a. Finance and Administration
  - b. Operational and Marketing
  - c. Investment
  - d. Human Resources
  - e. Other Company activities
4. Conduct testing and review on periodical reports issued by the Company's work units to ensure:
  - a. Critical information is safeguarded properly
  - b. Information control is implemented effectively
  - c. Presentation of the reports is in compliance with the company regulations and the prevailing law and regulations.
5. Conduct monitoring and evaluation on audit findings and provides recommendations for improvement on business activities and system/policies/regulations that are in keeping with the Company's development.
6. Provide reports on completed audit to the President Director with a copy to the Audit Committee.

## 5. Human Resources

The Company is aware of the importance of human resources as the driving force of the Company. Therefore, the Company constantly maintains the quality of its employment competitiveness amidst the tight market competition.



Currently, the Company begins to view human resources as the Company's investment, instead of a mere tool for the Company in achieving profit.

The Company adopts the human capital strategy in the implementation of human resources management, as a tool to achieve the Company's objective. The strategy consists of, among others, the following:

#### 1. Recruitment & Selection

The Company shall ensure that Human Resources accepted by the Company are qualified person(s) for the available positions and posts. The Company attracts, invites and selects its employees based on the required competencies (through psychological tests, competency based tests and interviews). Therefore, the selection of human resources will ensure that the selected candidates meet the requirements and targets, the right man in the right position. The selected candidates will be prepared to develop through various means from development and evaluation up to career planning.

#### 2. Performance Management

In order to achieve its vision and mission, the Company requires an employee performance management and review that takes into account the organization system, work results, quality of competencies and employee workload. The followings are routinely conducted by the Company:

- a. Preparation of effective and efficient Standard Operating Procedures (SOPs). The SOPs are audited annually in order to achieve more effective and efficient standard operating procedures, therefore the Company's human resources costs can be reduced.
- b. Measurement of the Company's Human Resources Key Performance Indicator derived from the Company's strategy in balance score card perspective. The KPI will maintain the performance of the Company's human resources to be on track with the Company's profitability.
- c. Competencies Mapping in order to maintain the quality of human resources competencies in line with the Company's expectation, which will affect employees' ability to maintain the KPI targets previously set, which will directly affect the Company's profitability.
- d. Workload analysis in order to maintain the work performance of each existing employee to ensure that the respective employee's work capability and work comfort can be adjusted in accordance with the targets set by the Company.

#### 3. Training and Development

Competencies gap identified during the competencies mapping process will be acted upon by training and development of human resources. The quality of the Company's human resources is constantly maintained in accordance with the Company's expectation. Training and development are carried out based on expert analysis on the right methods and in accordance with the required areas of competencies. The method selected will be right on target to develop cognitive, psychomotor and affective skills of the existing human resources.

#### 4. Compensation and benefit

The Company provides the following compensation and benefit to its employees in order to maintain their motivation, security and satisfaction:

- a. Provident Fund Benefit (*Jaminan Hari Tua*, "JHT")
- b. Work-related Accident Benefit (*Jaminan Kecelakaan Kerja*, "JKK")
- c. Death Benefit (*Jaminan Kematian*, "JK")
- d. Health Insurance
- e. COP (Car Ownership Program)
- f. Lunch Allowance
- g. Transport Allowance
- h. Religious Holiday Allowance (*Tunjangan Hari Raya Keagamaan*, "THR")
- i. Development of employee physical activities through sport activities.

#### 5. Integrated Human Resources Administration and Information System

The Company implements digital based system to manage employee administration. Human Resources Information System (HRIS) is used to automatically integrate HR data from end-to-end (from recruitment until the employees are no longer employed by the Company).

The outputs of all the strategies referred to above will be analyzed and revised on a periodical basis to achieve a human resources management system that is productive, effective and efficient, which is keeping up with the continuously developing situation and condition.



Management policies for the Company are in compliance with the prevailing government regulations. Management policies which that affect employee welfare are, among others, the Company's participation in Jamsostek program, and employee payroll, which follows the regional minimum wage. Other obligations such as establishment of company regulations, filing of compulsory company manpower report are fulfilled by the Company, as a company that conforms to the prevailing government regulations.

With regard to employee welfare:

- The Company is registered as a participant of Manpower Social Security (*Jaminan Sosial Tenaga Kerja*, "Jamsostek"), as stated in Jamsostek Membership Certificate No. 1300000012713 dated 30 May 2013 as detailed below:

- a. Company Name : PT Soechi Lines
- b. Company Registration No. : JJ151214
- c. Address : Plaza Marein 21<sup>st</sup> Floor, Sudirman Plaza Jl. Jend. Sudirman Kav. 76-78, Jakarta 12910

- The Company has registered its employees for In-patient and Out-patient Health Insurance

The Company has fulfilled its payment obligation to its employees in accordance with the prevailing regional/provincial minimum wage.

As of 30 June 2014, the Company and its Subsidiaries employ 1,071 employees, consisting of 388 ground and 688 marine crew, with various background, experience and expertise in marine transport services sector.

Below are the descriptions on employees' composition as of 30 June 2014, 31 December 2013, 2012 and 2011, presented by level of education, position, age, work status and gender.

## GROUND CREW

**Table of the Company and its Subsidiaries Employee Composition by Education Level**

Education	31 December			30 June
	2011	2012	2013	2014
<b>The Company</b>				
> Bachelor Degree	0	0	3	3
Bachelor Degree	0	1	5	1
Diploma	0	0	0	0
High School or equivalent	0	1	1	2
< High School	0	0	0	0
<b>Sub-total</b>	<b>0</b>	<b>2</b>	<b>9</b>	<b>6</b>
<b>ABPL</b>				
> Bachelor Degree	1	3	2	2
Bachelor Degree	19	29	19	22
Diploma	9	9	7	8
High School or equivalent	24	45	26	24
< High School	3	4	2	1
<b>Sub-total</b>	<b>56</b>	<b>90</b>	<b>56</b>	<b>57</b>
<b>AMO</b>				
> Bachelor Degree	1	1	1	1
Bachelor Degree	3	5	5	5
Diploma	0	0	0	0
High School or equivalent	0	0	0	0
< High School	0	0	0	0
<b>Sub-total</b>	<b>4</b>	<b>6</b>	<b>6</b>	<b>6</b>
<b>IEL</b>				
> Bachelor Degree	3	5	1	0
Bachelor Degree	19	24	21	26
Diploma	8	13	10	12
High School or equivalent	21	25	19	14
< High School	1	0	1	1
<b>&gt; Bachelor Degree</b>	<b>52</b>	<b>67</b>	<b>52</b>	<b>53</b>
<b>MOS</b>				
> Bachelor Degree	0	2	0	0
Bachelor Degree	3	3	22	20
Diploma	2	3	18	18



Education	31 December			30June
	2011	2012	2013	2014
High School or equivalent	52	47	65	63
< High School	84	107	86	24
<b>Sub-total</b>	<b>141</b>	<b>162</b>	<b>191</b>	<b>125</b>
<b>PUL</b>				
> Bachelor Degree	1	2	3	2
Bachelor Degree	18	28	24	27
Diploma	7	9	9	8
High School or equivalent	17	22	14	13
< High School	2	0	0	0
<b>Sub-total</b>	<b>45</b>	<b>61</b>	<b>50</b>	<b>50</b>
<b>SIM</b>				
> Bachelor Degree	0	0	0	0
Bachelor Degree	0	0	0	0
Diploma	0	0	0	0
High School or equivalent	0	0	0	0
< High School	0	0	0	0
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SML</b>				
> Bachelor Degree	1	1	1	1
Bachelor Degree	3	3	6	7
Diploma	0	0	1	0
High School or equivalent	0	0	1	1
< High School	0	0	0	0
<b>Sub-total</b>	<b>4</b>	<b>4</b>	<b>9</b>	<b>9</b>
<b>SOKL</b>				
> Bachelor Degree	7	7	4	5
Bachelor Degree	29	36	23	26
Diploma	21	20	15	12
High School or equivalent	39	56	27	30
< High School	2	1	4	4
<b>Sub-total</b>	<b>98</b>	<b>120</b>	<b>73</b>	<b>77</b>
<b>Total</b>	<b>402</b>	<b>512</b>	<b>446</b>	<b>383</b>



Table of the Company and its Subsidiaries Employee Composition by Position

Position	31 December			30 June
	2011	2012	2013	2014
<b>The Company</b>				
Commissioner	1	1	2	1
Director	1	1	5	4
General Manager	0	0	1	1
Manager	0	0	1	0
Assistant Manager	0	0	0	0
Supervisor	0	0	0	0
Staff	0	0	0	0
Non Staff	0	0	0	0
<b>Sub-total</b>	<b>2</b>	<b>2</b>	<b>9</b>	<b>6</b>
<b>ABPL</b>				
Commissioner	1	1	1	1
Director	2	2	2	2
General Manager	4	5	3	3
Manager	3	3	1	1
Assistant Manager	6	10	5	5
Supervisor	7	13	14	16
Staff	25	46	30	29
Non Staff	8	10	0	0
<b>Sub-total</b>	<b>56</b>	<b>90</b>	<b>56</b>	<b>57</b>
<b>AMO</b>				
Commissioner	2	2	2	2
Director	2	2	2	2
General Manager	0	0	0	0
Manager	0	0	0	0
Assistant Manager	0	0	0	0
Supervisor	0	0	0	0
Staff	0	2	2	2
Non Staff	0	0	0	0
<b>Sub-total</b>	<b>4</b>	<b>6</b>	<b>6</b>	<b>6</b>
<b>IEL</b>				
Commissioner	3	3	2	2
Director	2	2	2	2
General Manager	0	4	0	0
Manager	2	1	1	1
Assistant Manager	1	1	0	0
Supervisor	10	9	11	12
Staff	24	40	36	36
Non Staff	10	7	0	0
<b>Sub-total</b>	<b>52</b>	<b>67</b>	<b>52</b>	<b>53</b>
<b>MOS</b>				
Commissioner	2	2	2	2
Director	2	2	2	2
General Manager	0	0	1	1
Manager	3	3	5	4
Assistant Manager	0	0	0	0
Supervisor	5	5	8	7
Staff	8	12	15	11
Non Staff	121	138	158	98
<b>Sub-total</b>	<b>141</b>	<b>162</b>	<b>191</b>	<b>125</b>
<b>PUL</b>				
Commissioner	3	3	3	3
Director	2	2	2	2
General Manager	0	2	0	0
Manager	5	3	1	1
Assistant Manager	1	3	1	1
Supervisor	2	2	6	5
Staff	25	40	37	38
Non Staff	7	6	0	0
<b>Sub-total</b>	<b>45</b>	<b>61</b>	<b>50</b>	<b>50</b>
<b>SIM</b>				
Commissioner	0	0	0	0



Position	31 December			30 June
	2011	2012	2013	2014
Director	0	0	0	0
General Manager	0	0	0	0
Manager	0	0	0	0
Assistant Manager	0	0	0	0
Supervisor	0	0	0	0
Staff	0	0	0	0
Non Staff	0	0	0	0
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SML</b>				
Commissioner	2	2	2	2
Director	2	2	2	2
General Manager	0	0	0	0
Manager	0	0	0	0
Assistant Manager	0	0	1	0
Supervisor	0	0	2	1
Staff	0	0	2	4
Non Staff	0	0	0	0
<b>Sub-total</b>	<b>4</b>	<b>4</b>	<b>9</b>	<b>9</b>
<b>SOKL</b>				
Commissioner	3	3	3	3
Director	2	2	2	2
General Manager	3	3	2	2
Manager	11	11	4	4
Assistant Manager	6	6	6	6
Supervisor	10	16	18	21
Staff	55	62	38	39
Non Staff	8	17	0	0
<b>Sub-total</b>	<b>98</b>	<b>120</b>	<b>73</b>	<b>77</b>
<b>Total</b>	<b>402</b>	<b>512</b>	<b>446</b>	<b>383</b>

Table of the Company and its Subsidiaries Employee Composition by Age

Age	31 December			30 June
	2011	2012	2013	2014
<b>The Company</b>				
>50	2	2	5	3
41-50	0	0	1	0
31-40	0	0	2	1
21-30	0	0	1	2
<21	0	0	0	0
<b>Sub-total</b>	<b>2</b>	<b>2</b>	<b>9</b>	<b>6</b>
<b>ABPL</b>				
>50	12	16	11	12
41-50	12	14	9	9
31-40	12	18	13	15
21-30	18	29	17	15
<21	2	13	6	6
<b>Sub-total</b>	<b>56</b>	<b>90</b>	<b>56</b>	<b>57</b>
<b>AMO</b>				
>50	0	0	0	0
41-50	0	0	0	0
31-40	0	2	2	2
21-30	4	4	4	4
<21	0	0	0	0
<b>Sub-total</b>	<b>4</b>	<b>6</b>	<b>6</b>	<b>6</b>
<b>IEL</b>				
>50	0	3	1	1
41-50	1	3	2	1
31-40	8	15	11	12



Age	31 December			30 June
	2011	2012	2013	2014
21-30	38	37	36	35
<21	5	9	2	4
<b>Sub-total</b>	<b>52</b>	<b>67</b>	<b>52</b>	<b>53</b>
<b>MOS</b>				
>50	14	5	13	15
41-50	30	40	34	34
31-40	49	50	69	40
21-30	42	51	66	27
<21	6	16	9	9
<b>Sub-total</b>	<b>141</b>	<b>162</b>	<b>191</b>	<b>125</b>
<b>PUL</b>				
>50	0	2	1	1
41-50	3	2	1	0
31-40	6	10	14	13
21-30	27	41	32	33
<21	9	6	2	3
<b>Sub-total</b>	<b>45</b>	<b>61</b>	<b>50</b>	<b>50</b>
<b>SIM</b>				
>50	0	0	0	0
41-50	0	0	0	0
31-40	0	0	0	0
21-30	0	0	0	0
<21	0	0	0	0
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SML</b>				
>50	0	0	0	0
41-50	0	0	1	0
31-40	0	0	3	1
21-30	4	4	5	8
<21	0	0	0	0
<b>Sub-total</b>	<b>4</b>	<b>4</b>	<b>9</b>	<b>9</b>
<b>SOKL</b>				
>50	15	19	13	13
41-50	24	24	11	10
31-40	23	24	20	21
21-30	33	48	27	31
<21	3	5	2	2
<b>Sub-total</b>	<b>98</b>	<b>120</b>	<b>73</b>	<b>77</b>
<b>Total</b>	<b>402</b>	<b>512</b>	<b>446</b>	<b>383</b>

Table of the Company and its Subsidiaries Employee Composition by Work Status

Status	31 December			30 June
	2011	2012	2013	2014
<b>The Company</b>				
Permanent	2	2	8	6
Non-Permanent	0	0	1	0
<b>Sub-total</b>	<b>2</b>	<b>2</b>	<b>9</b>	<b>6</b>
<b>ABPL</b>				
Permanent	56	90	40	36
Non-Permanent	0	0	16	21
<b>Sub-total</b>	<b>56</b>	<b>90</b>	<b>56</b>	<b>57</b>
<b>AMO</b>				
Permanent	4	4	6	6
Non-Permanent	0	2	0	0
<b>Sub-total</b>	<b>4</b>	<b>6</b>	<b>6</b>	<b>6</b>
<b>IEL</b>				
Permanent	52	67	33	29
Non-Permanent	0	0	19	24
<b>Sub-total</b>	<b>52</b>	<b>67</b>	<b>52</b>	<b>53</b>



Status	31 December			30 June
	2011	2012	2013	2014
<b>MOS</b>				
Permanent	137	161	8	8
Non-Permanent	4	1	183	117
<b>Sub-total</b>	<b>141</b>	<b>162</b>	<b>191</b>	<b>125</b>
<b>PUL</b>				
Permanent	45	61	50	21
Non-Permanent	0	0	0	29
<b>Sub-total</b>	<b>45</b>	<b>61</b>	<b>50</b>	<b>50</b>
<b>SIM</b>				
Permanent	0	0	0	0
Non-Permanent	0	0	0	0
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SML</b>				
Permanent	4	4	4	4
Non-Permanent	0	0	5	5
<b>Sub-total</b>	<b>4</b>	<b>4</b>	<b>9</b>	<b>9</b>
<b>SOKL</b>				
Permanent	98	120	57	51
Non-Permanent	0	0	16	26
<b>Sub-total</b>	<b>98</b>	<b>120</b>	<b>73</b>	<b>77</b>
<b>Total</b>	<b>402</b>	<b>512</b>	<b>446</b>	<b>383</b>

**MARINE CREW**

The Company and two of its Subsidiaries, MOS and SIM do not employ any marine crew in addition to the ground crew. The Company's subsidiaries employs marine personnel who are bound by Marine Work Agreement (*Perjanjian Kerja Laut*, "PKL") between the respective Subsidiary and each marine personnel, in compliance with Government Regulation No. 7 of 2000 concerning Marine. As of 30 June 2014, the Company's Subsidiaries employ a total marine crew of 688 personnel as detailed below, presented by position:

**Table of the Company's Subsidiaries Employee Composition by Position**

Position	31 December			30 June
	2011	2012	2013	2014
<b>ABPL</b>				
Master	8	7	7	7
Skipper I	13	5	7	6
Skipper II	10	9	7	7
Skipper III	4	9	7	6
Skipper IV	2	0	0	0
Bosun	15	8	7	4
Signal Man	0	0	0	0
Coxswain	24	21	21	19
Electrician	1	0	0	0
Chief Machinist	9	5	7	6
Machinist Mate I	0	5	0	0
Machinist Mate II	7	9	7	7
Machinist Mate III	6	7	6	6
Machinist Mate IV	7	0	6	6
Machinist Mate V	0	0	0	0
Oiler	1	20	20	19
Cook	28	7	7	6
Waiter	8	6	6	4
Overseer	5	0	4	3
Seaman	8	4	3	1
Radio Officer	3	0	0	0
Mechanic	2	3	0	0
Foreman	0	5	0	0
Leader Man	0	0	0	0
Rigger	0	0	0	0
Crane Operator	0	0	0	0
Safety	0	0	0	0
Medic	0	0	0	0



Position	31 December			30 June
	2011	2012	2013	2014
Pumpman	0	0	2	2
Cadet Deck	2	3	1	1
Cadet Engine	4	4	2	1
A/B	0	0	0	0
Boswain	0	0	0	0
Able Body	0	0	0	0
Fitter	0	0	2	2
Welder	0	0	1	1
Wiper	0	0	0	1
<b>Sub-total</b>	<b>167</b>	<b>137</b>	<b>130</b>	<b>115</b>
<b>AMO</b>				
Master	0	4	2	2
Skipper I	0	4	2	2
Skipper II	0	0	1	1
Skipper III	0	1	2	2
Skipper IV	0	0	0	0
Bosun	0	0	2	2
Signal Man	0	0	0	0
Coxswain	0	8	6	6
Electricient	0	0	2	2
Chief Machinist	0	1	2	2
Machinist Mate I	0	0	0	0
Machinist Mate II	0	3	3	3
Machinist Mate III	0	0	2	2
Machinist Mate IV	0	0	2	2
Machinist Mate V	0	0	0	0
Oiler	0	4	6	6
Cook	0	0	3	3
Waiter	0	0	2	2
Overseer	0	0	2	2
Seaman	0	0	1	1
Radio Officer	0	0	0	0
Mechanic	0	0	0	0
Foreman	0	0	0	0
Leader Man	0	0	0	0
Rigger	0	0	0	0
Crane Operator	0	0	0	0
Safety	0	0	0	0
Medic	0	0	0	0
Pumpman	0	0	1	1
Cadet Deck	0	1	3	3
Cadet Engine	0	1	3	3
OS	0	0	0	0
Boswain	0	0	1	1
Able Body	0	0	0	0
Fitter	0	0	2	2
Welder	0	0	0	0
Wiper	0	0	2	2
<b>Sub-total</b>	<b>0</b>	<b>27</b>	<b>52</b>	<b>52</b>
<b>IEL</b>				
Master	6	6	6	6
Skipper I	9	6	6	6
Skipper II	6	8	6	6
Skipper III	8	6	6	5
Skipper IV	1	0	0	0
Bosun	12	8	6	5
Signal Man	0	0	0	0
Coxswain	17	20	17	16
Electricient	2	1	2	2
Chief Machinist	6	5	6	6
Machinist Mate I	0	4	0	0
Machinist Mate II	5	7	5	6
Machinist Mate III	5	9	5	6
Machinist Mate IV	8	6	6	6



Position	31 December			30 June
	2011	2012	2013	2014
Machinist Mate V	0	0	0	0
Oiler	0	21	17	16
Cook	18	5	6	6
Waiter	8	7	6	6
Overseer	7	0	3	3
Seaman	4	1	0	0
Radio Officer	2	0	0	0
Mechanic	0	4	0	0
Foreman	0	2	0	0
Leader Man	0	0	0	0
Rigger	0	0	0	0
Crane Operator	0	0	0	0
Welder	0	0	0	0
Medic	0	0	0	0
Pumpman	1	0	4	4
Cadet Deck	8	7	4	3
Cadet Engine	6	5	4	3
A/B	0	0	0	0
OS	0	0	2	2
Able Body	0	0	0	0
Fitter	0	0	3	3
Eng Foreman	0	0	0	0
Wiper	0	0	2	2
<b>Sub-total</b>	<b>139</b>	<b>138</b>	<b>122</b>	<b>118</b>
<b>PUL</b>				
Master	4	4	5	4
Skipper I	4	6	6	5
Skipper II	6	5	5	4
Skipper III	2	5	5	4
Skipper IV	0	0	0	0
Bosun	8	10	4	6
Signal Man	0	0	0	0
Coxswain	10	15	18	15
Electrician	2	4	4	5
Chief Machinist	4	5	5	4
Machinist Mate I	0	5	0	0
Machinist Mate II	4	6	5	4
Machinist Mate III	5	5	5	4
Machinist Mate IV	3	0	5	4
Machinist Mate V	0	0	0	0
Oiler	0	15	18	15
Cook	13	4	7	6
Waiter	4	4	6	7
Overseer	3	5	3	4
Seaman	2	1	4	4
Radio Officer	0	0	0	0
Mechanic	0	0	0	0
Foreman	0	0	0	0
Leader Man	0	0	0	0
Rigger	0	0	0	0
Crane Operator	0	0	0	0
Safety	0	0	0	0
Medic	0	0	1	1
Pumpman	0	0	2	3
Cadet Deck	4	7	5	6
Cadet Engine	3	7	5	6
A/B	0	0	0	0
Boswain	0	0	2	0
Able Body	0	0	0	0
Fitter	0	0	4	3
Eng Foreman	0	0	0	0
Wiper	0	0	0	0
<b>Sub-total</b>	<b>81</b>	<b>113</b>	<b>124</b>	<b>114</b>
<b>SML</b>				
Master	0	0	1	1



Position	31 December			30 June
	2011	2012	2013	2014
Skipper I	0	0	1	1
Skipper II	0	0	1	1
Skipper III	0	0	1	1
Skipper IV	0	0	0	0
Bosun	0	0	1	1
Signal Man	0	0	0	0
Coxswain	0	0	3	3
Electricient	0	0	1	1
Chief Machinist	0	0	1	1
Machinist Mate I	0	0	0	0
Machinist Mate II	0	0	1	1
Machinist Mate III	0	0	1	1
Machinist Mate IV	0	0	1	1
Machinist Mate V	0	0	0	0
Oiler	0	0	3	3
Cook	0	0	1	1
Waiter	0	0	1	1
OS	0	0	1	1
Seaman	0	0	0	0
Radio Officer	0	0	0	0
Mechanic	0	0	0	0
Foreman	0	0	0	0
Leader Man	0	0	0	0
Rigger	0	0	0	0
Crane Operator	0	0	0	0
Safety	0	0	0	0
Medic	0	0	0	0
Pumpman	0	0	1	1
Cadet Deck	0	0	2	2
Cadet Engine	0	0	1	1
A/B	0	0	0	0
Boswain	0	0	0	0
Able Body	0	0	0	0
Fitter	0	0	1	1
Welder	0	0	1	1
Wiper	0	0	1	1
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>26</b>	<b>26</b>
<b>SOKL</b>				
Master	11	12	12	11
Skipper I	15	12	9	12
Skipper II	13	10	11	12
Skipper III	13	13	11	12
Skipper IV	2	3	2	2
Bosun	23	12	12	10
Signal Man	0	0	0	0
Coxswain	30	37	33	34
Electricient	4	1	4	4
Chief Machinist	13	10	12	11
Machinist Mate I	1	11	0	0
Machinist Mate II	7	9	12	12
Machinist Mate III	10	7	12	12
Machinist Mate IV	7	6	8	8
Machinist Mate V	0	0	2	2
Oiler	1	34	33	34
Cook	30	11	12	12
Waiter	11	7	7	8
Overseer	4	13	6	8
Seaman	12	3	0	1
Radio Officer	5	0	0	0
Mechanic	3	0	0	0
Foreman	0	0	0	0
Leader Man	0	0	0	0
Rigger	0	0	0	0
OS	0	0	2	2
Safety	0	0	0	0



Position	31 December			30 June
	2011	2012	2013	2014
Medic	0	0	0	0
Pumpman	0	0	8	8
Cadet Deck	5	13	11	11
Cadet Engine	6	10	8	9
A/B	0	0	0	0
Boswain	0	0	0	0
Able Body	0	0	0	0
Fitter	0	0	4	3
Welder	0	0	5	1
Wiper	0	0	4	5
<b>Sub-total</b>	<b>226</b>	<b>234</b>	<b>240</b>	<b>244</b>
<b>SMSA</b>				
Master	0	0	1	1
Skipper I	0	0	1	1
Skipper II	0	0	1	1
Skipper III	0	0	1	1
Skipper IV	0	0	0	0
Bosun	0	0	1	1
Signal Man	0	0	0	0
Coxswain	0	0	3	3
Electricient	0	0	1	1
Chief Machinist	0	0	1	1
Machinist Mate I	0	0	0	0
Machinist Mate II	0	0	1	1
Machinist Mate III	0	0	1	1
Machinist Mate IV	0	0	0	0
Machinist Mate V	0	0	0	0
Oiler	0	0	2	2
Cook	0	0	1	1
Waiter	0	0	1	1
Overseer	0	0	1	1
Seaman	0	0	0	0
Radio Officer	0	0	0	0
Mechanic	0	0	0	0
Foreman	0	0	0	0
Leader Man	0	0	0	0
Rigger	0	0	0	0
OS	0	0	0	0
Safety	0	0	0	0
Medic	0	0	0	0
Pumpman	0	0	0	0
Cadet Deck	0	0	1	1
Cadet Engine	0	0	1	1
A/B	0	0	0	0
Boswain	0	0	0	0
Able Body	0	0	0	0
Fitter	0	0	0	0
Welder	0	0	0	0
Wiper	0	0	0	0
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>19</b>	<b>19</b>
<b>Total</b>	<b>613</b>	<b>649</b>	<b>713</b>	<b>688</b>

Table of the Company's Subsidiaries' Employee Composition by Education Level

Education	31 December			30 June
	2011	2012	2013	2014
<b>ABPL</b>				
ANT I	2	5	5	6
ANT II	10	7	9	7
ANT III	25	16	14	13
ANT IV	0	0	0	0
ANT V	0	0	1	4
ANT D	53	47	41	28



Education	31 December			30 June
	2011	2012	2013	2014
ATT I	3	2	4	3
ATT II	10	10	6	5
ATT III	18	16	15	17
ATT IV	0	0	0	0
ATT V	1	0	0	2
ATT D	38	27	31	27
BST	7	7	1	1
Other	0	0	3	2
<b>Sub-total</b>	<b>167</b>	<b>137</b>	<b>130</b>	<b>115</b>
<b>AMO</b>				
ANT I	0	4	2	2
ANT II	0	4	2	2
ANT III	0	1	4	4
ANT IV	0	0	0	0
ANT V	0	0	0	0
ANT D	0	8	4	4
ATT I	0	1	2	2
ATT II	0	0	2	2
ATT III	0	3	4	4
ATT IV	0	0	0	0
ATT V	0	0	0	0
ATT D	0	4	25	25
BST	0	2	7	7
Other	0	0	0	0
<b>Sub-total</b>	<b>0</b>	<b>27</b>	<b>52</b>	<b>52</b>
<b>IEL</b>				
ANT I	6	4	5	6
ANT II	10	6	8	6
ANT III	15	15	12	11
ANT IV	0	0	0	0
ANT V	2	0	1	3
ANT D	43	39	26	24
ATT I	4	5	4	5
ATT II	6	2	6	6
ATT III	11	23	13	15
ATT IV	1	0	0	0
ATT V	3	1	2	1
ATT D	18	31	37	37
BST	20	12	4	4
Other	0	0	4	0
<b>Sub-total</b>	<b>139</b>	<b>138</b>	<b>122</b>	<b>118</b>
<b>PUL</b>				
ANT I	5	4	5	3
ANT II	3	4	8	6
ANT III	9	12	10	10
ANT IV	0	0	0	0
ANT V	0	1	0	1
ANT D	25	31	25	22
ATT I	0	4	4	3
ATT II	6	6	4	5
ATT III	9	11	14	10
ATT IV	0	0	0	0
ATT V	1	0	0	0
ATT D	16	26	34	32
BST	7	14	14	16
Other	0	0	6	6
<b>Sub-total</b>	<b>81</b>	<b>113</b>	<b>124</b>	<b>114</b>
<b>SML</b>				
ANT I	0	0	1	1
ANT II	0	0	1	1
ANT III	0	0	2	2
ANT IV	0	0	0	0
ANT V	0	0	0	0
ANT D	0	0	1	1



Education	31 December			30 June
	2011	2012	2013	2014
ATT I	0	0	1	1
ATT II	0	0	1	1
ATT III	0	0	2	2
ATT IV	0	0	0	0
ATT V	0	0	0	0
ATT D	0	0	12	12
BST	0	0	5	5
Other	0	0	0	0
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>26</b>	<b>26</b>
<b>SOKL</b>				
ANT I	9	7	9	8
ANT II	16	19	14	12
ANT III	27	29	23	29
ANT IV	2	1	0	0
ANT V	3	3	5	4
ANT D	66	65	55	55
ATT I	3	6	9	8
ATT II	13	8	12	10
ATT III	22	26	22	27
ATT IV	1	1	1	0
ATT V	1	4	6	8
ATT D	48	42	65	61
BST	15	23	3	3
Other	0	0	16	19
<b>Sub-total</b>	<b>226</b>	<b>234</b>	<b>240</b>	<b>244</b>
<b>SMSA</b>				
ANT I	0	0	1	1
ANT II	0	0	1	1
ANT III	0	0	2	2
ANT IV	0	0	0	0
ANT V	0	0	0	0
ANT D	0	0	1	1
ATT I	0	0	1	1
ATT II	0	0	1	1
ATT III	0	0	2	2
ATT IV	0	0	0	0
ATT V	0	0	0	0
ATT D	0	0	8	8
BST	0	0	2	2
Other	0	0	0	0
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>19</b>	<b>19</b>
<b>Total</b>	<b>613</b>	<b>649</b>	<b>713</b>	<b>688</b>

Table of the Company's Subsidiaries' Employee Composition by Age

Age	31 December			30 June
	2011	2012	2013	2014
<b>ABPL</b>				
>50	6	9	9	10
41-50	21	17	24	25
31-40	79	55	42	34
21-30	60	56	55	46
<21	1	0	0	0
<b>Sub-total</b>	<b>167</b>	<b>137</b>	<b>130</b>	<b>115</b>
<b>AMO</b>				
>50	0	4	6	6
41-50	0	1	11	11
31-40	0	11	17	17
21-30	0	11	18	18
<21	0	0	0	0
<b>Sub-total</b>	<b>0</b>	<b>27</b>	<b>52</b>	<b>52</b>
<b>IEL</b>				
>50	7	4	3	6



Age	31 December			30 June
	2011	2012	2013	2014
41-50	17	18	23	22
31-40	56	61	46	35
21-30	58	50	49	54
<21	1	5	1	1
<b>Sub-total</b>	<b>139</b>	<b>138</b>	<b>122</b>	<b>118</b>
<b>PUL</b>				
>50	6	6	13	11
41-50	8	8	20	21
31-40	33	47	46	43
21-30	34	45	41	35
<21	0	7	4	4
<b>Sub-total</b>	<b>81</b>	<b>113</b>	<b>124</b>	<b>114</b>
<b>SML</b>				
>50	0	0	2	2
41-50	0	0	7	7
31-40	0	0	6	6
21-30	0	0	11	11
<21	0	0	0	0
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>26</b>	<b>26</b>
<b>SOKL</b>				
>50	2	9	14	17
41-50	38	34	36	34
31-40	105	78	81	78
21-30	70	108	106	110
<21	11	5	3	5
<b>Sub-total</b>	<b>226</b>	<b>234</b>	<b>240</b>	<b>244</b>
<b>SMSA</b>				
>50	0	0	2	2
41-50	0	0	7	7
31-40	0	0	2	2
21-30	0	0	8	8
<21	0	0	0	0
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>19</b>	<b>19</b>
<b>Total</b>	<b>613</b>	<b>649</b>	<b>713</b>	<b>688</b>

The Company does not have any employee with specific expertise in certain area, whose absence will interrupt the continuity of the Company's operational or business activities.

The Company has met the provincial/regional minimum wage requirement for employees set forth by the prevailing regulations. Based on Compulsory Company Manpower Report (*Wajib Lapor Ketenagakerjaan*, "WLTK") No. 24/1844.1987 issued by East Jakarta Municipality Manpower and Transmigration Agency of the Republic of Indonesia, the Company has complied with DKI Jakarta Province Governor Regulation No. 189 of 2012 dated 20 November 2012 concerning 2013 Provincial Minimum Wage (*Upah Minimum Provinsi*, "UMP").

### Foreign Workers

As of the date of issuance of this Prospectus, the Company and its Subsidiaries employ 6 (six) foreign workers as detailed below:

No	Name	Citizen of	Position	KITAS No.	Expiry Date	IMTA	Expiry Date
1	Lo Ah Meng	Malaysia	Prod. Manager Floating Dock	2C11BC002 6-N	11 March 2015	00553/MEN/B/IM TA/KEK/-/2014	17 March 2015
2	Sawhney Karanpreet Singh	India	Research and Development Manager	2C21JF7578 -M	1 October 2014*	25092/MEN/P/IM TA/2013	1 October 2014*
3	Aditya Sud	India	Research and Development Advisor	2C21JE121 8-N	28 November 2014	27095/MEN/P/IM TA/2013	28 November 2014
4	Aziz Ather	Pakistan	Research and Development Manager	2C21JF0502 -N	14 December 2014	01637/MEN/P/IM TA/2014	14 December 2014
5	Abdul Hamid Bin Mohamad	Malaysia	Cargo Handling Advisor	2C11JE287 9-N	31 December 2014	15727/MEN/B/IM TA/2014	30 October 2015



6	Pushan Khanna	India	Research and Development Advisor	2C21JE139 0-N	28 December 2014	28680/MEN/P/IM TA/2013	31 December 2014
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\*Notes : KITAS and IMTA are in process

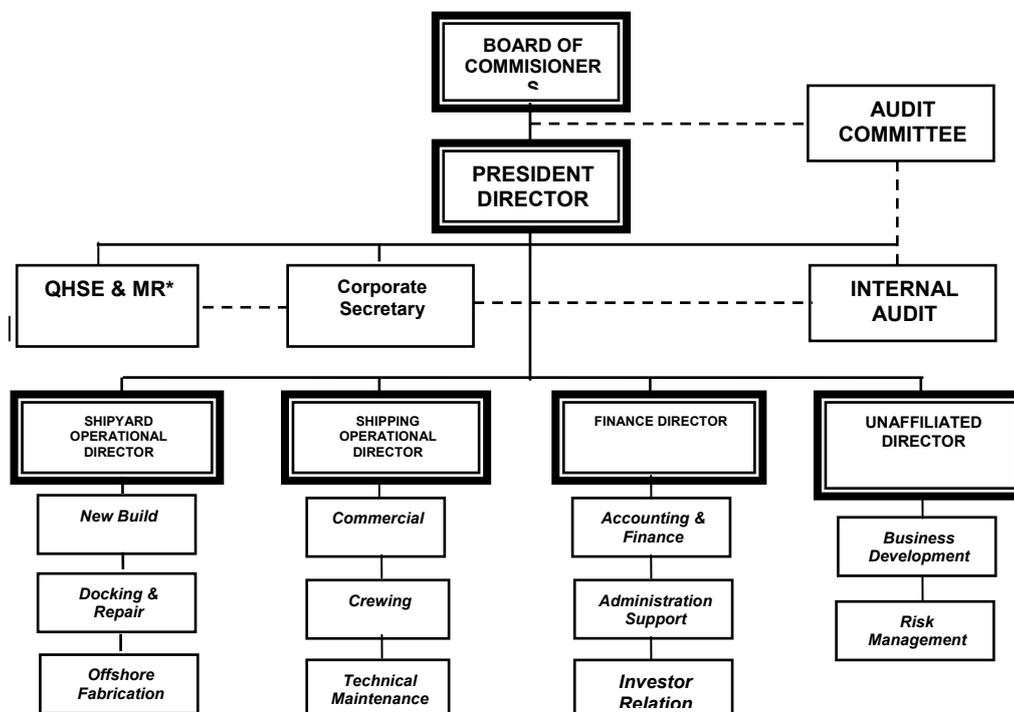
The Company does not restrict foreign workers from holding certain positions in the Company, in accordance with the prevailing manpower regulations in Indonesia.

The Company and its Subsidiaries do not have any labor union.

### Company Regulations

Soechi Lines summarizes all work regulations in a set of company regulations approved by the Manpower and Transmigration Agency under No. 476/PP/B/VII/D/2013. The company regulations set by the Company refers to Law No. 13 of 2013 concerning manpower. The company regulations set forth the sanctions and disciplinary actions for employees that are applicable in Soechi Lines. Therefore, the Company expects the company regulations will serve as a framework to govern the relationship between the Company and its employees to ensure the Company’s operational activities run well.

## 6. The Company’s Organization Structure



Note:  
\*Quality, Health, Safety and Environment & Management Representative

## 7. Overview of Legal Entity Shareholders

Overview of the Company’s legal entity shareholders are presented below:

### PT Soechi Group (“SG”)

#### a. SG’s Brief History

SG is a limited liability company engaged in trading, services, construction, transportation, mining, printing, agriculture, workshop and industrial sectors. SG was established as a limited liability company, under the name PT Soechi Group based on Deed of Establishment No. 25 dated 18 May 2010, and amended by Deed No. 13 dated 10 June 2010, both of which were drawn up before Meissie Phoulan, SH., Notary in Jakarta, and have received approval from the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. AHU-33470.AH.01.01.Tahun 2010 dated 2 July 2010 and were registered in the Company Registration Office of Central Jakarta Municipality under Certificate of Company Registration



(TDP) No. 09.03.1.74.66318 dated 3 September 2010 and announced in the State Gazette of the Republic of Indonesia No. 21290 Year 2011 dated 26 July 2011, Supplement to the State Gazette No. 59.

SG's Articles of Association was last amended by Deed of the Company's Shareholders Resolution NO. 34 dated 10 December 2012, drawn up before Yulia, SH., Notary in Jakarta, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. AHU-64105.AH.01.02.Tahun 2012 dated 13 December 2012, whereby the shareholders approved, among others, the increase of authorized capital and issued and paid-in capital.

PT Soechi Group located at:  
Plaza Marein 21<sup>st</sup> Floor, Sudirman Plaza  
Jl. Jend. Sudirman Kav. 76-78, Jakarta 12910  
South Jakarta  
Telephone : (021) 5793 6883  
Faximile : (021) 5793 6833

#### b. Composition of Management and Supervision Board

In accordance with Deed of Establishment No. 25 dated 18 May 2010, amended by Deed No. 13 dated 10 June 2010, both of which were drawn up before Meissie Phoulán, SH., Notary in Jakarta, and have received approval from the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. AHU-33470.AH.01.01.Tahun 2010 dated 2 July 2010 and were registered in the Company Registration Office of Central Jakarta Municipality under Certificate of Company Registration (TDP) No. 09.03.1.74.66318 dated 3 September 2010 and announced in the State Gazette of the Republic of Indonesia No. 20290 Year 2011, Supplement to the State Gazette dated 26 July 2011 No. 59, the composition of SG's management board is as follows:

##### Board of Commissioners

President Commissioner : Paulus Utomo  
Commissioner : Linawaty  
Commissioner : Agus Utomo

##### Board of Directors

President Director : Go Darmadi  
Director : Hartono Utomo

#### c. Capital Structure and Shareholder Composition

In accordance with the Company's Deed of Shareholders Resolution No. 34 dated 10 December 2012, drawn up before Yulia, SH., Notary in Jakarta, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. AHU-64105.AH.01.02.Tahun 2012 dated 13 December 2012, SG's capital structure and shareholder composition are as follows:

Name of Shareholders	Number of Shares	Nominal Value (Rp)	Value (Rp)	Percentage
<b>Authorized Capital</b>				
A Series	200,000	1,000,000	200,000,000,000	
B Series	2,000,000,000	100	200,000,000,000	
<b>Total Authorized Capital</b>	<b>2,000,200,000</b>		<b>400,000,000,000</b>	
<b>Issued and Paid-up Capital :</b>				
<b>PT Pilar Sukses Utama (B series)</b>	<b>152,326,842</b>	<b>100</b>	<b>15,232,684,200</b>	<b>29.993</b>
<b>PT Harapan Karya Utama (B series)</b>	<b>152,326,842</b>	<b>100</b>	<b>15,232,684,200</b>	<b>29.993</b>
<b>PT Darma Pertiwi Raya (B series)</b>	<b>152,326,842</b>	<b>100</b>	<b>15,232,684,200</b>	<b>29.993</b>
<b>PT Agung Sukses Utama (B series)</b>	<b>35,546,644</b>	<b>100</b>	<b>3,554,644,400</b>	<b>7.000</b>
<b>Lisa Utomo (B series)</b>	<b>5,079,418</b>	<b>100</b>	<b>507,941,800</b>	<b>1.000</b>
<b>Linawaty (A series)</b>	<b>2,500</b>	<b>1,000,000</b>	<b>2,500,000,000</b>	<b>0.001</b>
<b>Linawaty (B series)</b>	<b>10,149,553</b>	<b>100</b>	<b>1,014,955,300</b>	<b>2.000</b>
<b>Hartono Utomo (A series)</b>	<b>15,000</b>	<b>1,000,000</b>	<b>15,000,000,000</b>	<b>0.006</b>
<b>Go Darmadi (A series)</b>	<b>15,000</b>	<b>1,000,000</b>	<b>15,000,000,000</b>	<b>0.006</b>
<b>Paulus Utomo (A series)</b>	<b>15,000</b>	<b>1,000,000</b>	<b>15,000,000,000</b>	<b>0.006</b>
<b>Agus Utomo (A series)</b>	<b>2,500</b>	<b>1,000,000</b>	<b>2,500,000,000</b>	<b>0.001</b>
<b>Total Issued and Paid-up Capital</b>	<b>507,806,141</b>		<b>100,775,594,100</b>	<b>100.000</b>
A Series Shares in Portfolio	150,000		150,000,000,000	
B Series Shares in Portfolio	1,492,243,859		149,224,385,900	
<b>Total Shares in Portfolio</b>	<b>1,492,393,859</b>		<b>299,224,385,900</b>	



**8. Association by way of Management and Supervision Between the Company and Legal Entity Shareholders**

Name	The Company	SG
Paulus Utomo	President Commissioner	President Commissioner
Johanes Utomo	Komisaris	-
Edy Sugito	Independent Commissioner	-
Go Darmadi	President Director	President Director
Paula Marlina	Director	-
Hartono Utomo	Director	Director
Pieters Adyana Utomo	Director	-
Liem Joe Hoo	Independent Director	-

**9. Associations by way of Management and Supervision of the Company and Subsidiaries**

Name	Company	ABPL	AMO	IEL	MOS	PUL	SML	SOKL
Paulus Utomo	President Commissioner	President Director	-	-	President Commissioner	-	-	Com
Johanes Utomo	Commissioner	-	Com	Com	-	Com	Com	-
Edy Sugito	Independent Commissioner	-	-	-	-	-	-	-
Go Darmadi	President Director	Dir	-	-	Dir	-	-	President Director
Paula Marlina	Director	-	-	-	-	-	-	-
Hartono Utomo	Director	Com	-	-	President Director	-	-	President Commissioner
Pieters Adyana Utomo	Director	-	President Commissioner	President Commissioner	-	President Commissioner	President Director	-
Liem Joe Hoo	Independent Director	-	-	-	-	-	-	-

**10. Overview of Subsidiaries**

Presented below is the summary of each Subsidiary directly owned by the Company, with a percentage of ownership of 50% or above:

No.	Company Name	The Company's Ownership (Direct)	Year of Investment	Year of Establishment	Business Activities	Operational Status
1	ABPL	99.91%	2012	1980	shipping	operating
2	IEL	99.93%	2012	2006	shipping	operating
3	MOS	99.99%	2012	2007	shipyard	operating
4	SOKL	99.80%	2010	1999	shipping	operating
5	PUL	99.99%	2012	2006	shipping	operating
6	SML	99.99%	2013	2011	shipping	operating
7	AMO	99.98%	2012	2011	shipping	operating
8	SIM	99.99%	2012	2012	Shipping through SIM Subsidiaries	operating

The Company has indirect ownership in the following SIM Subsidiaries:

No.	Company Name	Subsidiary's Direct Ownership % Ownership	Year of Investment	Operational Year	Business Activities	Operational Status
1	Success Marlina XXIII SA	100%	2012	2012	Shipping	Operating
2	Success Marlina Pte Ltd	100%	2013	-	Shipping	Not Yet Operating

**(1) PT Armada Bumi Pratiwi Lines (“ABPL”)**

## a. Brief History

ABPL is a legal entity engaged in shipping industry, established in the form of a limited liability company, APBL was established under the name of PT Armada Bumi Pratiwi Lines. In accordance with Deed of Establishment No. 1 dated 3 November, which was partially amended by Deed of Amendment on Articles of Associations No. 47 dated 28 September 1981, both of which were drawn up before Drs. H. Erwal Gwang, SH., Notary in Jakarta, which have received approval from the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. Y.A.5/561/15 dated 10 September 1981, and were registered in the Court Registry of Central Jakarta under No. 4625 dated 22 December 2981, the State Gazette of the Republic of Indonesia and the Supplement to the State Gazette of the Republic of Indonesia pertaining to the above are in process as evidenced by Representation Letter No. 108/NOT/KET/VIII/2014 dated 19 August 2014, drawn up by Herry Julianto, SH., Notary in Bekasi.

The Articles of Association has been amended several times, with the latest amendment being the Deed of Shareholders Resolution No. 104 dated 19 December 2012, drawn up before Yulia, SH., Notary in South Jakarta, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. AHU-65633.AH.01.02 Tahun 2012 dated 21 December 2012 and was registered in the Company Register No. AHU-0111127.AH.01.09 Tahun 2012 dated 21 December 2012 and was registered in the Company Registry at the Company Registration Office No. 09.05.1.50.31545 dated 26 September 2013, whereby the shareholders approved the change of nominal value per share of share capital, the increase of authorized capital and issued and paid-up capital.

ABPL is located at:

Jl. Mangga Dua Dalam Komplek Duta Pertiwi Blok J No. 5-6,  
South Mangga Dua Village, Sawah Besar District,  
Central Jakarta, 10730  
Telephone : (021) 6128233  
Faximile : (021) 6128191

## b. Composition of Management and Supervision Board

Deed of Shareholders Resolution No. 104 dated 19 December 2012, drawn up before Yulia, SH., Notary in South Jakarta, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. AHU-65633.AH.01.02 Tahun 2012 dated 21 December 2012 and was registered in the Company Register No. AHU-0111127.AH.01.09 tahun 2012 dated 21 December 2012 and registered in the Company Registry at the Company Registration Office under No. 09.05.1.50.31545 dated 26 September 2013, stipulated the composition of management and supervision board as follows:

**Board of Commissioners**

Commissioner : Hartono Utomo

**Board of Directors**

President Director : Paulus Utomo  
Director : Go Darmadi

## c. Capital Structure and Shareholders Composition

Shareholders Name	Number of Shares	Nominal Value (Rp)	Value (Rp)	Percentage
<b>Authorized Capital</b>				
A Series	3,400	25,000,000	85,000,000,000	
B Series	4,000,000	10,000	40,000,000,000	
<b>Total Authorized Capital</b>	<b>4,003,400</b>		<b>125,000,000,000</b>	
<b>Issued and Paid-up Capital :</b>				
<b>PT Soechi Lines (B series)</b>	<b>1,000,000</b>	<b>10,000</b>	<b>10,000,000,000</b>	<b>99.91</b>
<b>Paulus Utomo (A series)</b>	<b>350</b>	<b>25,000,000</b>	<b>8,750,000,000</b>	<b>0.04</b>
<b>Hartono Utomo (A series)</b>	<b>350</b>	<b>25,000,000</b>	<b>8,750,000,000</b>	<b>0.04</b>
<b>Go Darmadi (A series)</b>	<b>178</b>	<b>25,000,000</b>	<b>4,450,000,000</b>	<b>0.01</b>
<b>Total Issued and Paid-up Capital</b>	<b>1,000,878</b>		<b>31,950,000,000</b>	<b>100.00</b>
A Series Shares in Portfolio	2,522		63,050,000,000	
B Series Shares in Portfolio	3,000,000		30,000,000,000	
<b>Total Shares in Portfolio</b>	<b>3,002,522</b>		<b>93,050,000,000</b>	



## d. Key Financial Highlights

Presented below are ABPL's statements of financial position as of 30 June 2014, 31 December 2013, 2012 and 2011, and statements of comprehensive income (losses) for the six months periods ended 30 June 2014 and 30 June 2013, and the years ended 31 December 2013, 2012 and 2011. ABPL's statements of financial position as of 30 June 2014 and 31 December 2013 and 2012, and statements of comprehensive income (losses) for the periods ended 30 June 2014 and 2013 and the years ended 31 December 2013 and 2012 were audited by Public Accountant Firm Kosasih, Nurdiyaman, Tjahjo & Partners (member of Crowe Horwath International), which expressed an unqualified opinion in its reports dated 18 August 2014, 25 April 2014, 10 September 2013, and 31 May 2013. The financial statements as of 31 December 2011 were audited by Public Accountant Gani Mulyadi & Handayani (member of Grant Thornton), which expressed an unqualified opinion in its report dated 29 June 2012.

**Summary of Statements of financial position**

(in USD)					
Description	30 June 2014	31 December 2013	31 December 2012	31 December 2011	
Total Assets	36,972,333	36,868,029	34,215,421	36,652,210	
Total Liabilities	10,428,579	13,138,743	14,299,415	17,624,974	
Total Equity	26,543,754	23,729,286	19,916,006	19,027,236	

Description	30 June 2014	30 June 2013	31 December 2013	31 December 2012	31 December 2011
Revenue	10,446,958	10,371,928	19,728,816	16,485,882	9,159,512
Gross Profit (Losses)	3,914,418	3,869,128	5,643,078	4,772,448	2,257,924
Operating Expense	516,348	800,685	1,457,899	1,691,815	1,313,177
Total					
Comprehensive Income (Losses) for the year	2,814,468	2,131,120	3,813,280	1,059,078	(381,349)

**Total Assets**Comparison of Total Assets as of 30 June 2014 and 31 December 2013

Total assets as of 30 June 2014 compared to 31 December 2013 increased only slightly, i.e., approximately USD 100 thousand or less than 1%. The increase was due to normal operational transactions in ABPL.

Comparison of Total Assets as of 31 December 2013 and 31 December 2012

The Company's total assets increased by approximately USD 2.6 million from 2012 to 2013, which was due to the increase in Trade Receivables arising from the increase in revenue in 2013.

Comparison of Total Assets as of 31 December 2012 and 31 December 2011

Total assets in 2012 decreased by close to USD 2.5 million compared to total assets in 2011, which was mainly due to the sale of 2 vessels.

**Total Liabilities**Comparison of Total Liabilities as of 30 June 2014 and 31 December 2013

Total liabilities as of 30 June 2014 decreased by approximately USD 2.7 million or approximately 21%, which was due to the payment of loan installments and the decrease in the Rupiah denominated loan outstanding balance as a result of the appreciation of United States Dollar.

Comparison of Total Liabilities as of 31 December 2013 and 31 December 2012

As of 31 December 2013, total liabilities decreased by approximately USD 1.1 million compared to total liabilities as of 31 December 2012. The decrease was mainly due to repayment of bank loans.

Comparison of Total Liabilities as of 31 December 2012 and 31 December 2011

Total liabilities as of 31 December 2012 decreased by USD 3.3 million compared to 2011, which was mainly due to the repayment of bank loan installments.

## **Total Equity**

### Comparison of Total Equity as of 30 June 2014 and 31 December 2013

Total Equity as of 30 June 2014 increased by approximately USD 2.8 million or close to 12%, which was mainly due to the increase in Comprehensive Income for the Year.

### Comparison of Total Equity as of 31 December 2013 and 31 December 2012

As of 31 December 2013, total Equity increased by approximately USD 3.8 million compared to Total Equity as of 31 December 2012. The increase was mainly due to the Comprehensive Income for the year 2013.

### Comparison of Total Equity as of 31 December 2012 and 31 December 2011

Total Equity as of 31 December 2012 increased by approximately USD 889 thousand compared to 2011, which was mainly due to the Comprehensive Income for the year 2012.

## **Revenue**

### Comparison of Revenue for the Period ended 30 June 2014 and 30 June 2013

Revenue for the period ended 30 June 2014 did not show significant fluctuation compared to Revenue for the period ended 30 June 2013. The fluctuation in revenue was merely due to general vessel operations.

### Comparison of Revenue for the Period Ended 31 December 2013 and 31 December 2012

Revenue for the period ended 31 December 2013 increased by close to 20% or approximately USD 3.2 million compared to the period ended 31 December 2012, which was mainly due to the increase in Vessel Charter Revenue from Customers, which was served by utilizing vessels chartered from other companies.

### Comparison of Revenue for the Period Ended 31 December 2012 and 31 December 2011

The Company's revenue for the period ended 31 December 2012 increased by approximately USD 7.3 million or close to 80%, which was mainly due to the increase in Vessel Charter Revenue from Customers, which was served by utilizing vessels chartered from other companies. In addition, Charter Revenue also increased as a result of the new ship purchased in mid-2011, which has started to operate in full in 2012.

## **Gross Profit (Loss)**

### Comparison of Gross Profit (Loss) for the Period ended 30 June 2014 and 30 June 2013

Gross Profit (Loss) for the period ended 30 June 2014 did not show significant fluctuation. Gross profit (loss) increased by a mere USD 45 million or approximately 1%. There was no other reason other than general vessel operations.

### Comparison of Gross Profit (loss) for the Period Ended 31 December 2013 and 31 December 2012

The increase in Gross Profit (loss) in 2013 compared to 2012 was approximately USD 870 thousand. The increase was due to the increase in Revenue, which was accompanied by the increase in vessel charter cost as the vessels used were chartered from other parties.

### Comparison of Gross Profit (Loss) for the Period Ended 31 December 2012 and 31 December 2011

The increase in Gross Profit (Loss) in 2012 compared to 2011 was approximately USD 2.5 million. The increase was due to the increase in Revenue from vessel charter fee, which was served by vessels chartered from other parties, combined with the revenue from the newly purchased vessel in 2011, which has started to operate in full in 2012.

## **Operating Expense**

### Comparison of Operating Expense for the Period Ended 30 June 2014 and 30 June 2013

Operating Expense for the period ended 30 June 2014 decreased by approximately USD 284 thousand or 36% compared to Operating Expense for the same period in 2013, which was mainly due to the depreciation of Rupiah against United States Dollar, therefore expenses paid in Rupiah was lower when converted to United States Dollar.

### Comparison of Operating Expense for the Period Ended 31 December 2013 and 31 December 2012

Operating Expense for the period ended 31 December 2013 decreased by approximately USD 234 thousand or approximately 14% compared to the same period in 2012. The decrease was also mainly due to the depreciation of Rupiah against United States Dollar, therefore expenses charged in Rupiah was lower when converted to United States Dollar for the purpose of financial reporting. In addition, the decrease of management fee in 2013 compared to 2012 was due to the accounting system implementation fee which was paid only in 2012.



Comparison of Operating Expense for the Period Ended 31 December 2012 and 31 December 2011

Operating expense for the 2012 period increased by approximately USD 378 thousand or 29% compared to the period ended 31 December 2011. The increase was due to the increase in bank charges and salary expense in 2012.

**Total Comprehensive Income (Loss) for the Year**

Comparison of Comprehensive Income (Loss) for the Period Ended 30 June 2014 and 30 June 2013

Comprehensive Income (Loss) for the period ended 30 June 2014 increased by approximately USD 683 thousand compared to the same period in 2013. The increase was mainly due to the decrease of the Rupiah denominated expenses as a result of the depreciation of Rupiah against United States Dollar.

Comparison of Comprehensive Income (Loss) for the Period Ended 31 December 2013 and 31 December 2012

The increase in Comprehensive Income (Loss) in 2013 compared to 2012 was approximately USD 2.7 million. The increase was due to the increase in Gross Profit as a result of the increase in the Company's revenue.

Comparison of Comprehensive Income (Loss) for the Period Ended 31 December 2012 and 31 December 2011

The increase in Comprehensive Income (Loss) in 2012 compared to 2011 was approximately USD 1.4 million. The increase was due to the increase in Gross Profit as a result of the increase in the Company's revenue.

**(2) PT Inti Energi Line ("IEL")**

a. Brief History

IEL is a legal entity engaged in shipping industry, established in the form of a limited liability company, IEL was established under the name of PT Inti Energi Line based on Deed of Establishment No. 18 dated 21 June 2006, drawn up before Meissie Pholuan, SH., Notary in Jakarta, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. W7-00888 HT.01.01-TH.2006, and was registered in the Company Registry under Certificate of Company Registration (TDP) No. 09.05.1.61.60900 dated 14 November 2008 at the Company Registration Office of Central Jakarta. IEL's Articles of Association has been amended several times, with the latest amendment being the Deed of Circular Resolutions of the Shareholders No. 17 dated 30 June 2014, drawn up before Doddy Natadihardja, SH., M.Kn., Notary in Tangerang, which was approved by the Minister of Law and Human Rights by virtue of Decree No. AHU-04804.40.20.2014 dated 1 July 2014, and was registered in the Company Register No. AHU-0066523.40.80.2014 dated 1 July 2014, whereby IEL's shareholders approved the increase in IEL's authorized capital and issued and paid-up capital.

IEL is located at:

Jl. Mangga Dua Dalam Komplek Duta Pertiwi Blok J No. 5-6,  
South Mangga Dua Village, Sawah Besar District,  
Central Jakarta, 10730  
Telephone : (021) 6128233  
Faximile : (021) 6128191

b. Composition of Management and Supervision Board

In accordance with the Deed of Circular Resolutions of the Shareholder of Limited Liability Company IEL No. 6 dated 8 July 2013, drawn up before Anna Maria Ira Kelana, SH., M.Kn., Notary in Tangerang Regency, which has been received and recorded by the Ministry of Law and Human Rights of the Republic of Indonesia as evidenced by Acceptance of Notification of Changes in the Company's Data No. AHU-AH.01.10-35077 dated 26 August 2013 and was registered in the Company Register No. AHU-0079858.AH.01.09.Tahun 2013 dated 26 August 2013, the composition of IEL's management board is as follows:

**Board of Commissioners**

President Commissioner : Pieters Adyana Utomo  
Commissioner : Johannes Utomo

**Board of Directors**

President Director : Barli Hasan  
Director : Handara Adyana Utomo



## c. Capital Structure and Shareholders Composition

No.	Description	Nominal Value Rp 1,000,000 per Share		
		Number of Shares	Nominal Value (Rp)	(%)
<b>Authorized Capital</b>		<b>248,000</b>	<b>248,000,000,000</b>	
<b>Issued and Paid-up Capital:</b>				
1.	Barli Hasan	15	15,000,000	0.02
2.	Pieters Adyana Utomo	15	15,000,000	0.02
3.	Johanes Utomo	15	15,000,000	0.02
4.	The Company	62,155	62,155,000,000	99.94
<b>Total Issued and Paid-up Capital</b>		<b>62,200</b>	<b>62,200,000,000</b>	<b>100.00</b>
<b>Shares in Portfolio</b>		<b>185,800</b>	<b>185,800,000,000</b>	

## d. Key Financial Highlights

Presented below are IEL's statements of financial position as of 30 June 2014, 31 December 2013, 2012 and 2011, and statements of comprehensive income (losses) for the six months period ended 30 June 2014 and 30 June 2013, and the years ended 31 December 2013, 2012 and 2011. IEL's statements of financial position as of 30 June 2014 and 31 December 2013 and 2012, and statements of comprehensive income (losses) for the periods ended 30 June 2014 and 2013, and the years ended 31 December 2013 and 2012 were audited by Public Accountant Firm Kosasih, Nurdiyaman, Tjahjo & Partners (member of Crowe Horwarth International), which expressed an unqualified opinion in its reports dated 18 August 2014, 25 April 2014, 10 September 2013 and 31 May 2013. The financial statements as of 31 December 2011 were audited by Public Accountant Firm Gani Mulyadi & Handayani (member of Grant Thornton), which expressed an unqualified opinion in its report dated 29 June 2012.

**Summary of Statements of Financial Position**

(in USD)

Description	30 June 2014	31 December 2013	31 December 2012	31 December 2011
Total Assets	29,213,211	29,737,893	34,119,477	33,833,680
Total Liabilities	18,187,630	22,447,912	29,352,734	28,982,142
Total Equity	11,025,581	7,289,981	4,766,744	4,851,538

Description	2014	30 June 2013	2013	31 December 2012	2011
Revenue	7,582,505	5,525,290	11,838,007	10,508,966	12,228,970
Gross Profit (Losses)	2,538,409	1,131,526	3,400,515	1,837,226	3,920,197
Operating Expense	369,604	418,223	826,678	807,987	702,671
Total Comprehensive Income (Losses) for the year	1,235,600	389,547	2,523,237	(646,231)	1,073,523

**Total Assets**Comparison of Total Assets as of 30 June 2014 and 31 December 2013

Total assets as of 30 June 2014 compared to 31 December 2013 did not show significant fluctuation, i.e., decreased by mere USD 525 thousand or less than 2%. The decrease was due to normal operational transactions.

Comparison of Total Assets as of 31 December 2013 and 31 December 2012

The Company's total assets decreased by approximately USD 4.4 million from 31 December 2012 to 2013, which was due to the depreciation of fixed assets and amortization of Deferred Docking Charges.

Comparison of Total Assets as of 31 December 2012 and 31 December 2011

Total Assets in 2012 increased by approximately USD 286 thousand compared to 2011. The increase was due to the Company's normal course of business.

**Total Liabilities**Comparison of Total Liabilities as of 30 June 2014 and 31 December 2013

Total Liabilities as of 30 June 2014 decreased by approximately USD 4.2 million or approximately close to 19%, which was mainly due to payment of loan installments and the decrease in the Rupiah denominated loan balance as a result of the appreciation of United States Dollar.



Comparison of Total Liabilities as of 31 December 2013 and 31 December 2012

As of 31 December 2013, Total Liabilities decreased by close to USD 7 million compared to Total Liabilities as of 31 December 2012. The decrease was mainly due to payment of loan installments and the decrease in loans as a result of the increase in the Company's profit.

Comparison of Total Liabilities as of 31 December 2012 and 31 December 2011

Total Liabilities as of 31 December 2012 increased by approximately USD 370 thousand compared to 2011, which was mainly due to the increase in the Company's loan as a result of the decrease in the Company's profit.

**Total Equity**

Comparison of Total Equity as of 30 June 2014 and 31 December 2013

Total Equity as of 30 June 2014 increased by approximately USD 3.7 million or by approximately more than 51%, which was mainly due to the increase in the Company's capital by USD 2.5 million and the increase in Comprehensive Income.

Comparison of Total Equity as of 31 December 2013 and 31 December 2012

As of 31 December 2013, Total Equity increased by approximately USD 2.5 million compared to Total Equity as of 31 December 2012. The increase was due to Comprehensive Income in 2013.

Comparison of Total Equity as of 31 December 2012 and 31 December 2011

Total Equity as of 31 December 2012 decreased by approximately USD 85 thousand compared to 2011, which was mainly due to Comprehensive Loss in 2012.

**Revenue**

Comparison of Revenue for the Period Ended 30 June 2014 and 30 June 2013

Revenue for the period ended 30 June 2014 increased by USD 2 million compared to 2013. The increase was mainly due to the increase in Revenue from vessel charter using vessels chartered from third parties.

Comparison of Revenue for the Period Ended 31 December 2013 and 31 December 2012

Revenue for the period ended 31 December 2013 increase by close to 13% or approximately USD 1.3 million, which was mainly due to vessels that were docking in 2012 (3 vessels) have resumed normal operation in 2013.

Comparison of Revenue for the Period Ended 31 December 2012 and 31 December 2011

The Company's Revenue for the period ended 31 December 2012 decreased by USD 1.7 million or 14% compared to the same period in 2011, since 3 of the Company's vessels were docking in 2012.

**Gross Profit (Loss)**

Comparison of Gross Profit (Loss) for the Period Ended 30 June 2014 and 30 June 2013

Gross Profit (Loss) for the period ended 30 June 2014 increased by approximately USD 1.4 million compared to the same period in 2013, which was due to the increase in Revenue in 2014 compared to 2013.

Comparison of Gross Profit (Loss) for the Period Ended 31 December 2013 and 31 December 2012

The increase in Gross Profit (Loss) in 2013 compared to 2012 was close to approximately USD 1.6 million. The increase was due to the increase in Revenue and the decrease in Direct Operational Expense in 2013.

Comparison of Gross Profit (Loss) for the Period Ended 31 December 2012 and 31 December 2011

The decrease in Gross Profit (Loss) in 2012 compared to 2011 was approximately USD 2 million. The decrease was due to the decrease in Revenue since 3 of the Company's vessels were docking.

**Operating Expense**

Comparison of Operating Expense for the Period Ended 30 June 2014 and 30 June 2013

Operating Expense for the period ended 30 June 2014 decreased by approximately USD 49 thousand or 12% compared to Operating Expense for the same period ended in 2013, which was mainly due to the depreciation of Rupiah against United States Dollar, therefore expenses paid in Rupiah were lower when converted to United States Dollar.

Comparison of Operating Expense for the Period Ended 31 December 2013 and 31 December 2012

Operating Expense for the period ended 31 December 2013 increased by approximately USD 19 thousand compared to the same period in 2012. The increase was mainly due to the increase in Travel Expense in Business Travel Expense in 2013.



Comparison of Operating Expense for the Period Ended 31 December 2012 and 31 December 2011

Operating expense for the 2012 period increased by approximately USD 105 thousand or 15% compared to the period ended 31 December 2012. The increase was due to the increase in Management Fee and Business Travel Expense.

**Total Comprehensive Income (Loss) for the Year**

Comparison of Comprehensive Income (Loss) for the Period Ended 30 June 2014 and 30 June 2013

Comprehensive Income (Loss) for the period ended 30 June 2014 increased by approximately USD 846 thousand compared to the same period in 2013. The increase was mainly due to the increase in Revenue in 2013.

Comparison of Comprehensive Income (Loss) for the Period Ended 31 December 2013 and 31 December 2012

The increase in Comprehensive Income (Loss) in 2013 compared to 2012 was approximately USD 4.4 million. The increase was due to the increase in Revenue in 2013.

Comparison of Comprehensive Income (Loss) for the Period Ended 31 December 2012 and 31 December 2011

The decrease in Comprehensive Income (Loss) in 2012 compared to 2011 was approximately USD 1.7 million. The decrease was due to the decrease in the Company's Revenue since 3 of the Company's vessels were docking.

**(3) PT Sukses Osean Khatulistiwa Line ("SOKL")**

a. Brief History

SOKL is a legal entity engaged in shipping industry, established in the form of a Limited Liability Company, SOKL was established under the name of PT Sukses Osean Khatulistiwa Line based on Deed of Establishment No. 92 dated 14 April 1999, drawn up before Ratna Komala Komar, SH., Notary in Jakarta, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. C-19774.HT.01.01.TH.99 dated 8 December 1999 and was registered in the Company Registration Office of Central Jakarta Municipality under registration No. 1767/BH 09 05/VIII/2000 and Certificate of Company Registration (TDP) No. 090516339438 and announced in the State Gazette of the Republic of Indonesia No. 91 dated 13 November 2007, Supplement to the State Gazette No. 11078 dated 13 November 2007.

SOKL's Articles of Association has been amended several times, with the last amendment being the Deed of SOKL Shareholders Resolutions No. 93 dated 18 December 2012, drawn up before Yulia, SH., Notary in Jakarta, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. AHU-65365.AH.01.02. Tahun 2012 dated 20 December 2012 and was registered in the Company Register No. AHU-0110755.AH.01.09 Tahun 2012 dated 20 December 2012, whereby the shareholders approved the change in nominal value of shares in authorized capital and the classification of shares to A series shares and B series shares, the increase in SOKL's authorized capital and issued and paid-up capital.

SOKL is located at:

Jl. Mangga Dua Dalam Komplek Duta Pertiwi Blok J No. 5-6,  
South Mangga Dua Village, Sawah Besar District,  
Central Jakarta, 10730  
Telephone : (021) 6128233  
Faximile : (021) 6128191

b. Composition of Management and Supervision Board

In accordance with SOKL's Deed of Shareholders Resolution No. 93 dated 18 December 2012, drawn up before Yulia, SH., Notary in Jakarta, which has received the approval from the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. AHU-65365.AH.01.02. Tahun 2012 dated 20 December 2012, and was registered in the Company Register No. AHU-0110755.AH.01.09 Tahun 2012 dated 20 December 2012, the composition of SOKL's management board is as follows:

**BOARD OF COMMISSIONERS**

President Commissioner	:	Hartono Utomo
Commissioner	:	Paulus Utomo
Commissioner	:	Agus Utomo

**BOARD OF DIRECTORS**

President Director : Go Darmadi  
 Director : Linawaty

## c. Capital Structure and Shareholders Composition

Description	Nominal Value Rp 1,000,000 per share for A series Shares and Rp 10,000 per share for B series shares		
	Number of Shares	Nominal Value (Rp)	Percentage
<b>Authorized Capital</b>			
A Series Shares	280,000	280,000,000,000	
B Series Shares	40,000,000	400,000,000,000	
<b>Total Authorized Capital</b>	<b>40,280,000</b>	<b>680,000,000,000</b>	
<b>Issued and Paid-up Capital:</b>			
PT Soechi Lines (A series)	50,000	50,000,000,000	0.50
PT Soechi Lines (B series)	10,000,000	100,000,000,000	99.30
Go Darmadi (A series)	6,000	6,000,000,000	0.06
Hartono Utomo (A series)	6,000	6,000,000,000	0.06
Paulus Utomo (A series)	6,000	6,000,000,000	0.06
Linawaty (A series)	1,000	1,000,000,000	0.01
Agus Utomo (A series)	1,000	1,000,000,000	0.01
<b>Total Issued and Paid-up Capital</b>	<b>10,070,000</b>	<b>170,000,000,000</b>	<b>100.00</b>
<b>Shares in Portfolio</b>			
A series shares	210,000	210,000,000,000	
B series shares	30,000,000	300,000,000,000	
<b>Total Shares in Portfolio</b>	<b>30,210,000</b>	<b>510,000,000,000</b>	

## d. Key Financial Highlights

Presented below are SOKL's statements of financial position as of 30 June 2014, 31 December 2013, 2012 and 2011, and statements of comprehensive income (losses) for the six months periods ended 30 June 2014 and 30 June 2013, and the years ended 31 December 2013, 2012 and 2011. SOKL's statements of financial position as of 30 June 2014 and 31 December 2013 and 2012, and statements of comprehensive income (losses) for the periods ended 30 June 2014 and 2013 and the years ended 31 December 2013 and 2012 were audited by Public Accountant Firm Kosasih, Nurdiyaman, Tjahjo & Partners (member of Crowe Horwath International), which expressed an unqualified opinion in its reports dated 18 August 2014, 25 April 2014, 10 September 2013 and 31 May 2013. The financial statements as of 31 December 2011 were audited by Public Accountant Firm Gani Mulyadi & Handayani (member of Grant Thornton), which expressed an unqualified opinion in its report dated 29 June 2012.

**Summary of Statements of Financial Position**

Description	(in USD)			
	30 June 2014	31 December 2013	31 December 2012	31 December 2011
Total Assets	124,395,682	132,434,895	104,252,581	102,661,927
Total Liabilities	71,223,353	84,778,756	63,967,635	64,421,836
Total Equity	53,172,329	47,656,139	40,284,946	38,240,091

Description	30 June		31 December		
	2014	2013	2013	2012	2011
Revenue	17,972,426	15,916,770	33,569,597	30,213,982	33,596,996
Gross Profit (Losses)	9,561,438	5,435,133	13,208,009	11,388,666	10,743,530
Operating Expense	817,333	911,508	2,746,284	2,049,375	1,943,362
Total Comprehensive Income (Losses) for the year	5,516,190	2,455,131	7,371,193	3,173,553	4,746,234

**Total Assets**Comparison of Total Assets as of 30 June 2014 and 31 December 2013

Total assets as of 30 June 2014 compared to 31 December 2013 decreased by approximately USD 8 million or 6%. The decrease was mainly due to the increase in Vessel Depreciation Expense in 2014.

Comparison of Total Assets as of 31 December 2013 and 31 December 2012

The Company's total assets increased by more than USD 28 million from 31 December 2012 to 2013 as a result of the purchase of 1 (one) new vessel.



Comparison of Total Assets as of 31 December 2012 and 31 December 2011

Total assets in 2012 increased by approximately USD 1.6 million compared to 2011. The increase was mainly due to the increase in the Company's receivables.

**Total Liabilities**

Comparison of Total Liabilities as of 30 June 2014 and 31 December 2013

Total Liabilities as of 30 June 2014 decreased by approximately USD 13.5 million or by close to approximately 16%, which was mainly due to the repayment of the Company's credit facilities (totaling approximately USD 11 million).

Comparison of Total Liabilities as of 31 December 2013 and 31 December 2012

As of 31 December 2013, Total Liabilities increased by close to USD 21 million compared to Total Liabilities as of 31 December 2012. The increase was mainly due to the increase in bank loan with regard to the purchase of new vessel(s).

Comparison of Total Liabilities as of 31 December 2012 and 31 December 2011

Total Liabilities as of 31 December 2012 decreased by approximately USD 454 thousand compared to 2011, which was mainly due to the decrease in Accrued Expense in 2012.

**Total Equity**

Comparison of Total Equity as of 30 June 2014 and 31 December 2013

Total Equity as of 30 June 2014 increased by approximately USD 5.5 million compared to 31 December 2013, which was mainly due to the additional Comprehensive Income for the period ended 30 June 2014.

Comparison of Total Equity as of 31 December 2013 and 31 December 2012

As of 31 December 2013, total Equity increased by approximately USD 7.3 million compared to the Total Equity as of 31 December 2012. The increase was mainly due to Comprehensive Income for the year 2013.

Comparison of Total Equity as of 31 December 2012 and 31 December 2011

Total Equity as of 31 December 2012 increased by approximately USD 2 million compared to 2011, which was mainly due to the additional capital of USD 10.3 million and the additional Comprehensive Income. In addition, restructuring transactions in 2012 resulted in the decrease of Retained Earnings by USD 8.4 million.

**Revenue**

Comparison of Revenue for the Period Ended 30 June 2014 and 30 June 2013

Revenue for the period ended 30 June 2014 increased by USD 2 million compared to the 2013 period. The increase was mainly due to the addition of 1 (one) vessel at the end of 2013.

Comparison of Revenue for the Period Ended 31 December 2013 and 31 December 2012

Revenue for the period ended 31 December 2013 increased by approximately 11% or approximately USD 3.3 million, which was mainly due to the addition of 1 (one) new vessel and additional Revenue from vessel charter using vessels chartered from third parties.

Comparison of Revenue for the Period Ended 31 December 2012 and 31 December 2011

The Company's Revenue for the period ended 31 December 2012 decreased by USD 3.4 million or close to 10% compared to the same period in 2011, mainly because 2 (two) of the Company's vessels were docking in 2012.

**Gross Profit (Loss)**

Comparison of Gross Profit (Loss) for the Period Ended 30 June 2014 and 30 June 2013

Gross Profit (Loss) for the period ended 30 June 2014 increased by approximately USD 4 million compared to the same period in 2013, which was due to the increase in Revenue in 2014 as a result of the addition of 1 (one) new vessel. In addition, the Vessel Operational Cost decreased as a result of Rupiah depreciation to United States Dollar.

Comparison of Gross Profit (Loss) for the Period Ended 31 December 2013 and 31 December 2012

The increase in Gross Profit (Loss) in 2013 compared to 2012 was close to approximately USD 1.8 million. The increase was due to the increase in Revenue as a result of the addition of 1 (one) new vessel.



Comparison of Gross Profit (Loss) for the Period Ended 31 December 2012 and 31 December 2011

The increase in Gross Profit (Loss) in 2012 compared to 2011 was approximately USD 645 thousand. The increase was due to the decrease in Vessel Operational Cost in 2012. Although the Company's Revenue in 2012 was lower compared to 2011, the operational cost in 2012 was significantly lower compared to 2011.

**Operating Expense**

Comparison of Operating Expense for the Period Ended 30 June 2014 and 30 June 2013

Operating Expense for the period ended 30 June 2014 decreased by approximately USD 94 thousand or 10% compared to Operating Expense for the same period in 2013, which was mainly due to the depreciation of Rupiah against United States Dollar, therefore expenses paid in Rupiah were lower when converted to United States Dollar.

Comparison of Operating Expense for the Period Ended 31 December 2013 and 31 December 2012

Operating Expense for the period ended 31 December 2013 increased by approximately USD 697 thousand compared to the same period in 2012. The increase was mainly due to the increase in bank provision charges in 2013.

Comparison of Operating Expense for the Period Ended 31 December 2012 and 31 December 2011

Operating Expense for the 2012 period increased by approximately USD 106 thousand or 5% compared to the period ended 31 December 2011. The increase was mainly due to the Management Fee incurred in 2012.

**Total Comprehensive Income (Loss) for the Year**

Comparison of Comprehensive Income (Loss) for the Period Ended 30 June 2014 and 30 June 2013

Comprehensive Income (Loss) for the period ended 30 June 2014 increased by approximately USD 3 million compared to the same period in 2013. The increase was mainly due to the increase in Revenue in 2014 as a result of the addition of 1 (one) new vessel.

Comparison of Comprehensive Income (Loss) for the Period Ended 31 December 2013 and 31 December 2012

The increase in comprehensive Income (Loss) in 2013 compared to 2012 was close to USD 4.2 million. The increase was due to the increase in Revenue in 2013 as a result of the addition of 1 (one) new vessel purchased at the end of 2013.

Comparison of Comprehensive Income (Loss) for the Period Ended 31 December 2012 and 31 December 2011

The decrease in Comprehensive Income (Loss) in 2012 compared to 2011 was approximately USD 1.6 million. The decrease was due to loss on foreign exchange in 2012, which was USD 2.2 million higher compared to 2011.

**(4) PT Armada Maritime Offshore ("AMO")**

a. Brief History

AMO is a legal entity engaged in shipping industry, established in the form of a Limited Liability Company. AMO was established under the name of PT Armada Maritime Offshore based on Deed of Establishment No. 01 dated 3 January 2011, drawn up before Irma Bonita, SH., Notary in Jakarta, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. AHU-04158.AH.01.01.Tahun 2011 dated 26 January 2011 and was registered in the Company Register No. AHU-0006840.AH.01.09.Tahun 2011 dated 26 January 2011 and was registered in the Company Registry under Certificate of Company Registration (TDP) No. 09.03.1.50.81665 dated 1 February 2013.

AMOS' Articles of Association has been amended several times, the last amendment being the Deed of Circular Resolutions of the Shareholders No. 18 dated 30 June 2014, drawn up before Doddy Natadihardja, SH., M.Kn., Notary in Tangerang Regency, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. AHU-04803.40.20.2014 dated 1 July 2014 and was registered in the Company Register No. AHU-0066524.40.80.2014 dated 1 July 2014, whereby the shareholders approved the increase in AMO's authorized capital and issued and paid-up capital. The Deed was announced in the State Gazette of the Republic of Indonesia No. 58 dated 20 July 2012, Supplement to the State Gazette No. 24906.



AMO is located at  
Plaza Marein 21<sup>st</sup> Floor, Sudirman Plaza  
Jl. Jend. Sudirman Kav. 76-78, Jakarta 12910  
South Jakarta  
Telephone : (021) 5793 6883  
Faximile : (021) 5793 6833

b. Composition of Management and Supervision Board

In accordance with Deed of Establishment No. 01 dated 3 January 2011, drawn up before Irma Bonita, SH., Notary in Jakarta, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. AHU-04158.AH.01.01.Tahun 2011 dated 26 January 2011 and was registered in the Company Register No. AHU-04158.AH.01.01.Tahun 2011 dated 26 January 2011 and was registered in the Company Registry No. AHU-0006840.AH.01.09. Tahun 2011 dated 26 January 2011 and was registered in the Company Register as evidenced by Certificate of Company Registration (TDP) No. 09.03.1.50.81665 dated 1 February 2013, the Composition of AMO's management board is as follows:

**BOARD OF COMMISSIONERS**

President Commissioner : Pieters Adyana Utomo  
Commissioner : Johannes Utomo

**BOARD OF DIRECTORS**

President Director : Barli Hasan  
Director : Handara Adyana Utomo

c. Capital Structure and Shareholders Composition

No.	Description	Nominal Value Rp 10,000.- per Share		
		Number of Shares	Nominal Value (Rp)	(%)
<b>Authorized Capital</b>		<b>2.600.000</b>	<b>26.000.000.000</b>	
<b>Issued and Paid-up Capital:</b>				
1.	Barli Hasan	25	250.000	0,005
2.	Handara Adyana Utomo	25	250.000	0,005
3.	Pieters Adyana utomo	25	250.000	0,005
4.	Johanes utomo	25	250.000	0,005
4	The Company	649.900	6.499.000.000	99.980
<b>Total Issued and Paid-up Capital</b>		<b>650.000</b>	<b>6.500.000.000</b>	<b>100,00</b>
<b>Shares in Portfolio</b>		<b>1.950.000</b>	<b>19.500.000.000</b>	

d. Key Financial Highlights

Presented below are AMO's statements of financial position as of 30 June 2014, 31 December 2013, 2012 and 2011, and statements of comprehensive income (losses) for the six months periods ended 30 June 2014 and 30 June 2013, and for the years ended 31 December 2013, 2012 and 2011. AMO's statements of financial position as of 30 June 2014 and 31 December 2013 and 2012, and statements of comprehensive income (losses) for the periods ended 30 June 2014 and 2013 and for the years ended 31 December 2013 and 2012 were audited by Public Accountant Firm Kosasih, Nurdiyaman, Tjahjo & Partners (member of Crow Horwath International), which expressed an unqualified opinion in its reports dated 18 August 2014, 25 April 2014, 10 September 2013, and 5 May 2013. Financial statements as of 31 December 2011 were audited by Public Accountant Firm Gani Mulyadi & Handayani (member of Grant Thornton), which expressed an unqualified opinion in its report dated 29 June 2012.

**Summary of Statements of Financial Position**

(in USD)

Description	30 June 2014		31 December		
			2013	2012	2011
Total Assets	17,405,785		16,538,987	6,422,919	1,423,736
Total Liabilities	8,826,769		11,413,914	5,822,885	1,363,454
Total Equity	8,579,016		5,125,073	600,034	60,282
Description	30 June 2014	30 June 2013	31 December 2013	31 December 2012	31 December 2011
Revenue	5,050,906	3,037,036	7,476,898	1,291,240	24,261
Gross Profit (Losses)	3,537,543	1,395,428	4,378,386	535,402	7,393
Operating Expense	131,600	54,357	271,389	9,489	5,372
Total Comprehensive Income (Losses) for the year	2,953,943	1,234,459	4,525,039	539,752	4,578



### **Total Assets**

#### Comparison of Total Assets as of 30 June 2014 and 31 December 2013

Total assets as of 30 June 2014 compared to 31 December 2013 increased by approximately USD 867 thousand or 5%. The increase was due to the additional fixed assets acquired in the form of vehicles.

#### Comparison of Total Assets as of 31 December 2013 and 31 December 2012

The Company's total assets increased by more than USD 10 million from 31 December 2012 to 2013 as a result of the purchase of 1 (one) new vessel.

#### Comparison of Total Assets as of 31 December 2012 and 31 December 2011

Total Assets in 2012 increased by approximately USD 5 million compared to 2011. The increase was mainly due to the purchase of 1 (one) new vessel in 2012.

### **Total Liabilities**

#### Comparison of Total Liabilities as of 30 June 2014 and 31 December 2013

Total Liabilities as of 30 June 2014 decreased by approximately USD 2.6 million or close to approximately 23% compared to 31 December 2013, which was mainly due to the conversion of loan from shareholders to equity.

#### Comparison of Total Liabilities as of 31 December 2013 and 31 December 2012

Total liabilities as of 31 December 2013 increased by close to USD 5.6 million compared to Total Liabilities as of 31 December 2012. The increase was mainly due to the increase in bank loan with regard to the purchase of new vessel(s).

#### Comparison of Total Liabilities as of 31 December 2012 and 31 December 2011

Total Liabilities as of 31 December 2012 increased by approximately USD 4.5 million compared to 2011, which was mainly due to the increase in bank loan with regard to the purchase of new vessel(s).

### **Total Equity**

#### Comparison of Total Equity as of 30 June 2014 and 31 December 2013

Total Equity as of 30 June 2014 increased by approximately USD 3.4 million compared to 31 December 2013, which was mainly due to the additional Comprehensive Income for the period ended 30 June 2014 and additional capital of USD 500 thousand.

#### Comparison of Total Equity as of 31 December 2013 and 31 December 2012

Total Equity as of 31 December 2013 increased by approximately USD 4.5 million compared to Total Equity as of 31 December 2012. The increase was mainly due to Comprehensive Income for the year 2013.

#### Comparison of Total Equity as of 31 December 2012 and 31 December 2011

Total Equity as of 31 December 2012 increased by approximately USD 539 thousand compared to 2011, which was mainly due to the additional Comprehensive Income for the year.

### **Revenue**

#### Comparison of Revenue for the Period Ended 30 June 2014 and 30 June 2013

Revenue for the period ended 30 June 2014 increased by USD 2 million compared to 2013. The increase was mainly due to the increase in Revenue as a result of the addition of 1 (one) new vessel in the second semester of 2013.

#### Comparison of Revenue for the Period Ended 31 December 2013 and 31 December 2012

Revenue for the period ended 31 December 2013 increased by close to USD 6.2 million, which was mainly due to the increase in Revenue as a result of the addition of 1 (one) new vessel.

#### Comparison of Revenue for the Period Ended 31 December 2012 and 31 December 2011

The Company's Revenue for the period ended 31 December 2012 increased by close to USD 1.3 million compared to the same period in 2011, which was mainly due to the increase in Revenue as a result of the addition of 1 (one) new vessel.

### **Gross Profit (Loss)**

#### Comparison of Gross Profit (Loss) for the Period Ended 30 June 2014 and 30 June 2013

Gross Profit (Loss) for the period ended 30 June 2014 increased by approximately USD 2.1 million compared to the same period in 2013 due to the increase in Revenue in 2014 with regard to the addition of 1 (one) new vessel in the second semester of 2013.



Comparison of Gross Profit (Loss) for the Period Ended 31 December 2013 and 31 December 2012

The increase of Gross Profit (Loss) in 2013 compared to 2012 was close to approximately USD 3.8 million. The increase was due to the increase in Revenue as a result of the addition of 1 (one) new vessel in mid-2013.

Comparison of Gross Profit (Loss) for the Period Ended 31 December 2012 and 31 December 2011

The increase in Gross Profit (Loss) in 2012 compared to 2011 was approximately USD 3.8 million. The increase was due to additional revenue from the vessel newly purchased in 2012.

**Operating Expense**

Comparison of Operating Expense for the Period Ended 30 June 2014 and 30 June 2013

Operating Expense for the period ended 30 June 2014 increased by approximately 77 thousand compared to the Operating Expense for the same period in 2013, which was mainly due to the additional administration charges for bank loan.

Comparison of Operating Expense for the Period Ended 31 December 2013 and 31 December 2012

Operating Expense for the period ended 31 December 2013 increased by approximately USD 262 thousand compared to the same period in 2012. The increase was mainly due to the increase in general and administration expenses in 2013 in line with the Company's growth.

Comparison of Operating Expense for the Period Ended 31 December 2012 and 31 December 2011

Operating Expenses for the 2012 period increased by approximately USD 4 thousand compared to the period ended 31 December 2011. This was because the Company was recently established in 2011, therefore there was minimum amount of general and administrative expenses.

**Total Comprehensive Income (Loss) for the Year**

Comparison of Comprehensive Income (Loss) for the Period ended 30 June 2014 and 30 June 2013

Comprehensive Income (Loss) for the period ended 30 June 2014 increased by approximately USD 1.7 million compared to the same period in 2013. The increase was mainly due to the increase in Revenue in 2014 as a result of the addition of 1 (one) new vessel in mid-2013.

Comparison of Comprehensive Income for the Period Ended 31 December 2013 and 31 December 2012

The increase in Comprehensive Income (Loss) in 2013 compared to 2012 was close to USD 4 million. The increase was due to the increase in Revenue in 2013 as a result of the addition of 1 (one) new vessel purchased in mid-2013.

Comparison of Comprehensive Income for the Period Ended 31 December 2012 and 31 December 2011

The increase in Comprehensive Income (Loss) in 2012 compared to 2011 was approximately USD 535 thousand. The increase was due to additional Revenue in 2012 as a result of the purchase of new vessel(s).

**(5) PT Multi Ocean Shipyard ("MOS")**

a. Brief History

MOS is a legal entity engaged in shipyard industry, established in the form of a Limited Liability Company, MOS was established under the name PT Multi Ocean Shipyard based on Deed of Establishment No. 5 dated 2 November 2007, drawn up before Meissie Pholuan, SH., Notary in Jakarta, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. C-07007.HT.01.01.TH.2007 dated 17 December 2007 and was registered in the Integrated Licensing Agency of Karimun Regency under Certificate of Company Registration (TDP) No. 04.05.1.35.00032 dated 28 May 2009 and announced in the State Gazette of Republic of Indonesia No. 91 dated 13 November 2013, Supplement to the State Gazette No. 66510.

MOS' Articles of Association has been amended several times, with the last amendment being the Deed of Shareholders Resolution No. 19 dated 30 June 2014, drawn up before Doddy Natadihardja, SH., Notary in Tangerang, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. AHU-04802.40.20.2014 Tahun 2014 dated 1 July 2014, and was



registered in the Company Register No. AHU-0066525.40.80.2014 dated 1 July 2014, whereby the shareholders approved the increase in MOS' authorized capital and issued and paid-up capital.

MOS is located at:

Riau Islands, Kampung Tanjung Permai  
RT 002, RW 004, Pangke Village, West Meral District,  
Karimun Regency – Riau Islands.  
Telephone : (0777) 325525  
Fax : (0777) 325525

b. Composition of Management and Supervision Board

Based on Deed of MOS Shareholders Resolutions No. 94 dated 18 December 2012, drawn up before Yulia, SH., Notary in Jakarta, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. AHU-65367.AH.01.02.TH.2012 dated 20 December 2012 and was received and registered by the Ministry of Law and Human Rights of the Republic of Indonesia as evidenced by the Acceptance of Notification of Changes in Company's Data No. AHU-AH.01.10-45499 dated 21 December 2012 and was registered in the Integrated Licensing Agency of Karimun Regency under Certificate of Company Registration (TDP) No. 04.05.1.35.00032 under Company Registry No. AHU-0110743.AH.01.09.Tahun 2012 dated 20 December 2012, the composition of MOS' board of management is as follows:

**BOARD OF COMMISSIONERS**

President Commissioner : Paulus Utomo  
Commissioner : Agus Utomo

**BOARD OF DIRECTORS**

President Director : Hartono Utomo  
Director : Go Darmadi

c. Capital Structure and Shareholders Composition

No.	Description	Nominal Value Rp 1,000,000 per share		
		Number of Shares	Nominal Value (Rp)	(%)
<b>Authorized Capital</b>		<b>1,680,000</b>	<b>1,680,000,000,000</b>	
<b>Issued and Paid-up Capital</b>				
1.	Go Darmadi	10	10.000.000	0.002
2.	Hartono utomo	10	10.000.000	0.002
3.	Paulus utomo	10	10.000.000	0.002
4.	The Company	419,970	419.970.000.000	99.994
<b>Total Issued and Paid-up Capital</b>		<b>420,000</b>	<b>420,000,000,000</b>	<b>100.000</b>
<b>Shares in Portfolio</b>		1,260,000	1,260,000,000,000	

d. Key Financial Highlights

Presented below are MOS' statements of financial position as of 30 June 2014, and 31 December 2013, 2012, and 2011, and statements of comprehensive income (losses) for the six months period ended 30 June 2014 and 30 June 2013, and for the years ended 31 December 2013, 2012 and 2011. MOS' statements of financial position as of 30 June 2014 and 31 December 2013, and 2012, and statements of comprehensive income (losses) for the six months periods ended 30 June 2014 and 30 June 2013, and the years ended 31 December 2013 and 2012 were audited by Public Accountant Firm Kosasih, Nurdiaman, Tjahjo & Partners (member of Crowe Horwath International), which expressed an unqualified opinion in its reports dated 18 August 2014, 25 April 2014, 10 September 2013 and 31 May 2013. The financial statements as of and for the year ended 31 December 2011 were audited by Public Accountant Firm Joachim Sulisty & Partners, which expressed an unqualified opinion in its report dated 27 June 2012, before restatement in relation to the implementation of SFAS 10 (2010 Revision) "Impact of Changes in Foreign Currencies Exchange Rates."

**Summary of Statements of Financial Position**

Description	30 June 2014	31 December 2013	(in USD)	
			31 December 2012	31 December 2011
Total Assets	132,607,358	123,361,677	89,621,687	57,159,190
Total Liabilities	80,009,564	80,462,754	82,602,766	57,813,796
Total Equity	52,597,794	42,898,923	7,018,921	(654,606)



Description	30 June 2014	30 June 2013	31 December 2013	31 December 2012	31 December 2011
Revenue	5,053,909	221,904	3,906,506	2,031,520	-
Gross Profit (Losses)	1,031,604	108,432	1,043,936	623,823	-
Operating Expense	353,945	148,657	593,249	341,645	978,950
Total Comprehensive Income (Losses) for the year	(301,130)	1,373,396	10,834,921	3,525,440	(989,159)

**Total Assets**Comparison of Total Assets as of 30 June 2013 and 31 December 2013

Total assets as of 30 June 2014 compared to 31 December 2013 increased by approximately USD 9.2 million. The increase was mainly due to the Additional Fixed Assets in Construction of the Company's shipyard.

Comparison of Total Assets as of 31 December 2013 and 31 December 2012

The Company's total assets increased by close to USD 34 million from 31 December 2012 to 2013, which was due to the additional Fixed Assets of Building, Machineries and Office Equipment and Fixed Assets in Construction of the Company's shipyard.

Comparison of Total Assets as of 31 December 2012 and 31 December 2011

Total Assets in 2012 increased by close to USD 32.5 million compared to 2011. The increase was mainly due to the additional Fixed Assets of Building, Machineries and Office Equipment and Fixed Assets in Construction of the Company's shipyard.

**Total Liabilities**Comparison of Total Liabilities as of 30 June 2014 and 31 December 2013

Total Liabilities as of 30 June 2014 decreased by approximately USD 453 thousand compared to 31 December 2013, which was mainly due to the conversion of loan to equity totaling USD 10 million and additional new loan of approximately USD 10.5 million.

Comparison of Total Liabilities as of 31 December 2013 and 31 December 2012

Total liabilities as of 31 December 2013 decreased by approximately USD 2.1 million compared to Total Liabilities as of 31 December 2012. The decrease was mainly due to the decrease in the Rupiah denominated loan balance as a result of the depreciation of Rupiah to United States Dollar.

Comparison of Total Liabilities as of 31 December 2012 and 31 December 2011

Total Liabilities as of 31 December 2012 increased by close to USD 25 million compared to 2011, which was mainly due to the additional bank loan.

**Total Equity**Comparison of Total Equity as 30 June 2014 and 31 December 2013

Total Equity as of 30 June 2014 increased by approximately USD 9.7 million compared to 31 December 2013, which was mainly due to additional paid-in capital of USD 10 million.

Comparison of Total Equity as 31 December 2013 and 31 December 2012

Total Equity as of 31 December 2013 increased by approximately USD 35.9 million compared to Total Equity as of 31 December 2012. The increase was mainly due to additional capital by approximately USD 25 million and the addition of Comprehensive Income in 2013.

Comparison of Total Equity as 31 December 2012 and 31 December 2011

Total Equity as of 31 December 2012 increased by approximately USD 7.7 million compared to 2011, which was mainly due to additional capital of approximately USD 4.1 million and additional Comprehensive Income.

**Revenue**Comparison of Revenue for the Period Ended 30 June 2014 and 30 June 2013

Revenue for the period ended 30 June 2014 increased by USD 4.8 million compared to the 2013 period. The increase was mainly due to Revenue from new shipbuilding project that was started in mid-2013.

Comparison of Revenue for the Period Ended 31 December 2013 and 31 December 2012

Revenue for the period ended 31 December 2013 increased by close to USD 1.9 million, which was mainly due to Revenue from new shipbuilding project.



### **Gross Profit (Loss)**

#### Comparison of Gross Profit (Loss) for the Period Ended 30 June 2014 and 30 June 2013

Gross Profit (Loss) for the period ended 30 June 2014 increased by approximately USD 923 thousand compared to the same period in 2013 due to the increase in Revenue in 2014 as a result of the new shipbuilding project in the Company's shipyard.

#### Comparison of Gross Profit (Loss) for the Period Ended 31 December 2013 and 31 December 2012

The increase in Gross Profit (Loss) in 2013 compared to 2012 was approximately USD 420 thousand. The increase was mainly due to the increase in revenue relating to the start of the new shipbuilding project in mid-2013.

#### Comparison of Gross Profit (Loss) for the Period Ended 31 December 2012 and 31 December 2011

The Company has not earned any Revenue during the period ended 31 December 2011.

### **Operating Expense**

#### Comparison of Operating Expense for the Period Ended 30 June 2014 and 30 June 2013

Operating Expense for the period ended 30 June 2014 increased by approximately USD 205 thousand compared to Operating Expense for the same period in 2013, which was mainly due to the increase in Business Travel Expense and Bank Provision Charges.

#### Comparison of Operating Expense for the Period Ended 31 December 2013 and 31 December 2012

Operating Expense for the period ended 31 December 2013 increased by approximately USD 252 thousand compared to the same period in 2012. The increase was mainly due to the increase in Business Travel Expenses and Personnel Expense in 2013.

#### Comparison of Operating Expense for the Period Ended 31 December 2012 and 31 December 2011

Operating Expense for the period 2012 decreased by approximately USD 637 thousand compared to the period ended 31 December 2011. The decrease was mainly due to expenses incurred relating to the shipyard construction works was charged as Fixed Assets in Construction - Shipyard.

### **Total Comprehensive Income (Loss) for the Year**

#### Comparison of Comprehensive Income (Loss) for the Period ended 30 June 2014 and 30 June 2013

Comprehensive Income (Loss) for the period ended 30 June 2014 decreased by approximately USD 1.7 million compared to the same period in 2013. The decrease was mainly due to the increase in Loss in Foreign Exchange in 2014.

#### Comparison of Comprehensive Income (Loss) for the Period ended 31 December 2013 and 31 December 2012

The increase in Comprehensive Income (Loss) in 2013 compared to 2012 was approximately USD 7.3 million. The increase was due to Gain on Foreign Exchange as a result of Rupiah depreciation to US Dollar with a total amount of close to USD 6 million.

#### Comparison of Comprehensive Income (Loss) for the Period ended 31 December 2012 and 31 December 2011

The increase in Comprehensive Income (Loss) in 2012 compared to 2011 was approximately USD 4.5 million since the Company has not earned any revenue in 2011.

## **(6) PT Putra Utama Line ("PUL")**

### **a. Brief History**

PUL is a legal entity engaged in shipping industry, established in the form of a Limited Liability Company, PUL was established under the name PT Putra Utama Line, based on Deed of Establishment No. 19 dated 21 June 2006, drawn up before Meissie Pholuan, SH., Notary in Jakarta, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. W7-01398.HT.01.01.TH.2006 dated 09 October 2006 and was registered in the Ministry of Home Affairs Office under Certificate of Company Registration (TDP) No. 09.05.1.50.68396 dated 8 April 2011.

PUL's Articles of Association has been amended several times, the latest amendment being the Deed of Shareholders Circular Resolutions No. 20 dated 30 June 2014, drawn up before Doddy Natadihardja, SH., M.Kn., Notary in Tangerang Regency, which was approved by the Minister of Law and Human



Rights of the Republic of Indonesia by virtue of Decree No. AHU-04801.40.20.2014 dated 1 July 2014, and was registered in the Company Register No. AHU-0066526.40.80.2014 dated 1 July 2014, whereby the shareholders approved the increase in authorized capital and issued and paid-up capital.

PUL is located at:

Jl. Mangga Dua Dalam Komplek Duta Pertiwi Blok J No. 5-6,  
South Mangga Dua Village, Sawah Besar District,  
Central Jakarta, 10730  
Telephone : (021) 6128233  
Faximile : (021) 6128191

b. Composition of Management and Supervision Board

Based on PUL's Deed of Shareholders Resolution No. 95 dated 18 December 2012, drawn up before Yulia, SH., Notary in Jakarta, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia based on Decree No. AHU-65366.AH.01.02.TH.2012 dated 20 December 2012 and was received and registered by the Ministry of Law and Human Rights of the Republic of Indonesia as evidenced by Acceptance of Notification on Changes in Company's Data No. AHU-AH.01.10-46068 dated 28 December 2012, and was registered in the Company Register No. AHU-0110756.AH.01.09.Tahun 2012 dated 20 December 2012, and was registered in the Company Registration Office under No. AHU-0110756.AH.01.09.Tahun 2012 dated 20 December 2012, the composition of PUL's management board is as follows:

**BOARD OF COMMISSIONERS**

President Commissioner : Pieters Adyana Utomo  
Commissioner : Johannes Utomo  
Commissioner : Linawaty

**BOARD OF DIRECTORS**

President Director : Barli Hasan  
Director : Handara Adyana Utomo

c. Capital Structure and Shareholders Composition

Description	Nominal Value Rp 1,000,000 per share for A series shares and Rp 10,000 per share for B series shares		
	Number of Shares	Nominal Value (Rp)	Percentage
<b>Authorized Capital</b>			
A series shares	4,000	4,000,000,000	
B series shares	30,000,000	300,000,000,000	
<b>Total Authorized Capital</b>	<b>30,004,000</b>	<b>304,000,000,000</b>	
<b>Issued and Paid-up Capital:</b>			
PT Soechi Lines (B series)	7,500,000	75,000,000,000	99.986
Bob Steven Paulus (A series)	300	300,000,000	0.004
Pieters Adyana Utomo (A series)	300	300,000,000	0.004
Johanes Utomo (A series)	300	300,000,000	0.004
Handara Adyana Utomo (A series)	50	50,000,000	0.001
Linawaty (A series)	50	50,000,000	0.001
<b>Total Issued and Paid-in Capital</b>	<b>7,501,000</b>	<b>76,000,000,000</b>	<b>100.000</b>
<b>Shares in Portfolio</b>			
A Series Shares	3,000	3,000,000,000	
B Series Shares	22,500,000	225,000,000,000	
<b>Total Shares in Portfolio</b>	<b>22,503,000</b>	<b>228,000,000,000</b>	

d. Key Financial Highlights

Presented below are PUL's statements of financial position as of 30 June 2014, 31 December 2013, 2012 and 2011, and statements of comprehensive income (losses) for the six months periods ended 30 June 2014 and 30 June 2013, and the years ended 31 December 2013, 2012 and 2011. PUL's statements of financial position as of 30 June 2014 and 31 December 2013 and 2012, and statements of comprehensive income for the periods ended 30 June 2014 and 2013, and the years ended 31 December 2013 and 2012 were audited by Public Accountant Firm Kosasih, Nurdiyaman, Tjahjo & Partners (member of Crowe Horwath International) which expressed an unqualified opinion in its reports dated 18



August 2014, 25 April 2014, 10 September 2013 and 31 May 2013. The financial statements as of and for the year ended 31 December 2011 were audited by Public Accountant Firm Gani Mulyadi & Handayani (member of Grant Thornton), which expressed an unqualified opinion in its report dated 29 June 2012.

### Summary of Statements of Financial Position

					(in USD)	
Description	30 June 2014	31 December 2013	31 December 2012	31 December 2011		
Total Assets	40,969,732	42,613,385	49,954,925	34,436,250		
Total Liabilities	24,171,250	32,962,083	40,364,922	29,984,762		
Total Equity	16,798,482	9,651,302	9,590,003	4,451,488		

Description	2014	30 June 2013*	2013	31 December 2012	2011
Revenue	6,009,789	7,991,187	15,349,306	12,872,530	11,051,638
Gross Profit (Losses)	3,190,162	3,138,448	6,072,829	5,325,031	4,877,571
Operating Expense	247,187	246,585	541,198	517,060	115,190
Total Comprehensive Income (Losses) for the year	2,147,180	2,284,810	61,299	3,582,982	4,320,659

#### Total Assets

##### Comparison of Total Assets as of 30 June 2014 and 31 December 2013

Total assets as of 30 June 2014 compared to 31 December 2013 decreased by approximately USD 1.6 million or 4%. The decrease was mainly due to the decrease in Trade Receivables as of 30 June 2014 compared to 2013 as a result of improved collectibility from Customers.

##### Comparison of Total Assets as of 31 December 2013 and 31 December 2012

The Company's Total Assets decreased by more than USD 7.3 million from 31 December 2012 to 2013 as a result of the decrease in Inventory in 2013. Inventory decreased as contracts with Customers expired and the difference between Inventory at the beginning of the charter period and at the end of the charter period was charged to Customers.

##### Comparison of Total Assets as of 31 December 2012 and 31 December 2011

Total Assets in 2012 increased by approximately USD 15.5 million compared to 2011. The increase was mainly to the purchase of 2 (two) new vessels in 2012.

#### Total Liabilities

##### Comparison of Total Liabilities as of 30 June 2014 and 31 December 2013

Total Liabilities as of 30 June 2014 decreased by approximately USD 88 million or close to 27% compared to 31 December 2013, which was mainly due to the conversion of loan from shareholders to equity totaling USD 5 million.

##### Comparison of Total Liabilities as of 31 December 2013 and 31 December 2012

Total Liabilities as of 31 December 2013 decreased by close to USD 7.4 million compared to Total Liabilities as of 31 December 2012. The decrease was mainly due to repayment of bank loan installments.

##### Comparison of Total Liabilities as of 31 December 2012 and 31 December 2011

Total Liabilities as of 31 December 2012 increased by approximately USD 10.3 million compared to 2011, which was mainly due to additional loan in relation to the purchase of vessels.

#### Total Equity

##### Comparison of Total Equity as of 30 June 2014 and 31 December 2013

Total Equity as of 30 June 2014 increased by approximately USD 7.1 million compared to 31 December 2013, which was mainly due to the additional Comprehensive Income for the period ended 30 June 2014 and additional capital of USD 5 million.

##### Comparison of Total Equity as of 31 December 2013 and 31 December 2012

Total Equity as of 31 December 2013 increased by approximately USD 62 thousand compared to Total Equity as of 31 December 2012. The increase was mainly due to Comprehensive Income for the year 2013.

##### Comparison of Total Equity as of 31 December 2012 and 31 December 2011

Total Equity as of 31 December 2012 increased by approximately USD 5.1 million compared to 2011, which was mainly due to additional paid-in capital of more than USD 1.5 million and Comprehensive Income for the year (2012).

**Revenue***Comparison of Revenue for the Period Ended 30 June 2014 and 30 June 2013*

Revenue for the period ended 30 June 2014 decreased by USD 2 million compared to 2013. The decrease was mainly due to the sale of 1 (one) vessel at the end of 2013.

*Comparison of Revenue for the Period Ended 31 December 2013 and 31 December 2012*

Revenue for the period ended 31 December 2013 increased by close to USD 2.5 million, which was mainly due to the additional Revenue from 1 (one) new ship purchased at the end of 2012. The new vessel was fully booked for the entire year in 2013.

*Comparison of Revenue for the Period Ended 31 December 2012 and 31 December 2011*

The Company's revenue for the period ended 31 December 2012 increased by close to USD 1.8 million compared to the same period in 2011, which was mainly due to the increase in Revenue as a result of 1 (one) new vessels acquired by the Company.

**Gross Profit (Loss)***Comparison of Gross Profit (Loss) for the Period Ended 30 June 2014 and 30 June 2013*

Gross Profit (Loss) for the period ended 30 June 2014 increased by approximately USD 52 thousand compared to the same period in 2013. Although the Company's Revenue decreased compared to 2012, Vessel Operational Cost decreased further as a result of the depreciation of Rupiah against US Dollar, which resulted in the said increase.

*Comparison of Gross Profit (Loss) for the Period Ended 31 December 2013 and 31 December 2012*

The increase in Gross Profit (Loss) in 2013 compared to 2012 was approximately close to USD 748 thousand. The increase was due to the increase in Revenue as a result of the addition of 1 (one) new vessel in October 2012.

*Comparison of Gross Profit (Loss) for the Period Ended 31 December 2012 and 31 December 2011*

The increase in Gross Profit (Loss) in 2012 compared to 2011 was approximately USD 447 thousand. The increase was due to the increase in Revenue as a result of the addition of 1 (one) new vessel purchased at the end of 2012.

**Operating Expense***Comparison of Operating Expense for the Period Ended 30 June 2014 and 30 June 2013*

Operating Expense for the period ended 30 June 2014 was nearly similar to Operating Expense for the same period in 2013. Although expenses were lower due to the depreciation of Rupiah against US Dollar, there was an increase in depreciation expense related to the purchase of vehicles during the period ended 30 June 2014.

*Comparison of Operating Expense for the Period Ended 31 December 2013 and 31 December 2012*

Operating Expense for the period ended 31 December 2013 increased by approximately USD 24 thousand compared to the same period in 2012. The increase was mainly due to the increase in Post-employment Benefit Expense in 2013.

*Comparison of Operating Expense for the Period Ended 31 December 2012 and 31 December 2011*

Operating Expense for the 2012 period increased by approximately USD 401 thousand compared to the period ended 31 December 2011. The increase was mainly due to the increase in the number of the Company's employees, the increase in Bank Provision charges and the increase in expenses related to the increased operational activities in 2012.

**Total Comprehensive Income (Loss) for the Year***Comparison of Comprehensive Income (Loss) for the Period ended 30 June 2014 and 30 June 2013*

Comprehensive Income (Loss) for the period ended 30 June 2014 decreased by approximately USD 138 thousand compared to the same period in 2013. The decrease was mainly due to higher Loss on Foreign Exchange in the period ended 30 June 2014.

*Comparison of Comprehensive Income (Loss) for the Period ended 31 December 2013 and 31 December 2012*

The decrease in Comprehensive Income (Loss) in 2013 compared to 2012 was approximately USD 3.5 million. The decrease was mainly due to Loss on Sale of Fixed Assets of close to USD 4 million in 2013.

Comparison of Comprehensive Income (Loss) for the Period ended 31 December 2012 and 31 December 2011

The decrease in Comprehensive Income (Loss) in 2012 compared to 2011 was approximately USD 738 thousand. The decrease in Comprehensive Income (Loss) was due to the commencement of payment of interest on loan in 2012.

**(7) PT Sukses Maritime Line (“SML”)**

## a. Brief History

SML is a legal entity engaged in shipping industry, established in the form of a Limited Liability Company, SML was established under the name PT Sukses Maritime Line based on Deed of Establishment No. 45 dated 21 January 2011, drawn up before Irma Bonita, SH., Notary in Jakarta, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. AHU-10221.AH.01.01.

SML’s Articles of Association has been amended by Deed of Shareholders Circular Resolutions No. 21 dated 30 June 2014, drawn up before Doddy Natadihardja, SH., M.Kn, Notary in Tangerang Regency, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. AHU-04799.40.20.2014 dated 1 July 2014, and was registered in the Company Register No. AHU-0066528.40.80.2014 dated 1 July 2014, whereby the shareholders approved the increase in authorized capital and issued and paid-up capital.

SML is located at:  
Plaza Marein 21<sup>st</sup> Floor, Sudirman Plaza  
Jl. Jend. Sudirman Kav. 76-78, Jakarta 12910  
South Jakarta  
Telephone: (021) 5793 6883  
Faximile : (021) 5793 6833

## b. Composition of Management and Supervision Board

In accordance with the Deed of SML’s Shareholders Resolutions No. 153 dated 16 May, drawn up before Yulia, SH., Notary in Jakarta, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia as evidenced by Acceptance of Notification No. AHU-AH.01.01-23617 dated 13 June 2013, and was registered in the Company Register No. AHU-0055704.AH.01.09 tahun 2013 dated 13 June 2013, and was registered in the Company Registry (TDP) No. 09.03.1.49.89031 dated 12, February 2014, the composition of SML’s management board is as follows:

**BOARD OF COMMISSIONERS**

President Commissioner : Handara Adyana Utomo  
Commissioner : Johannes Utomo

**BOARD OF DIRECTORS**

President Director : Pieters Adyana Utomo  
Director : Barli Hasan

## c. Capital Structure and Shareholders Composition

No.	Description	Nominal Value Rp 10,000 per share		
		Number of Shares	Nominal Value (Rp)	(%)
<b>Authorized Capital</b>		<b>9,800,000</b>	<b>98,000,000,000</b>	
<b>Issued and Paid-up Capital:</b>				
1.	Barli hasan	25	250.000	0.001
2.	Handara adyana utomo	25	250.000	0.001
3.	Pieters adyana utomo	25	250.000	0.001
4.	Johanes utomo	25	250.000	0.001
5.	The Company	2,449,900	24.499.000.000	99.996
<b>Total Issued and Paid-up Capital</b>		<b>2,450,000</b>	<b>24,500,000,000</b>	<b>100.00</b>
<b>Shares in Portfolio</b>		<b>7,350,000</b>	<b>73,500,000,000</b>	

## d. Key Financial Highlights

Presented below are SML’s statements of financial position as of 30 June 2014, 31 December 2013, 2012 and 2011, and statements of comprehensive income (losses) for the six months period ended 30 June 2014 and



30 June 2013, and the years ended 31 December 2013, 2012 and 2011. SML's statements of financial position as of 30 June 2014 and 2013 and 31 December 2013 and 2012, and statements of comprehensive income (losses) for the period ended 30 June 2014 and the years ended 31 December 2013 and 2012 were audited by Public Accountant Firm Kosasih, Nurdjaman, Tjahjo & Partners (member of Crowe Horwath International), which expressed an unqualified opinion in its reports dated 18 August 2014, 25 April 2014, 10 September 2013 and 31 May 2013. The financial statements as of and for the year ended 31 December 2011 were audited Public Accountant Firm Gani Mulyadi & Handayani (member of Grant Thornton), which expressed an unqualified opinion in its report dated 29 June 2012.

### Summary of Statements of Financial Position

(in USD)					
Description	30 June		31 December		
	2014	2013	2012	2011	
Total Assets	9,245,752	9,284,762	71,076		56,616
Total Liabilities	5,097,129	7,979,233	19,346		-
Total Equity	4,148,626	1,305,529	51,730		56,616

Description	30 June		31 December		
	2014	2013	2013	2012	2011
Revenue	1,866,633	49,875	2,250,458	-	-
Gross Profit (Losses)	1,045,113	(15,927)	1,351,322	-	-
Operating Expense	60,893	7,194	118,257	1,174	-
Total Comprehensive Income (Losses) for the year	843,096	138,108	1,253,799	(4,886)	-

#### Total Assets

##### Comparison of Total Assets as of 30 June 2014 and 31 December 2013

Total assets as of 30 June 2014 compared to 31 December 2013 decreased by approximately USD 39 thousand due to normal course of operational transactions.

##### Comparison of Total Assets as of 31 December 2013 and 31 December 2012

The Company's total assets increased by more than USD 9.2 million from 31 December 2012 to 2013 due to the purchase of 1 (one) new vessel in June 2013.

##### Comparison of Total Assets as of 31 December 2012 and 31 December 2011

Total Assets in 2012 increased by approximately USD 14 thousand compared to 2011 due to normal course of operational transactions.

#### Total Liabilities

##### Comparison of Total Liabilities as of 30 June 2014 and 31 December 2013

Total Liabilities as of 30 June 2014 decreased by approximately USD 2.8 million compared to 31 December 2013, which was mainly due to the conversion of loan from shareholders to equity totaling USD 2 million.

##### Comparison of Total Liabilities as of 31 December 2013 and 31 December 2012

Total liabilities as of 31 December 2013 increased by close to USD 8 million compared to Total Liabilities as of 31 December 2012. The increase was mainly due to the increase in loan relating to the purchase of new vessel(s).

##### Comparison of Total Liabilities as of 31 December 2012 and 31 December 2011

Total Liabilities as of 31 December 2012 increased by approximately USD 19 thousand compared to 2011 mainly because the Company has recently commenced its operation in 2012.

#### Total Equity

##### Comparison of Total Equity as of 30 June 2014 and 31 December 2013

Total Equity as of 30 June 2014 increased by approximately USD 2.8 million compared to 31 December 2013, which was mainly due to the additional Comprehensive Income for the period ended 30 June 2014 and additional capital of USD 2 million.

##### Comparison of Total Equity as of 31 December 2013 and 31 December 2012

Total Equity as of 31 December 2013 increased by approximately USD 1.2 million compared to Total Equity as of 31 December 2012. The increase was mainly due to Comprehensive Income for the year 2013.

##### Comparison of Total Equity as of 31 December 2012 and 31 December 2011

Total Equity as of 31 December 2012 decreased by approximately USD 5 thousand compared to 2011, which was mainly due to the Comprehensive Loss for the year.



### **Revenue**

#### Comparison of Revenue for the Period Ended 30 June 2014 and 30 June 2013

Revenue for the period ended 30 June 2014 increased by USD 1.8 million compared to 2013. The increase was mainly due to the increase in Revenue as a result of the addition of 1 (one) new vessel in mid-2013.

#### Comparison of Revenue for the Period Ended 31 December 2013 and 31 December 2012

Revenue for the period ended 31 December 2013 increased by close to USD 2.2 million as the Company has recently commenced operation in 2013.

### **Gross Profit (Loss)**

#### Comparison of Gross Profit (Loss) for the Period Ended 30 June 2014 and 30 June 2013

Gross Profit (Loss) for the period ended 30 June 2014 increased by more than USD 1 million compared to the same period in 2013 due to the increase in Revenue in 2014 since the vessel recently purchased by the Company in mid-2013 has operated in full in 2014.

### **Operating Expense**

#### Comparison of Operating Expense for the Period Ended 30 June 2014 and 30 June 2013

Operating Expense for the period ended 30 June 2014 increased by approximately USD 54 thousand compared to the Operating Expense for the same period in 2013, which was mainly due to the additional administration staff.

#### Comparison of Operating Expense for the Period Ended 31 December 2013 and 31 December 2012

Operating Expense for the period ended 31 December 2013 increased by approximately USD 117 thousand compared to the same period in 2012. The increase was because the Company had not started operating in full in 2012.

### **Total Comprehensive Income (Loss) for the Year**

#### Comparison of Comprehensive Income (Loss) for the Period ended 30 June 2014 and 30 June 2013

Comprehensive Income (Loss) for the period ended 30 June 2013 increased by approximately USD 705 thousand compared to the same period in 2013. The increase was mainly due to the increase in Revenue in 2014 as a result of the addition of 1 (one) new vessel purchased in mid-2013.

#### Comparison of Comprehensive Income (Loss) for the Period ended 31 December 2013 and 31 December 2012

The increase in Comprehensive Income (Loss) in 2013 compared to 2012 was close to USD 1.3 million. The increase was mainly due to the increase in Revenue in 2013 as a result of the addition of 1 (one) new vessel purchased in mid-2013 and the fact that the Company had not commenced operation in 2012.

## **(8) Success International Marine Pte. Ltd. ("SIM")**

### **a. Brief History**

SIM is a legal entity engaged in shipping industry, established in the form of a Private Limited, SIM was established under the name Success International Marine, based on Article of Association under registration No. 201213733K dated 1 June 2012.

From the date of establishment up to the date of issuance of this Prospectus, SIM's Articles of Association has not been amended.

SIM is located at:  
111 North Bridge Road, #07-20 Peninsula Plaza Singapore  
Singapore  
Telephone : +65 6333 5768  
Faximile : +65 6333 5767

### **b. Composition of Management and Supervision Board**

Based on Circular of Resolution of the Directors dated 7 January 2013, the composition of SIM's management board is as follows:

**BOARD OF DIRECTORS**

Director	:	Johanes Utomo
Director	:	Pieters Adyana Utomo
Director	:	Paula Marlina

## c. Capital Structure and Shareholders Composition

Shareholders	Number of Shares	Nominal Value (USD 1 per share)	Percentage(%)
PT Soechi lines	500,000	500,000	99.9999
Johanes Utomo	1	1	0.0001
Total	500,001	500,001	100.0000

## d. Key Financial Highlights

Presented below are SIM's statements of financial position as of 30 June 2014, 31 December 2013 and 2012, and statements of comprehensive income (losses) for the six months periods ended 30 June 2014 and 30 June 2013, and for the years ended 31 December 2013 and 2012. SIM's statements of financial position as of 30 June 2014 and 31 December 2013 and 2012, and statements of comprehensive income (losses) for the six months period ended 30 June 2014 and the years ended 31 December 2013 and 2012 were audited by Public Accountant Firm Kong, Lim & Partners LLP, which expressed an unqualified opinion in its reports dated 9 October 2014 and 25 April 2014.

**Summary of Statements of Financial Position**

Description	(in USD)		
	30 June 2014	31 December 2013	31 December 2012
Total Assets	18,043,264	31,938,175	9,483,781
Total Liabilities	16,280,522	30,854,674	8,757,355
Total Equity	1,762,742	1,083,501	726,426

Description	30 June		31 December	
	2014	2013	2013	2012
Revenue	4,853,708	7,031,904	20,746,854	2,081,071
Gross Profit (Losses)	786,981	1,007,165	975,254	434,854
Operating Expense	24,075	47,045	112,483	151,201
Total Comprehensive Income (Losses) for the year	679,241	579,619	357,075	226,425

**Total Assets**Comparison of Total Assets as of 30 June 2014 and 31 December 2013

Total assets as of 30 June 2014 compared to 31 December 2013 decreased by close to USD 13.9 million. The decrease was mainly due to the decrease in Trade Receivables and Due from Related Parties as of 30 June 2014.

Comparison of Total Assets as of 31 December 2013 and 31 December 2012

The Company's total assets increased by close to USD 22.5 million from 31 December 2012 to 2013 as a result of the purchase of 2 (two) vessels by the Subsidiary.

**Total Liabilities**Comparison of Total Liabilities as of 30 June 2014 and 31 December 2013

Total Liabilities as of 30 June 2014 decreased by approximately USD 14.6 million compared to 31 December 2013, which was mainly due to the decrease in Bank Loan and Due to Related Parties.

Comparison of Total Liabilities as of 31 December 2013 and 31 December 2012

Total Liabilities as of 31 December 2013 increased by close to USD 22 million compared to Total Liabilities as of 31 December 2012. The increase was mainly due to the increase in bank loan in relation to the purchase of new vessel(s).

Comparison of Total Liabilities as of 31 December 2012 and 31 December 2011

Total Liabilities as of 31 December 2012 increased by approximately USD 22 million compared to 2011. The increase was mainly due to the increase in bank loan in relation to the purchase of new vessel(s).



### **Total Equity**

#### Comparison of Total Equity as of 30 June 2014 and 31 December 2013

Total Equity as of 30 June 2014 increased by approximately USD 679 thousand compared to 31 December 2013, which was mainly due to the additional Comprehensive Income for the period ended 30 June 2014.

#### Comparison of Total Equity as of 31 December 2013 and 31 December 2012

Total Equity as of 31 December 2013 increased by approximately USD 357 thousand compared to Total Equity as of 31 December 2012. The increase was mainly due to Comprehensive Income for the year 2013.

### **Revenue**

#### Comparison of Revenue for the Period Ended 30 June 2014 and 30 June 2013

Revenue for the period ended 30 June 2014 decreased by USD 2.1 million compared to 2013. The decrease was due to the decrease in Revenue from vessels chartered from third parties.

#### Comparison of Revenue for the Period Ended 31 December 2013 and 31 December 2012

Revenue for the period ended 31 December 2013 increased by close to USD 18.6 million, mainly due to the increase in Revenue from new vessels (2 units). In addition, the Company was recently established in 2012.

### **Gross Profit (Loss)**

#### Comparison of Gross Profit (Loss) for the Period Ended 30 June 2014 and 30 June 2013

Gross Profit (Loss) for the period ended 30 June 2014 decreased by close to USD 220 thousand compared to the same period in 2013 due to the decrease in Revenue during the period ended 30 June 2014.

#### Comparison of Gross Profit (Loss) for the Period Ended 31 December 2013 and 31 December 2012

The increase in Gross Profit (Loss) in 2013 compared to 2012 was close to USD 540 thousand. The increase was due to the increase in Revenue in relation to the demand of the international market.

### **Operating Expense**

#### Comparison of Operating Expense for the Period Ended 30 June 2014 and 30 June 2013

Operating Expense for the period ended 30 June 2014 decreased by approximately USD 23 thousand compared to Operating Expense for the same period in 2013, which was mainly due to the decrease in Bank Provision Charges.

#### Comparison of Operating Expense for the Period Ended 31 December 2013 and 31 December 2012

Operating Expense for the period ended 31 December 2013 decreased by approximately USD 39 thousand compared to the same period in 2012, which was mainly due to the decrease in Bank Provision Charges.

### **Total Comprehensive Income (Loss) for the Year**

#### Comparison of Comprehensive Income (Loss) for the Period ended 30 June 2014 and 30 June 2013

Comprehensive Income (Loss) for the period ended 30 June 2014 increased by close to USD 100 thousand compared to the same period in 2013. The increase was mainly due to the increase in Gain on Foreign Exchange of USD 160 thousand.

#### Comparison of Comprehensive Income (Loss) for the Period ended 31 December 2013 and 31 December 2012

The increase in Comprehensive Income (Loss) in 2013 compared to 2012 was approximately USD 131 thousand. The increase was mainly due to Other Income in the form of Agency Fee in 2013.

Kenaikan Laba(Rugi) Komprehensif di tahun 2013 dibandingkan dengan tahun 2012 adalah kira-kira USD 131 ribu. Kenaikan ini disebabkan karena ada Pendapatan Lain – Lain berupa *agency fee* di tahun 2013

## 11. Overview of Indirect Subsidiaries

The Company has share ownership in Indirect Subsidiaries through SIM as described below:

No.	Company Name	Subsidiary's Direct Ownership % Ownership	Year of Investment	Operational Year	Business Activities	Operational Status
2	Success Pte Ltd	100%	2013	-	Shipping	Not Yet Operating

### (1) Success Marlina XXIII SA ("SMSA")

#### a. Brief History

SMSA is a legal entity engaged in shipping industry, established in the form of *Sociedad Anonima*, SMSA was established under the name of Success Marlina XXIII SA based on Public Deed No. 8.715 dated 14 August 2012.

From the date of establishment up to the date of issuance of this Prospectus, SMSA's Articles of Association has not been amended.

SMSA is located at:  
MMG Tower, 16th Floor, 53rd E Street,  
Urbanization Marbella, Panama City, Republic of Panama

#### b. Composition of Management and Supervision Board

Based on Public Deed No. 8,715 dated 14 August 2012, the composition of SMSA's management board is as follows:

Director/President : Pieters Adyana Utomo  
Director/Secretary : Paula Marlina  
Director/Treasurer : Handara Adyana Utomo

#### c. Capital Structure and Shareholders Composition

Shareholders	Number of Shares	Nominal Value (USD 100 per shares)	Percentage (%)
SIM	100	10,000	100,00
<b>Total</b>	<b>100</b>	<b>10,000</b>	<b>100,00</b>

#### d. Key Financial Highlights

Presented below are SMSA's statements of financial position as of 30 June 2014, 31 December 2013 and 2012, and statements of comprehensive income (losses) for the six months periods ended 30 June 2014 and 30 June 2013, and the years ended 31 December 2013 and 2012. SMSA's statements of financial position as of 30 June 2014 and 31 December 2013 and 2012, and statements of comprehensive income (losses) for the period ended 30 June 2014 and the years ended 31 December 2013 and 2012 were audited by Public Accountant Firm Kong, Lim & Partners LLP, which expressed an unqualified opinion in its reports dated 9 October 2014 and 25 April 2014.

### Summary of Statements of Financial Position

Description	(in USD)			
	30 June 2014		31 December 2013	
Total Assets	8,933,299	8,972,741	11,099,600	
Total Liabilities	7,986,094	8,468,331	10,929,751	
Total Equity	947,205	504,410	169,849	
Description	30 June		31 December	
	2014	2013	2013	2012



Revenue	3,100,000	2,465,000	6,440,000	1,747,627
Gross Profit (Losses)	406,350	(273,955)	373,629	101,409
Operating Expense	36,445	417,448	(39,068)	-59,053
Total	442,795	117,631	334,561	159,819
Comprehensive Income (Losses) for the year				

## (2) Success Marlina Pte Ltd (“SMP”)

### a. Brief History

SMP is a legal entity engaged in shipping industry, established in the form of a Private Limited,. SMP was established under the name of Success Marlina Pte Ltd., based on Articles of Association registration no. 201320849R dated 1 August 2013.

From the date of establishment up to the date of issuance of this Prospectus, SMP’s Articles of Association has not been amended.

SMP is located at:

111 North Bridge Road, #07-20 Peninsula Plaza Singapore  
Singapore  
Telephone: +65 6333 5768  
Faximile : +65 6333 5767

### b. Composition of Management and Supervision Board

Based on Articles of Association registration no. 201320849R dated 1 August 2013:

#### BOARD OF DIRECTORS

Director : Johanes Utomo  
Director : Pieters Adyana Utomo  
Director : Paula Marlina

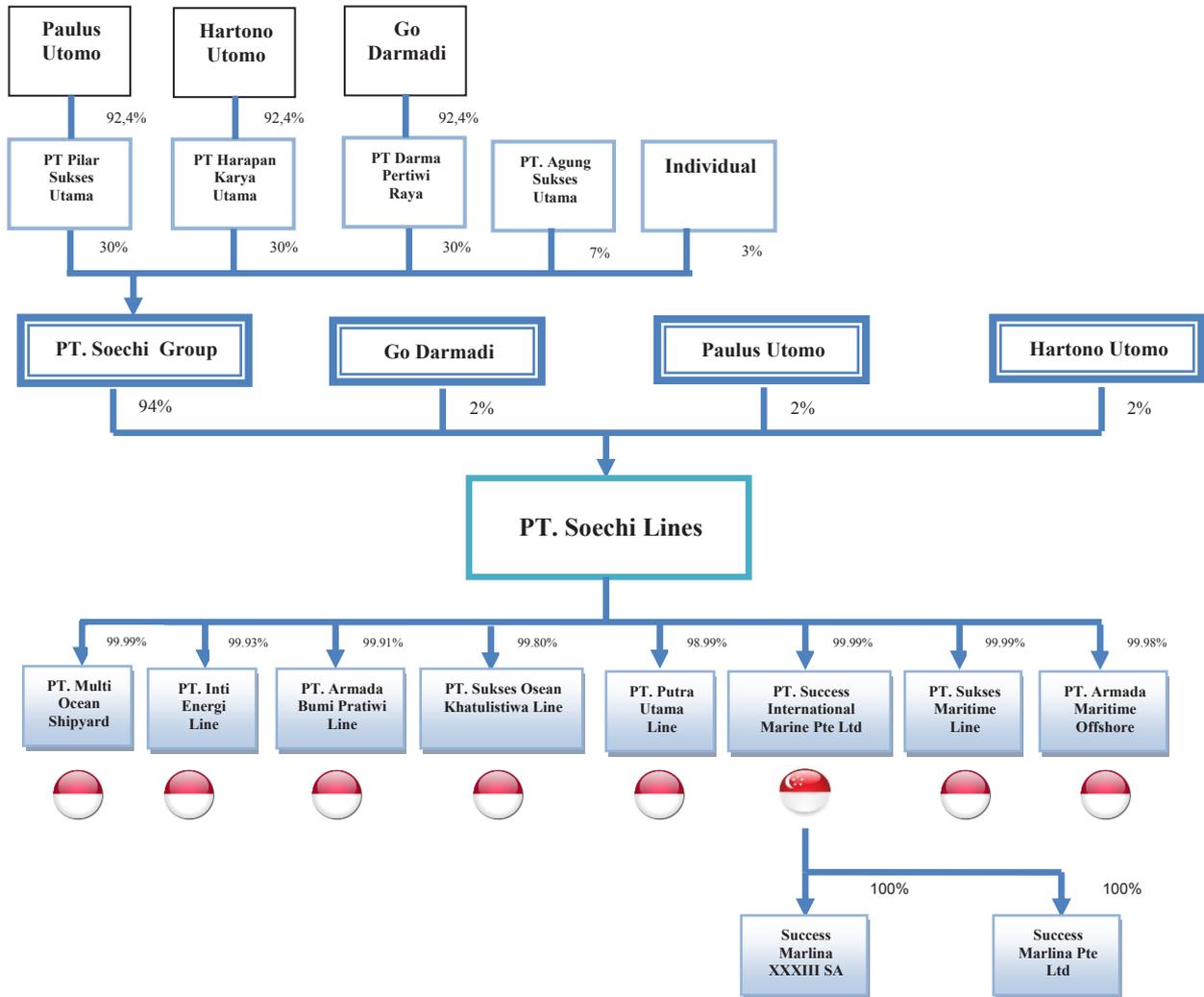
### c. Capital Structure and Shareholders Composition

Shareholders	Number of Shares	Nominal Value (USD 1 per share)	Percentage (%)
SIM	10,000	10,000	100.00
<b>Total</b>	<b>10,000</b>	<b>10,000</b>	<b>100.00</b>

### d. Key Financial Highlights

As of the date of issuance of this Prospectus, there are no financial statements available for SMP as it was recently established on 1 August 2013 and has not commenced operation.

12. Diagram of Ownership between the Company's Shareholders, the Company and Subsidiaries



\*Note



: Indonesia



: Singapore



: Panama



Presented below are the companies within the same business group as the Company:

No.	Name	Domicile	Main Activities	Relationship with the Company
1	PT Rezeki Putra Energi	Mangga Dua, Central Jakarta	Wholesaler of gas, liquid and solid fuel	Affiliated Company, family relationship between the Management and the Shareholders of PT lautan Pasifik Sejahtera and the Management and the Shareholders of the Company's Group
2	PT Soechi Group	Sudirman, Jakarta	South Other technical and scientific professional services	Majority Shareholder of the Company,
3	PT Lautan pasifik Sejahtera	Tanjung Priok, North Jakarta	Other management consulting	Affiliated Company, family relationship between the Management and the Shareholders of PT lautan Pasifik Sejahtera and the Management and the Shareholders of the Company's Group
4	PT Equator Maritime	Sudirman, Jakarta,	South Other management consulting	Affiliated Company, family relationship between the Management and the Shareholders of PT Equator Maritime and the Management and the Shareholders of the Company's Group
5	PT Vektor Maritim	Sudirman, Jakarta	South Other management consulting	Affiliated Company, family relationship between the Management and the Shareholders of PT Vektor Maritime and the Management and the Shareholders of the Company's Group
6	PT Tria Sumatra	Medan, Sumatera	North Hotel services	Affiliated Company, the same shareholders and management

### 13. Material Agreements and Commitments with Third Parties

The Company's Subsidiaries have executed several agreements with third parties in order to support its business activities. The agreements are, among others, as follows:

#### Subsidiaries' Agreements

##### (1) ABPL

#### Credit Agreement between APBL and Third Parties:

#### **PT. Bank Mandiri (Persero) Tbk Special Transaction Credit Facility**

Deed of Credit Agreement No. 5 dated 18 January 2011, and all amendments thereof, which approved the financing of assets in the form of 3 unit tankers, with a total value of USD 10,000,000.-, for a period from 18 January 2011 – 17 January 2018 that is subject to an annual interest of 6.5% per annum.

This credit facility is secured by, among others, the following:

- First priority mortgage on the following four ships: Motor Tanker Golden Pearl XIV, Motor Tanker Angelia XVI, Motor Tanker Stephanie XVIII, Motor Tanker Soechi Andindya
- Fiduciary lien on Debtor's receivables/bills in the form of charter bills of the 4 ships referred to above form 1 month.
- Personal Guarantee from all shareholders
- Corporate Guarantee from PT Sukses Osean Khatulistiwa Line
- Deficit Cash Flow Guarantee from PT Sukses Osean Khatulistiwa Line.

**Investment Credit Facility**

Deed of Investment Credit Agreement No. 22 dated 27 June 2011 and all amendments thereof, which approved the financing of existing assets in the form of 2 unit tankers, with a total value of USD 68,000,000,000.00, for a period from 27 June 2011 – 27 June 2017 that is subject to an annual interest of 11% per annum.

This credit facility is secured by, among others, the following:

- First Priority Mortgage on two ships owned by APBL as follows: Motor Tanker Andriana XX and Motor Tanker Soechi Asia XXIX
- Fiduciary lien on trade receivables
- Personal Guarantee from all shareholders
- Corporate Guarantee from PT Sukses Osean Khatulistiwa Line.

**Bank Guarantee Facility**

Deed of Approval of Bank Guarantee Facility No. 23 dated 27 June 2011, which approved a limit for issuance of Bank Guarantee with a total value of Rp 35,000,000,000.00 for a period between 27 June 2011 – 26 June 2011, secured with cross-collateral on Credit Agreement dated 27 June 2011.

**Treasury Line Credit Facility**

Agreement of Treasury Transaction Services No. 24 dated 27 June, which approved a limit on foreign exchange transactions in relation to business activities with a total value of USD 240,000.00 for a period from 27 June 2011 – 26 June 2015, secured with cross-collateral on Credit Agreement dated 27 June 2011.

**Agreement with Unaffiliated Parties**

ABPL has executed 5 agreements with unaffiliated parties in order to support its business activities. The agreements are described below:

**Vessel Charter Agreement**

1. Time Charter Agreement dated 4 September 2014, privately arranged and duly stamped, between ABPL as Ship Owner and PT Pertamina (Persero) as Charterer, which stipulates the following provisions:

Objective of the Agreement	:	that the Ship Owner charters its Ship to the Charterer;
Charter Object	:	MT. ANGELIA XVI;
Delivery Time	:	Commencing on 21 July 2014 at 08,00 up to the ship handover on 26 July 2014 at 16.00
Charter Period	:	1 (one) year commencing on the ship handover, with an option to extend for 6 (six) months and an option for an additional period of 6 (six) months.

2. Time Charter Agreement dated 17 June 2014, privately arranged and duly stamped between ABPL as the Ship Owner and PT Pertamina (Persero) as the Charterer, which stipulates the following provisions:

Objective of the Agreement	:	that the Ship Owner charters its Ship to the Charterer;
Charter Object	:	MT STEPHANIE XVIII
Delivery Time	:	commencing on 11 May 2014 at 08.00 up to the ship handover on 13 May 2014 at 16.00



- Charter Period : 1 (one) year commencing on the ship handover, with an option to extend for 6 (six) months and an option for an additional period of 6 (six) months.
3. Marine Vessel Service Agreement No. CS-16859294 dated 28 August 2014, privately arranged and duly stamped, between ABPL as the Service Provider and Conoco Phillips (Grissik) Ltd. as Service User, which stipulates the following provisions:
- Objective of the Agreement : that the Service Provider provides tanker provision services to be chartered by the Service User based on time charter method;
- Charter Object : Tanker as a floating storage unit in Bangka Strait;
- Period : 28 August 2014 – 27 February 2015
4. Standard Time Charter – Chartering and Operating Floating Storage Unit dated 23 August 2012, privately arranged and duly stamped between ABPL as the Ship Owner and Camar Resources Canada Inc. as the Charterer, which stipulates the following provisions:
- Objective of the Agreement : that the Ship Owner charters its ship to the Charterer to be used as a floating storage unit;
- Charter Object : a tanker or trade motor tanker as a floating storage unit;
- Period : 3 (three) years plus 1 (one) year option plus 1 (one) year of extension.
5. Time Charter Agreement dated 2 September 2014, privately arranged and duly stamped between ABPL as the Ship Owner and PT Pertamina (Persero) as Charterer, which stipulates the following provision:
- Objective of the Agreement : that the Ship Owner charters its ship to the Charterer;
- Charter Object : MT. ANDRIANA XX
- Delivery Time : commencing on 27 August 2014 at 08.00 up to the ship handover on 28 August 2014 at 16.00;
- Charter Period : 1 (one) year plus minus 15 days at Charterer's option.

**(2) IEL****1. PT. Bank International Indonesia (“BII”)**

Deed of Credit Agreement No. 80 dated 20 May 2010, which approved the financing of 1 unit tanker, with a total value of USD 7,000,000.00, for a period from 20 May 2010 – 20 May 2015 that is subject to an annual interest rate of 7% per annum.

This facility is secure by, among others:

- Lien on Escrow and Operational accounts
- Mortgage on one unit of ship, i.e., MT. Gas SOECHI XXVIII
- Fiduciary lien on receivables/trade receivables
- Personal Guarantee from all shareholders
- Fiduciary Lien on vessel insurance
- Corporate Guarantee from PT Sukses Osean Khatulistiwa Line

**2. PT. Bank Central Asia, Tbk****Investment Credit Facility 6**

Deed of Credit Agreement No. 13 dated 8 October 2009 and any amendments thereof, which approved the financing of 1 unit tanker with a total value of USD 18,500,000.00 for a period of 72 (seventy two) months commencing on the first withdrawal, that is subject to an annual interest rate of 6% per annum.

**Investment Credit Facility 7**

Deed of Credit Agreement No. 98 dated 10 December 2010 and any amendments thereof, which approved the financing of 2 unit tankers with a total value of USD 4,200,000.00 for a period of 60 (sixty) months commencing on the first withdrawal, that is subject to an annual interest rate of 11.25% per annum.

**Revolving Time Loan Credit Facility**

Deed of Credit Agreement No. 5 dated 1 August 2008 and any amendments thereof, which approved the grant of Working Capital Credit with a total value of Rp 5,000,000,000.00 for a period from 4 June 2014 – 10 December 2014 that is subject to an annual interest rate of 11.25% - 12.25% per annum.

These facilities are secured by, among others, the following:

- Collateral in the form of 6 unit tankers, i.e. Soechi Chemical VII Ship, Soechi Chemical XXI Ship, Alina XXIII Ship and Alice XXV Ship and Success Victory XXXIV Ship
- Personal Guarantee from Paulus Utomo and Go Darmadi
- Collateral in the form of 4 parcels of land.

**Installment Loan Facility**

Deed of Credit Agreement No. 71 dated 31 October 2013, which approved the refinancing of shareholders or affiliated company loan, which will be used as an equity portion in the financing of investment in additional ships for PT Sukses Osean Khatulistiwa Line, with a total value of Rp 66,500,00,000.00 for a period of 4 (four) years commencing on the date of withdrawal, that is subject to an annual interest rate of 12.25% per annum, secured by 1 parcel of land.

**Material Agreements between IEI and Other Parties****Agreements with Unaffiliated Parties**

IEL has executed 9 (nine) agreements with unaffiliated parties in order to support its business activities. The agreements are described below:

1. Time Charter Agreement dated 8 June 2010, amended by Amendment No. 1 to the time charter party LPG/C Gas Soechi XXVIII dated 15 May 2013, privately arranged and duly stamped, entered into by and between PT Inti Energi Line as the Ship Owner and PT Pertamina (Persero) as the Charterer, which stipulates the following terms and condition:

Objective of the Agreement : That the Ship Owner charters its ship to the Charterer  
 Basis of the Agreement : The Ship Owner charters to and the Charterer charters from, the use and services of the ship for a certain period of time based on the terms and conditions set forth in this agreement, including introduction Part I, Part II, Part III and the appendices herein.

Charter Period : 3 (three) years commencing on the ship handover, with an option to extend for 1 (one) year and an option for an additional period of 1 (one) year.

2. Time Charter Agreement dated 13 March 2012, amended by Amendment No. 1 to the Time Charter Party MT.Soechi Chemical IX dated 25 June 2013, privately arranged by and between PT Inti Energi Line as the Ship Owner and PT Pertamina (Persero) as the Charterer, which stipulates the following terms and conditions:

Objective of the Agreement : That the Ship Owner charters its ship to the Charterer  
 Basis of Agreement : The Ship Owner charters to and the Charterer charters from, the use and services of the ship for a certain period of time based on the terms and conditions set forth in this agreement, including introduction Part I, Part II, Part III and the appendices herein.

Charter Period : 3 (three) years commencing on the ship handover, with an option to extend for 1 (one) month and an option for an additional period of 1 (one) month.



3. Time Charter Agreement dated 14 July 2012, privately arranged by and between PT Inti Energi Line as the Ship Owner and PT Pertamina (Persero) as the Charterer, which stipulates the following terms and conditions:

Objective of the Agreement : That the Ship Owner charters its ship to the Charterer  
Basis of Agreement : The Ship Owner charters to and the Charterer charters from, the use and services of the ship for a certain period of time based on the terms and conditions set forth in this agreement, including introduction Part I, Part II, Part III and the appendices herein.  
Charter Period : 1 (one) year commencing on the ship handover, with an option to extend for 6 (six) months and an option for an additional period of 6 (six) months.

4. Time Charter Period dated 4 February 2010, privately arranged by and between PT Inti Energi Line as the Ship Owner and PT Pertamina (Persero) as the Charterer, which stipulates the following terms and conditions:

Objective of the Agreement : That the Ship Owner charters its ship to the Charterer  
Basis of the Agreement : The Ship Owner charters to and the Charterer charters from, the use and services of the ship for a certain period of time based on the terms and conditions set forth in this agreement, including introduction Part I, Part II, Part III and the appendices herein.  
Charter Period : 5 (five) years commencing on the ship handover, with an option to extend for 1 (one) year and an option for an additional period of 1 (one) year.

5. Time Charter Agreement dated 12 February 2014, privately arrange by and between PT Inti Energi Line as the Ship Owner and PT Pertamina (Persero) as the Charterer, which stipulates the following terms and conditions:

Objective of the Agreement : That the Ship Owner charters its ship to the Charterer  
Basis of Agreement : The Ship Owner charters to and the Charterer charters from, the use and services of the ship for a certain period of time based on the terms and conditions set forth in this agreement, including introduction Part I, Part II, Part III and the appendices herein.  
Charter Period : 3 (three) years commencing on the ship handover, with an option to extend for 1 (one) month and an option for an additional period of 1 (one) month.

6. Time Charter Agreement dated 6 September 2013, privately arranged by and between PT Inti Energi Line as the Ship Owner and PT Pertamina (Persero) as the Charterer, which stipulates the following terms and conditions:

Objective of the Agreement : That the Ship Owner charters its ship to the Charterer  
Basis of Agreement : The Ship Owner charters to and the Charterer charters from, the use and services of the ship for a certain period of time based on the terms and conditions set forth in this agreement.  
Charter Period : 1 (one) year commencing on the ship handover, with an option to extend for 6 (six) months and an option for an additional period of 6 (six) months.

7. Management Service Agreement No. 025/IEL/LGL/XII/2011 dated 28 September 2012, as last amended by Amendment III of Management Service Agreement No. 025/IEL/LGL/XII/2011 dated 25 May 2013, privately arranged and duly stamped, between the Issuer as the Service Provider/First Party and PT Inti Energi Line (IEL) as the Service User/Second Party, with the following details:

Object of the Agreement : That the First Party agrees to provide services in the form of management services, monitoring services and operational services or other services to facilitate the operational management of the Second Party, and the Second Party



- agrees to receive management services, monitoring services and operational services from the First Party.
- Period : 5 (five) years and shall be extendable upon mutual agreement;
- Management Service Fee : USD4,000.00 (four thousand United States Dollars) per month;
- Settlement of Disputes : In the event of disputes or conflicts arising from this agreement, the Parties agree to settle such disputes/conflicts amicably. In the event that amicable settlement cannot be reached, the Parties agree to settle the disputes/conflicts through the District Court of Central Jakarta.
8. Lend-Use Agreement dated 27 September 2012, privately arranged and duly stamped by and between Go Darmadi as the Lender/First Party and IEL as the Borrower/Sencon Party, which stipulates the following provisions:
- Object of the Agreement : That the First Party agrees to lend one of the room in the shophouse unit with total building and land area of 604m<sup>2</sup> (six hundred and four square meters) located on Jalan Mangga Dua Blok J No. 5-6, South Mangga Dua Village, Sawah Besar, Central Jakarta, South Jakarta equipped with the following facilities: water, phone line and electricity to the Second Party
- Period : 2 (two) years commencing on 1 January 2013 up to 31 December 2014.
- Settlement of Disputes : In the event of disputes or conflicts arising from this agreement, the Parties agree to settle such disputes/conflicts amicably. In the event that amicable settlement cannot be reached, the Parties agree to settle the disputes/conflicts through the District Court of Central Jakarta.

Based on Legal Due Diligence undertaken by us and based on the Representation Letter of the Board of Directors of IEL dated 10 October 2014 with regard to the Lend-Use Agreement dated 27 December 2012, privately arranged and duly stamped, by and between Go Darmadi and IEL, no charges shall apply.

9. Charter Agreement No. 29/GKI/LGL/X/2014 dated 1 October 2014, privately arranged and duly stamped, by and between PT Global Karya Indonesia (GKI) as the Owner and IEL as the Charterer, which stipulates the following provisions:
- Object of the Agreement : That GKI agrees to rent a motor/steam/turbin tanker named MT Fortune Glory (Ship) to IEL;
- Period : 3 (three) years commencing on the signing of the agreement, namely from 1 October 2014 up to 1 October 2017;
- Charter Fee : USD 9,000 (nine thousand United States Dollars) per day;
- Settlement of Disputes : In the event of disputes or conflicts arising from this agreement, the Parties agree to settle the disputes/conflicts through the District Court of Central Jakarta and in accordance with the Indonesian Law.

### (3) SOKL

#### 1. PT BANK CENTRAL ASIA TBK ("BCA")

##### Local Credit Facility

Local Credit (Overdraft) Agreement No. 3 dated 3 July 2006, which approves the grant of a working capital credit facility and financing of ship docking with a total value of Rp 20,000,000,000, for the period from 4 June 2014 – 10 December 2014 that is subject to an annual interest rate of 12% per annum.

##### Bank Guarantee Credit Facility

Deed of Amendment on Credit Agreement No. 13 dated 18 October 2009, which approved the grant of a credit facility totaling Rp 2,000,000,000 that is subject to an interest rate of 12.25% per annum.



The facilities are secured by, among others, the following:

- First Priority Mortgage on 5 (five) unit tankers owned, namely, Soechi Chemical VII Ship, Soechi Chemical XXI, Alina XXIII Ship, Alice XXV and Success Victory XXXIV Ship.
- Personal Guarantee from Paulus Utomo and Go Darmadi.
- Collateral in the form of 4 parcels of land and buildings.

## **2. PT BANK MANDIRI (PERSERO)TBK (“MANDIRI”)**

### **Investment Credit Facility I**

Deed of Investment Credit Agreement No. 68 dated 28 October 2009 and any amendment thereof, which approved the financing of credit take-over from Bank Artha Graha, with a total value of Rp 30,000,000,000.00 for a period of 5 (five) years, i.e., up to 27 October 2014, that is subject to an annual interest rate of 11% per annum.

### **Working Capital Credit Facility**

Deed of Working Capital Credit Facility No. 67 dated 28 October 2009 and any amendment thereof, which approved grant of an additional working capital totaling Rp 4,800,000,000.00 for a period from 28 October 2009 – 27 October 2014 that is subject to an annual interest rate of 11% per annum.

The facilities are secured by, among others:

- Collateral in the form of five units of ships owned, namely: Motor Tanker Soechi Prestasi, Motor Tanker Soechi Chemical-I, Motor Tanker Silvia XII, Beaver and, Barge MOS I.
- Fiduciary lien on trade receivables
- Fiduciary lien on inventory/stocks
- Collateral in the form of 9 parcels of land and building
- Personal guarantee from all shareholders.

### **Investment Credit Facility III**

Deed of Investment Credit Facility No. 06 dated 28 December 2009, which approved the financing for the purchase of a tanker with a total value of USD 44,200,000.00 for a period from 28 December 2009 – 27 June 2018, which is subject to an annual interest rate of 6.5% per annum.

This facility is secured by, among others, the following:

- Collateral in the form of 1 unit of ship, namely, VLCC Mt. Arenza XXVII
- Fiduciary lien on Receivables/Bills.
- Corporate Guarantee from PT Armada Bumi Pratiwi Lines
- Personal Guarantee from all shareholders
- Fiduciary lien on inventory/stock
- Collateral in the form of 9 parcels of land and buildings, which are pledged as cross-collateral with cross default clause.

## **3. PT BANK OCBC NISP INDONESIA TBK (“NISP”)**

### **Overdraft and Bank Guarantee Credit Facilities**

Deed of Credit Agreement No. 06 dated 7 October 2011 and any amendment thereof which approved the financing of working capital requirement totaling Rp 5,000,000,000.00 and the issuance of Bank Guarantee to SOKL’s related parties with a limit of USD 600,000.00 for a period from 7 October 2011 – 7 October 2014. The overdraft facility is subject to an interest calculated based on Prime Lending Rate for 1 (one) month + 0.70% (zero point seven zero percent).

### **Term Loan 1, Term Loan 2 and Term Loan 3 Credit Facilities**

Deed of Credit Agreement No. 07 dated 7 October 2011, which approved the refinancing of SOKL’s credit facilities from PT Bank International Indonesia (Term Loan 1 totaling USD 1,500,000.00) and the financing to meet vessel operational requirements (Term Loan 2 totaling USD 1,500,000 and Term Loan 3 totaling USD 2,000,000), each with a period of 4 (four) years since the date of first withdrawal. The facilities are subject to an annual floating interest rate ranging from 5.75% to 5% per annum.

The facilities are secured by, among others:

- First Priority Mortgage on one ship: Tanker Alis XVII
- Personal Guarantee from Paulus Utomo and Go Darmadi

#### **4. OVERSEA-CHINESE BANKING CORPORATION LIMITED (“OCBC Limited”)**

Facility Agreement dated 31 October 2013, which approved the partial financing of the purchase of ship, with a total value of USD 25,200,000.00 for a period from 31 October 2013 – 31 October 2018. The facility is subject to an interest rate calculated as follows for OCBC NISP: LIPOR plus a margin of 5.738% per annum and calculated as follows for OCBC Limited: in accordance with the interest rate applicable in OCBC Limited and as determined by the Monetary Authority of Singapore plus a 3.5% margin.

This facility is secured by, among others, the following:

- Collateral in the form of 1 unit of ship, namely, Success Fortune XL
- Personal Guarantee from Paulus Utomo and Go Darmadi
- Corporate Guarantee from the Company.

#### **5. PT BANK ARTHA GRAHA INTERNASIONAL TBK (“BAGI”)**

##### **Fixed Loan I Credit Facility**

Deed of Credit Agreement No. 40 dated 28 July 2010 and all amendments thereof, which approved the refinancing with a total value of USD 6,000,000.00 for a period from 28 July 2010 – 28 July 2014, which is subject to an annual interest rate of 8% per annum.

##### **Revolving Loan I Credit Facility**

Deed of Credit Agreement No. 23 dated 10 November 2010 and all amendments thereof, which approved the financing of working capital with a total value of USD 1,000,000.00 for a period that will end on 10 November 2014 that is subject to an annual interest rate of 8% per annum.

##### **Fixed Loan II Credit Facility**

Deed of Credit Agreement No. 12 dated 12 January 2011 and all amendment thereof, which approved an investment financing with a total value of USD 4,550,000.00 for a period from 12 January 2011 – 12 January 2015 that is subject to an annual interest rate of 8% per annum.

##### **Fixed Loan III Credit Facility**

Deed of Credit Agreement No. 88 dated 21 November 2011, which approved the financing of working capital with a total value of USD 2,000,000.00 for a period from 21 November 2011 – 21 November 2015 that is subject to an annual interest rate of 8% per annum.

##### **Revolving Loan II Credit Facility**

Deed of Credit Agreement No. 87 dated 21 November 2011 and all amendment thereof, which approved the financing of working capital with a total value of USD 1,000,000.00 for a period that will end on 10 November 2014, and is subject to an annual interest rate of 8% per annum.

##### **Fixed Loan IV Credit Facility**

Deed of Credit Agreement No. 96 dated 19 September 2012 and all amendment thereof, which approved the financing of working capital with a total value of USD 4,373,600.00 for a period from 19 September 2012 – 19 September 2017 and is subject to an annual interest rate of 8% per annum.

##### **Fixed Loan V Credit Facility**

Deed of Credit Agreement No. 46 dated 11 April 2013 and all amendment thereof, which approved the financing of working capital with a total value of Rp 74,690,000,000.00 for a period from 11 April 2013 – 15 April 2019 and is subject to an annual interest rate of 15.25% per annum.

##### **Revolving Loan III and IV Credit Facilities**

Deed of Credit Agreement No. 135 dated 20 July 2012 and all amendment thereof, which approved the financing of working capital; the Revolving Loan III has a limit of Rp 37,000,000,000.00 and Revolving



Loan IV has a limit of USD 4,000,000.00, for a period that will end on 20 July 2014, and each is subject to an annual interest rate of 14,5% (Revolving Loan III) and 8% (Revolving Loan IV).

The facilities referred to above are secured by, among others, the following:

- Collateral in the form of seven unit of ships owned, namely: MT Soechi Pratiwi, MT Almira-XXII, MT Asumi XXVI, MT Sukses XI, Soechi Chemical III, Soechi Chemical V, Soechi Chemical XIX and one unit tug & barge
- Personal Guarantee from all shareholders.

Based on Letter BAGI No. 003/OL/KW/BAG-SUD/IV/2013 dated 10 April 2013 concerning Approval of Additional Fix Loan (FL) Credit Facility under the name PT Sukses Osean Khatulistiwa Line, there are 2 (two) additional collateral for Fix Loan V Facility as described below:

- a. Corporate Guarantee under the name of the Company as set forth in the Company Collateral Agreement No. 48 dated 11 April 2013, drawn up before Emmy Halim, SH., M.Kn, Notary in Jakarta;
- b. 1 (one) unit tanker that will be purchased.

In accordance with Letter No. 006/SOKL/BD/VII/2014 dated 2 July 2014 concerning Request for Extension of Revolving Loan III and IV Facilities issued by SOKL, SOKL is filing an extension request for Revolving Loan III and Revolving Loan IV Facilities referred to above. The extension request is still in process as of date and SOKL remains subject to and bound by the agreement referred to above.

### **Material Agreements Between SOKL and Other Third Parties**

#### **Agreement with Unaffiliated Parties**

SOKL has executed 7 (seven) agreements with unaffiliated parties in order to support its business activities. The agreements are described below:

#### **Vessel Charter Agreement**

1. Time Charter Agreement dated 22 February 2010, privately arranged and duly stamped between SOKL as the Ship Owner and PT Pertamina (Persero) as the Charterer, which stipulates the following terms and conditions:

Objective of the Agreement	:	That the Ship Owner charters its ship to the Charterer
Basis of the Agreement	:	The Ship Owner charters to and the Charterer charters from, the use and services of the ship for a certain period of time based on the terms and conditions set forth in this agreement, including introduction Part I, Part II, Part III and the appendices herein.
Charter Period	:	10 (ten) years commencing on the ship handover, with an option to extend for 1 (one) year, additional extension option for 1 (one) year, additional extension option II for 1 (one) year and extension option III for 1 (one) year.

2. Time Charter Agreement dated 4 July 2013, privately arranged and duly stamped between SOKL as the Ship Owner and PT Pertamina (Persero) as the Charterer, which stipulates the following terms and conditions:

Objective of the Agreement	:	That the Ship Owner charters its ship to the Charterer
Basis of the Agreement	:	The Ship Owner charters to and the Charterer charters from, the use and services of the ship for a certain period of time based on the terms and conditions set forth in this agreement, including introduction Part I, Part II, Part III and the appendices herein.
Charter Period	:	1 (one) year commencing on the ship handover, with an option to extend for 6 (six) months and an additional extension option for 6 (six) months.



3. Time Charter Agreement dated 4 July 2014, privately arranged and duly stamped between SOKL as the Ship Owner and PT Pertamina (Persero) as the Charterer, which stipulates the following terms and conditions:

Objective of the Agreement : That the Ship Owner charters its ship to the Charterer

Basis of the Agreement : The Ship Owner charters to and the Charterer charters from, the use and services of the ship for a certain period of time based on the terms and conditions set forth in this agreement, including introduction Part I, Part II, Part III and the appendices herein.

Charter Period : 2 (two) months commencing on the ship handover, with an option to extend for 1 (one) month, and an additional extension option for 1 (one) month.

4. Time Charter Agreement dated 12 February 2014, privately arranged and duly stamped between SOKL as the Ship Owner and PT Pertamina (Persero) as the Charterer, which stipulates the following terms and conditions:

Objective of the Agreement : That the Ship Owner charters its ship to the Charterer

Basis of the Agreement : The Ship Owner charters to and the Charterer charters from, the use and services of the ship for a certain period of time based on the terms and conditions set forth in this agreement, including introduction Part I, Part II, Part III and the appendices herein.

Charter Period : 3 (three) months commencing on the ship handover, with an option to extend for 1 (one) month, and an additional extension option for 1 (one) month.

5. Agreement No. 245.Pj/61/KITSBU/2011 for First Party and No. 488/SOKL-ADM/XII/11 for Second Party dated 20 December 2011 concerning Marine Fuel Oil (MFO) Transportation Services Fee from Sambu Island to PLTU Belawan PT PLN (Persero) Pembangunan Sumatera Bagian Utara Sektor Pembangunan Belawan, which has been amended several times, the latest being the Fifth Amendment No. 030.Amd/61/KITSBU/2014 for First Party and No. 125/SOKL-ADM/VI/14 for Second Party dated 16 June 2014, between PT PLN (Persero) Pembangunan Sumatera Bagian Utara as the First Party and SOKL as the Second Party, which stipulates the following terms and conditions:

Objective of the Agreement : The Second Party provides MFO Transportation Services from Sambu Island to PLTU Belawan to meet the needs of the Second Party;

Object : Transportation of MFO using tanker(s) owned by the Second Party;

Charter Period : 20 December 2011 – 31 December 2014

#### (4) AMO

##### 1. PT BANK CENTRAL ASIA TBK (“BCA”)

Deed of Credit Agreement No. 80 dated 21 December 2012 and all amendment thereof, which approved the financing of 1 (one) unit chemical tanker with a total value of Rp 42,000,000,000.00 for a period from 10 January 2013 – 10 January 2020, which is subject to an annual interest rate of 12.25% per annum.

The facility is secured by, among others, the following:

- First Priority Mortgage on 1 (one) unit tanker, namely Success Victory XXXIV
- Personal Guarantee from Paulus Utomo and Go Darmadi
- Collateral in the form of 4 parcels of land and buildings.



- 1) Consumer Financing Agreement No. 9410002261-PK-003 dated 2 June 2014, privately arranged and duly stamped between PT BCA Finance as the Creditor and AMO as the Debtor, which stipulates the following terms and conditions:

Object : 1 (one) unit Land Rover type Range Rover Vogue, Year 2014, machine number 13100246190508PS.  
Financing Period : 2 June 2014 up to 2 May 2017.

- 2) Consumer Financing Agreement No. 1292000346-PK-001 dated 17 July 2013, privately arranged and duly stamped between PT BCA Finance as the Creditor and AMO as the Debtor, which stipulates the following terms and conditions:

Object : 1 (satu) unit Toyota Hiacer Commuter, Year 2013, machine number 2KDA111027;  
Financing Period : 17 July 2013 up to 17 July 2016;

- 3) Car Ownership Credit Agreement, privately arranged and duly stated between PT Bank Jasa Jakarta as the Creditor and AMO as the Debtor, which stipulates the following terms and conditions:

Object : 1 (satu) unit Honda CRV 2.0 AT, Year 2013  
Financing Period : 17 July 2013 up to 17 July 2016;

### **Material Agreements Between AMO and Other Third Parties**

#### **Agreements with Unaffiliated Parties**

1. Time Charter Agreement dated 10 October 2013, privately arranged and duly stamped by and between AMO as the Ship Owner and Pertamina as the Charterer, which stipulates the following terms and conditions:

Objective of the Agreement : That the Ship Owner charters its ship to the Charterer;  
Basis of the Agreement : The Ship Owner charters to and the Charterer charters from, the use and services of the ship for a certain period of time based on the terms and conditions set forth in this agreement, including introduction Part I, Part II, Part III and the appendices herein;  
Charter Period : 3 (three) years commencing on the ship handover, with an option to extend for 1 (one) year and an additional option of 1 (one) year.

#### **(5) MOS**

##### **1. PT. Bank Mandiri (Persero) Tbk**

###### **Investment Credit Facility I**

Deed of Credit Agreement No. 28 dated 9 February 2012 and all amendment thereof, which approved the financing of shipyard project with a total value of Rp 300.000.000.000,- for a period of 90 months, including a grace period of 24 months, commencing on the signing of this credit agreement and will expire on 8 August 2019, and is subject to an interest rate of 10,75% per annum.

This facility is secured by, among others, the following:

- Collateral in the form of shipyard project.
- Personal Guarantee from all shareholders.
- Corporate Guarantee from PT Sukses Osean Khatulistiwa LIna, PT Armada Bumi Pratiwi Lines, PT Putra Utama Line.

###### **Investment Credit Facility II**

Deed of Credit Agreement No. 29 dated 29 February 2012 and all amendment thereof, which approved the financing of shipyard facilities construction with a total value of Rp 175,000,000,000.00 for a period of 90 months, including a grace period of 24 months, commencing on the signing of this credit agreement and will expire on 8 August 2019, and is subject to an interest rate of 10.75% per annum.

This facility is secured by, among others, the following

- Collateral in the form of land of the shipyard
- Collateral in the form of 2 unit offices
- Joint Collateral with IC-3 collateral under the name of PT Sukses Osean Khatulistiwa Line
- Personal Guarantee of all shareholders
- Corporate Guarantees from PT Sukses Osean Khatulistiwa Line, PT Armada Bumi Pratiwi Lines, PT Putra Utama Line.

#### **Investment Credit Facility III**

Deed of Credit Agreement No. 06 dated 17 April 2014, which approved a financing in the form of Non Cash Loan – LC/SKBDN with a total value of Rp 325,737,000,000.00 for a period from 1 April 2014 up to 8 August 2019, and is subject to an interest rate of 11% per annum. This facility is secured by the shipyard and joint collateral with cross default clause for the collateral of IC 1 and IC 2 facilities.

#### **Treasury Line Credit Facility I**

Deed of Agreement on Treasury Transaction Services I No. 30 dated 9 February 2012, which approved the provision of services for foreign exchange transactions and as a hedge instrument for the risk of losses arising from fluctuation in foreign exchange. The facility is not intended to be utilized for transaction purposes and has a total value of USD 8,500,000.00, with a period of 90 months commencing on the signing date of this agreement.

#### **Treasury Line Credit Facility II**

Deed of Agreement on Treasury Transaction Services I No. 31 dated 9 February 2012, which approved the provision of services for foreign exchange transactions and as a hedge instrument for the risk of losses arising from fluctuation in foreign exchange. The facility is not intended to be utilized for speculation purposes and has a total value of USD 33,000,000.00, with a period of 90 months commencing on the signing date of this agreement.

The facilities referred to above are secured by, among others, the following:

- Personal Guarantee from Go Darmadi and Paulus Utomo
- Fiduciary lien on stock/progress of shipbuilding project.

#### **Non Cash Loan Credit Facility I**

Deed of Approval of Non Cash Loan Credit Facility I (NCL-1) (BG and LC or SKBDN Sub Limit TR) No. 23 dated 18 September 2013, which approved the limit of USD 19,847,500.00 for issuance of Bank Guarantee, LC/SKBDN and sub limit TR facility to facilitate Sight LC or SKBDN for a certain period of time that will end on 17 March 2017.

The facility is secured by, among others, the following:

- Fiduciary lien on stock/progress of shipbuilding project.
- Joint collateral with cross default clause on the collateral for IC-I, IC-II, TL I and TL II facilities.

#### **Non Cash Loan Credit Facility II**

Deed of Approval of Non Cash Loan Facility II (NCL-II) (BG and LC or SKBDN Sub Limit TR) No. 17 dated 11 June 2014, which approved a limit of USD 19,847,500.00 for issuance of Bank Guarantee, LC/SKBDN and sub limit TR facility to facilitate Sight LC or SKBDN for a period of 3 (three) years and 6 (six) months commencing on the date of signing of this agreement (for NCL BG and LC/SKBDN facilities) and 2 (two) years and 6 (six) months commencing on the effective date of the contract and may be adjusted in accordance with the duration of the contract obtained (sub limit TR facility).

This facility is secured by, among others, the following:

- Fiduciary lien on stock/progress of shipbuilding project
- Collateral tied to the collateral for Non Cash Loan 1/NCL-1 facility.

All credit collateral referred to above are joint collateral for all credit facilities obtained by Debtor, which contains cross default clause.

## **2. PT. Bank Jasa Jakarta.**

Deed of Credit Agreement No. 17724/KRD/JJ/11/2010 dated 18 November 2010 and all amendment thereof, which approved the loan in the form of overdraft with a total value of Rp 9,000,000,000.00 and

acceptance loan totaling Rp 1,000,000,000.00, valid up to 18 November 2014. This facility is secured by a parcel of land owned.

## Material Agreements Between MOS and Other Third Parties

### Agreement with Unaffiliated Parties

1. Agreement on Designation of Industrial Land Owned by the Government of Karimun Regency for Shipyard Construction under No. 180/HK/P/X/12/2010 dated 26 October Year 2010, between the Government of Karimun Regency as the First Party (Land Owner) and PT Multi Ocean Shipyard as the Second Party (Land Manager), which stipulates the following terms and conditions:
 

Period	:	The use of land for 30 (thirty) years, which is eligible to a first extension of 30 (thirty) years and a second extension of 30 (thirty) years, totaling 80 (eighty) years.
Dispute Settlement	:	In the event of disputes or conflicts arising from this agreement, the Parties shall settle such disputes/conflicts amicably. In the event that amicable settlement cannot be reached, the Parties agree to settle such disputes/conflicts through Badan Arbitrasi Nasional Indonesia (BANI).
  
2. Agreement on the Shipbuilding Construction of 1 Unit Refined Oil Tanker 17,500 LTDW Hull No. 7008 under No. 003/F30000/2013-S0 dated 7 June 2013, between PT Pertamina (Persero) as the Buyer and PT Multi Ocean Shipyard as the Builder, which stipulates the following terms and conditions:
 

Period	:	24 months
Dispute Settlement	:	In the event of disputes or conflicts arising from this agreement, the Parties shall settle such disputes/conflicts amicably. In the event that amicable settlement cannot be reached, the Parties agree to settle such disputes/conflicts through Badan Arbitrasi Nasional Indonesia (BANI).
  
3. Agreement on the Shipbuilding Construction of 1 Unit Avtur Tanker 17,500 LTDW Hull No. 7009 under No. 012/F00000/2014-S0 dated 7 May 2014, drawn up before Hasnah, S.H., in Jakarta between PT Pertamina (Persero) as the Buyer and PT Multi Ocean Shipyard as the Builder, which stipulates the following terms and conditions:
 

Period	:	24 months. Date of submission of the ship is 24 (twenty four) months from the effective date; The effective date is 30 (thirty) days from the date of signing the contract.
Dispute Settlement	:	In the event of disputes or conflicts arising from this agreement, the Parties shall settle such disputes/conflicts amicably. In the event that amicable settlement cannot be reached, the Parties agree to settle such disputes/conflicts through Badan Arbitrasi Nasional Indonesia (BANI).
  
4. Agreement on the Shipbuilding Construction of 1 Unit Crude Oil Tanker 17,500 LTDW Hull No. 7010 under No. 013/F00000/2014-S0 dated 7 May 2014, drawn up before RR. Y. Tutiek Setia Murni, S.H., M.H, in Central Jakarta, between PT Pertamina (Persero) as the Buyer and PT Multi Ocean Shipyard as the Builder, which stipulates the following terms and conditions:
 

Period	:	24 months. Date of submission of the ship is 24 (twenty four) months from the effective date; The effective date is 30 (thirty) days from the date of signing the contract.
Dispute Settlement	:	In the event of disputes or conflicts arising from this agreement, the Parties shall settle such disputes/conflicts amicably. In the event that amicable settlement cannot be reached, the Parties agree to settle such disputes/conflicts through Badan Arbitrasi Nasional Indonesia (BANI).
  
5. Lease Financing with Option Agreement No. 12-0270 dated 15 May 2012, privately arranged between MOS as the Lessee and PT BCA Finance as the Lessor.



6. Lease Financing with Option Agreement No. 12-0289 dated 13 September 2012, privately arranged between MOS as the Lessee and PT BCA Finance as the Lessor
7. Lease Financing with Option Agreement No. 13-0154 dated 3 October 2013, privately arranged between MOS as the Lessee and PT BCA Finance as the Lessor.

**(6) PUL****1. PT. Bank Mandiri (Persero) Tbk****Investment Credit Facility I**

Deed of Credit Agreement No. 13 dated 7 July 2011 and all amendment thereof, which approved the financing of investment in 2 unit tankers with a period of 6 years or 72 months, including a 6 months grace period, commencing on the date of first withdrawal of the credit facilities, with a total value of USD 18,900,000 and is subject to an annual interest of 6,25% per annum.

The facility is secured by, among others, the following:

- Collateral in the form of 1 (one) unit tanker, namely MT. Success Total XXXI

**KI II Investment Credit Facility**

Credit Agreement No. 14 dated 7 July 2011 and all amendment thereof, which approved the financing for the purchase of a tanker with period of 6 years or 72 months that is valid up to 6 July 2017, including a 6 months grace period commencing on 12 (twelve) months after the date of first withdrawal of the credit facility, with a total value of USD 11,100,000 and is subject to an annual interest rate of 6.25% per annum.

The facility is secured by, among others:

- Collateral in the form of 2 unit tankers, namely, MT Success Energy XXXII and MT Success Pioneer XXXV
- Fiduciary lien on vessel charter receivables for 1 month
- Personal guarantee from all shareholders
- Corporate guarantee from PT Sukses Osean Khatulistiwa Line and PT Armada Bumi Pratiwi Line
- Cross collateral with the collateral for Investment Credit Facility 3 under the name of PT Sukses Osean Khatulistiwa Line

**2. PT BCA FINANCE**

- a. Consumer Financing Agreement No. 1040520358-PK-004 dated 6 December 2012, privately arranged by and between PT BCA Finance as the "Creditor" and PUL as "Debtor", which stipulates the following terms and conditions:

Type of Facility	:	Consumer Financing Facility
Purpose	:	To provide funding for the purchase of a motor vehicle, i.e, Toyota New Fortuner 2.5 G A/T
Period	:	3 Years

- b. Consumer Financing Agreement No. 1040520358-PK-004 dated 6 December 2012, privately arranged by and between PT BCA Finance as the "Creditor" and PUL as "Debtor", which stipulates the following terms and conditions:

Type of Facility	:	Consumer Financing Facility
Purpose	:	To provide funding for the purchase of a motor vehicle, i.e, Toyota New Kijang Innova E A/T
Period	:	3 Years

- c. Consumer Financing Agreement No. 1040520356-PK-003 dated 19 June 2012, privately arranged by and between PT BCA Finance as the "Creditor" and PUL as "Debtor", which stipulates the following terms and conditions:

Type of Facility	:	Consumer Financing Facility
Purpose	:	To provide funding for the purchase of a motor vehicle, i.e, Toyota New Fortuner 2.5 G A/T Diesel
Period	:	3 Years



- d. Consumer Financing Agreement No.1040520356-PK-003 dated 19 June 2012, privately arranged by and between PT BCA Finance as the "Creditor" and PUL as "Debtor", which stipulates the following terms and conditions:

Type of Facility : Consumer Financing Facility  
 Purpose : To provide funding for the purchase of a motor vehicle, i.e, Toyota New Fortuner 2.5 G A/T Diesel  
 Period : 3 Years

- e. Consumer Financing Agreement No.1040520356-PK-001 dated 21 May 2012, privately arranged by and between PT BCA Finance as the "Creditor" and PUL as "Debtor", which stipulates the following terms and conditions:

Type of Facility : Consumer Financing Facility  
 Purpose : To provide funding for the purchase of a motor vehicle, i.e, Mercedes Benz SLK 250 Sport A/T  
 Period : 3 Years

- f. Consumer Financing Agreement No.1040520356-PK-005 dated 28 February 2013, privately arranged by and between PT BCA Finance as the "Creditor" and PUL as "Debtor", which stipulates the following terms and conditions:

Type of Facility : Consumer Financing Facility  
 Purpose : To provide funding for the purchase of a motor vehicle, i.e, yaitu BMW 520i A/T  
 Period : 3 Years

### 3. PT TOYOTA ASTRA FINANCIAL SERVICES

Consumer Financing Agreement No. 90244413 dated 28 April 2013, privately arranged by and between PT Toyota Astra Financial Services as the "Creditor" and PUL as "Debtor", which stipulates the following terms and conditions:

Type of Facility : Consumer Financing Facility  
 Purpose : To provide funding for the purchase of a motor vehicle, i.e. Toyota Avanza/F 52 G M/T  
 Period : 35 months

### Material Agreements Between PUL and Other Third Parties

#### Agreement with Affiliated Party

Charter Agreement No. 30/AAM/LGL/X/2014 dated 1 October 2014, privately arranged and duly stamped by and between PT Adiraja Armada Maritim (AAM) as the Owner and PUL as the Charterer, which stipulates the following provisions:

Object of the Agreement : That AAM agrees to rent a motor/steam/turbin tanker named KM Success Altair XLII (Ship) to PUL;B  
 Period : 3 (three) years commencing on the signing of the agreement, namely 1 October 2014 up to 1 October 2017;  
 Settlement of Disputes : In the event of disputes or conflicts arising from this agreement, the Parties agree to settle the disputes/conflicts through the District Court of Central Jakarta and in accordance with the Indonesian Law.

#### Agreements with Unaffiliated Parties

Time Charter Agreement dated 12 May 2014, privately arranged by and between PT Putra Utama Line as the Ship Owner and PT Pertamina (Persero) as the Charterer, which stipulates the following terms and conditions:

Objective of the Agreement : That the Ship Owner charters its ship to the Charterer  
 Basis of the Agreement : The Ship Owner charters to and the Charterer charters from, the use and services of the ship for a certain period of time based on the terms and conditions set forth in this agreement, including introduction Part I, Part II, Part III and the appendices herein.



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Charter Period : 1 (one) year commencing on the ship handover, with an option to extend for 6 (six) months and an additional extension option for 6 (six) months.

#### 14. Agreements with Affiliated Parties

1. Management Service Agreement dated 28 December 2012, which was last arranged privately and duly stamped between PT Equator Maritime as the First Party and ABPL as the Second Party, with the following details:

Object of the Agreement : That the First Party agrees to provide services in the form of management services, monitoring services and operational services or other services to facilitate the operational management of the Second Party, and the Second Party agrees to receive management services, monitoring services and operational services from the First Party.

Period : 5 (five) years commencing on 1 January 2013.

Management Fee : Rp 350,000,000.00 (three hundred fifty million Rupiah) per month;

Rights and Obligations : Rights and Obligations of the First Party

1. Has the right to send invoices and/or bills to the Second Party for the provision of services.
2. Has the obligation to provide management services and/or monitoring services and/or operational services and/or other services required by the Second Party to facilitate the operation and management of the Second Party's Company

Rights and Obligations of the Second Party:

1. Has the obligation to pay according to the invoices and/or bills received from the First Party.
2. With written notice to the First Party, has the right to terminate the agreement before the end of the period.

Dispute Settlement : In the event of disputes or conflicts arising from this agreement, the Parties agree to settle such disputes/conflicts amicably. In the event that amicable settlement cannot be reached, the Parties agree to settle the disputes/conflicts through the District Court of Central Jakarta.

2. Management Service Agreement dated 28 December 2012, which was last arranged privately and duly stamped between PT Vektor Maritim as the First Party and ABPL as the Second Party, with the following details:

Object of the Agreement : That the First Party agrees to provide services in the form of management services, monitoring services and operational services or other services to facilitate the operational management of the Second Party, and the Second Party agrees to receive management services, monitoring services and operational services from the First Party.

Period : 5 (five) years commencing on 1 January 2013.

Management Fee : Rp 335,000,000.00 (three hundred thirty five million Rupiah) per month;

Rights and Obligations : Rights and Obligations of the First Party

1. Has the right to send invoices and/or bills to the Second Party for the provision of services.
2. Has the obligation to provide management services and/or monitoring services and/or operational services and/or other services required by the Second Party to facilitate the operation and management of the Second Party's Company

Rights and Obligations of the Second Party:

1. Has the obligation to pay according to the invoices and/or bills received from the First Party.



2. With written notice to the First Party, has the right to terminate the agreement before the end of the period.
- Dispute Settlement : In the event of disputes or conflicts arising from this agreement, the Parties agree to settle such disputes/conflicts amicably. In the event that amicable settlement cannot be reached, the Parties agree to settle the disputes/conflicts through the District Court of Central Jakarta.

## 15. Transactions with Affiliated Parties

The Company entered into several material agreements with affiliated parties in order to, among others, support the Company's operational activities and obtain additional working capital. Agreements with affiliated parties are entered into based on fair terms and conditions that would apply had such agreements been made with third parties (arm's length basis).

Description	30 June 2014
Trade Payables:	
PT Rezeki Putra Energi	248,604
PT Vektor Maritim	3,918
PT Equator Maritime	3,510
<b>Total</b>	<b>256,032</b>
Due to a related party:	
PT Soechi Group	10,839,738

Presented below is the nature of affiliation between the Company and the parties referred to above based on the transaction as of 30 June 2014:

Affiliated Party	Nature of Affiliation	Transaction
PT Equator Maritime	Affiliated Company	Other receivables, trade receivables, purchase and revenue, ship management expense, and sale of vessels
PT Vektor Maritime	Affiliated Company	Trade payables and ship management expense
PT Rezeki Putra Energi	Affiliated Company	Trade payables, purchase
PT Soechi Group	Main Parent Entity	Inter company down payment

## 16. Fixed Assets

Presented below is the list of assets owned by the Company and its Subsidiaries up to the date of issuance of this prospectus, consisting of, among others, the following:

The Company :

Assets in Subsidiaries:

(1) ABPL

a. Vessels owned by ABPL are, among others, as follows:

No	Vessel Name	Type	DWT	Year of Manufacture	Classification*
1	MT. Andriana	Motor Tanker	2,297	1994	BKI
2	MT. Soechi Anindya	Motor Tanker	4,992	1971	BKI
3	MT. Angelia XVI	Motor Tanker	3,546	1993	BKI



4	MT. Golden Pearl XIV	Motor Tanker	6,715	1993	BKI
5	MT. Stephanie XVIII	Motor Tanker	1,585	1992	BKI
6	MT. Soechi Asia XXIX	Motor Tanker	6,312	1994	NK, BKI

\*Classification is Vessel Standard Operational Certificated issued by Association:

BKI: Biro Klasifikasi Indonesia

NK: Nippon Kaiji

(2) IEL

- a. Vessels owned by IEL are, among others, as follows:

No	Vessel Name	Type	DWT	Year of Manufacture	Classification*
1	MT. Alice XXV	Motor Tanker	4,814	1993	BKI
2	MT. Alina XXIII	Motor Tanker	96,920	1992	ABS, BKI
3	MT. Asumi XXVI	Motor Tanker	6,320	1991	BKI
4	MT. Gas Soechi XXVIII	Motor Tanker	3,930	1995	NK, BKI
5	MT. Soechi Chemical IX	Motor Tanker	4,410	1989	BKI
6	MT. Soechi Chemical XXI	Motor Tanker	2,235	1986	BKI

\*Classification is Vessel Standard Operational Certificated issued by Association:

BKI: Biro Klasifikasi Indonesia

NK: Nippon Kaiji

ABS: American Bureau of shipping

(3) SOKL

- a. Building

1. Strata Title Certificate for an area totaling 342 m2 (three hundred forty two square meter), situated on common land held under Building Rights Title No. B.501, valid up to 19 April 2029, located in Setiabudi Village, Setiabudi District, South Jakarta Municipality, DKI Jakarta Province based on Land Book of Strata Title Certificate No. 865/XVIII/Plaza marein, issued by Head of Land Registry Office of South Jakarta Municipality dated 6 February 2008, in accordance with Blueprint Drawings No. 6389/2008 dated 4 February 2008 and Survey Certificate No. 4009/1984 dated 5 November 1984, registered under the name of SOKL.

Land right under Strata Title Certificate No. 865/XVIII/Plaza Marein is not in dispute and unencumbered, except encumbered/mortgaged as a collateral to PT Bank Mandiri (Persero), Tbk, as stipulated in the Deed of Encumbrance No. 02/2012 dated 20 February 2012, drawn up before Rina Diani Moliza, SH., PPAT in South Jakarta Municipality for First Class Mortgage.

2. Strata Title Certificate for an area totaling 342 m2 (three hundred forty two square meter), situated on common land held under Building Rights Title No. B.501, valid up to 19 April 2029, located in Setiabudi Village, Setiabudi District, South Jakarta Municipality, DKI Jakarta Province based on Land Book of Strata Title Certificate No. 865/XVIII/Plaza marein, issued by Head of Land Registry Office of South Jakarta Municipality dated 6 February 2008, in accordance with Blueprint Drawings No. 6391/2008 dated 4 February 2008 and Survey Certificate No. 4009/1984 dated 5 November 1984, registered under the name of SOKL.

Land right under Strata Title Certificate No. 865/XVIII/Plaza Marein is not in dispute and unencumbered, except encumbered/mortgaged as a collateral to PT Bank Mandiri (Persero), Tbk, as stipulated in the Deed of Encumbrance No. 03/2012 dated 20 February 2012, drawn up before Rina Diani Moliza, SH., PPAT in South Jakarta Municipality for First Class Mortgage.



b. Vessels owned by SOKL are, among others, as follows:

No	Vessel Name	Type	DWT	Year of Manufacture	Classification*
1	MT. Alisa XVII	Motor Tanker	29,490	1989	BKI
2	MT. Arenza XXVII	Motor Tanker	308,595	2000	LR
3	MT. Silvia XII	Motor Tanker	3,302	1984	BKI
4	MT. Soechi Chemical I	Motor Tanker	1,176	1984	BKI
5	MT. Soechi Chemical III	Motor Tanker	1,498	1985	BKI
6	MT. Soechi Chemical V	Motor Tanker	1,813	1983	BKI
7	MT. Soechi Chemical VII	Motor Tanker	4,410	1989	BKI
8	MT. Soechi Chemical XIX	Motor Tanker	4,901	1984	BKI
9	MT. Soechi Pratiwi	Motor Tanker	5,280	1980	BKI
10	MT. Soechi Prestasi	Motor Tanker	1,544	1992	BKI
11	MT. Sukses XI	Motor Tanker	29,990	1983	BKI
12	MT. SUCCESS FORTUNE XL	Motor Tanker	298,555	2003	DNV

\* Classification is Vessel Standard Operational Certificated issued by Association:

BKI: Biro Klasifikasi Indonesia

DNV: Det Norske Veritas

LR: Lloyd's Register

(4) AMO.

a. Vessel

No	Vessel Name	Type	DWT/GT	Year of Manufacture	Classification*
1	Success Victory XXXIV	Motor Tanker	6,576	2000	NKK
2	Beaver	Tug Boat	108	1993	BKI
3	Success Challenger XXXVII	Motor Tanker	98,880	1997	ABS, BKI

\* Classification is Vessel Standard Operational Certificated issued by Association:

BKI: Biro Klasifikasi Indonesia

NK: Nippon Kaiji

ABS: American Bureau of shipping

(5) MOS

a. Land owned by MOS are, among others, as follow:

No	Total Area	Location	Land Right	Period	Evidence of Ownership/Control
1	452,434 m <sup>2</sup>	Meral Village Karimun Regency	Building Right Title (HGB)	4 July 2026	HGB Certificate No. 11, 21 November 1996
2	222 m <sup>2</sup>	Meral Village Karimun Regency	Building Right Title (HGB)	30 August 2029	HGB Certificate No. 00748, 31 August 2008
3	7,962 m <sup>2</sup>	Meral Village Karimun Regency	Freehold Title (SHM)	Indefinite period of time	SHM no. 31, dated 13 October 2011
4	334,575,27 m <sup>2</sup>	Meral Village Karimun Regency	Local Building Title (GIRIK)	-	Letter of Statement and Undertaking of Environment Monitoring and Management (Surat Pernyataan Kesanggupan Pemantauan dan Pengelolaan Lingkungan Hidup, "SKPPL") (in process)
5	400,000m <sup>2</sup>	Meral Village Karimun Regency	Right to Cultivate (HGU)	26 October 2090	Agreement on Designation of Industrial Land No.180/HK/P/X/12/2010 dated 26 October year 2010

As set forth in the Representation Letter from the Board of Directors of MOS dated 12 September 2014, all the land referred to above are not in dispute and are not encumbered, except for the land with a total area of 452,434 m<sup>2</sup> situated on the Land under Building Right Title No. 11 encumbered to



PT Bank Mandiri (Persero), TBK, as stated in the Deed of Encumbrance No. 27/2012 dated 9 March 2012, drawn up before Sri Sugiartini, SH., PPAT in Karimun Regency area.

The certificates for land that are currently not held under MOS name are being processed in the National Land Authority (*Badan Pertanahan Nasional*, "BPN")

b. Buildings

In conducting its business activities, MOS owns and or controls assets in the form of buildings, among others, as follows:

No	Location	Area (m <sup>2</sup> )	Evidence of Ownership/Control
1	Jl. Tanjung Permai RT 02 RW 02 Pangke Village Meral District Karimun Regency	11,016 m2 of 2 (two) unit of 1 (one) level Permanent Jetty buildings.	IMB No. 1611/BPPT/IMB-50/2011 Issued by Head of Integrated Licensing Agency of Karimun Regency on 16 September 2011
2	Jl. Tanjung Permai RT 02 RW 02 Pangke Village Meral District Karimun Regency	2,010 M2 of (two) unit of buildings consisting of 1 level and 2 levels Head Office Building.	IMB No. 1672/BPPT/IMB-57/2011 Issued by Head of Integrated Licensing Agency of Karimun Regency on 18 October 2011

c. Machineries and Heavy Equipment

MOS legally owns and/or controls the machineries and heavy equipment used to carry out its business activities.

(6) PUL

a. Vessel

No	Vessel Name	Type	DWT/GT	Year of Manufacture	Classification*
1	MT. TK Mos I	Barge	759	1997	BKI
2	MT. TK Mos 2	Barge	754	2012	BKI
3	MT. Success Total XXXI	Motor Tanker	47,100	1992	LR
4	MT. MT Almira XXII	Motor Tanker	2,254	1993	BKI
5	KM Success Pioneer XXXV	Motor Tanker	96,183	1996	DNV, BKI
6	MT. Success Energy XXXII	Motor Tanker	7,902	1996	NK

\* Classification is Vessel Standard Operational Certificated issued by Association:

BKI: Biro Klasifikasi Indonesia

NK: Nippon Kaiji

DNV: Det Norske Veritas

LR: Lloyd's Register

(7) SML

a. Vessels owned by SML are, among others, as follows:

No	Vessel Name	Type	DWT	Year of Manufacture	Classification*
1	MT. SUCCESS PEGASUS XXXVI	Motor Tanker	43,760	1999	GL, BKI

\* Classification is Vessel Standard Operational Certificated issued by Association:

BKI: Biro Klasifikasi Indonesia

GL: Germanischer Lloyd



In addition to the fixed assets stated above, the Company and its Subsidiaries also own fixed assets in the form of motor vehicles as follows:

Company	Car		Motorcycle	
	Own	Control*	Own	Control*
The Company	0 Unit	0 Unit	0 Unit	0 Unit
ABPL	11 Unit	2 Unit	3 Unit	0 Unit
IEL	14 Unit	0 Unit	4 Unit	0 Unit
SOKL	4 Unit	0 Unit	4 Unit	0 Unit
AMO	3 Unit	0 Unit	2 Unit	0 Unit
MOS	3 Unit	38 Unit	0 Unit	31 Unit
PUL	7 Unit	0 Unit	3 Unit	0 Unit
SML	0 Unit	0 Unit	0 Unit	0 Unit
SIM	0 Unit	0 Unit	0 Unit	0 Unit

\*control : the evidence of ownership is no yet under the name of the Company/Subsidiary, but the party holding control over assets in the form of movable assets may be considered as owner of the assets.

### 17. Insurance

As of the date of issuance of this Prospectus, the Company holds several insurance policies to protect its assets, particularly property (buildings), which has material value. The insurance policies are described in the following table:

The Company is not affiliated to the insurance companies that insured the Company's fixed assets. The Company's management believes that the sums insured of the Company's material assets are adequate to cover the losses that may arise from the related fixed assets.

#### Insurance Policies of Subsidiaries

##### 1. ABPL

No.	Vessel Name	Insurer	Insurance Type	Insured Party	Sum Insured	Expiry Date
1	MT Golden Pearl - XIV	Covernote from LCH (s) Pte Ltd	Hull Materials & Machinery Insurance	ABPL	US\$ 3,040,000.-	17 September 2015
			Ref No. HMM140374/001/005			
			Increased Value &/ or Disbursement including Excess Liabilities	ABPL	US\$ 760,000.-	17 September 2015
			Ref No. HIV140374/001/005			
		The Ship owners mutual Protection and Indemnity Association	War Risks Insurance	ABPL	US\$ 3,800,000.-	17 September 2015
			Ref No. HWR140374/001/005			
			Insurance on Damages to Property, Boat Crews, Passengers, Third Parties, Pollution, Shipwrecks	ABPL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	17 September 2015
2	KM Stephanie - XVIII	PT Pratama Indonesia	Marine Hull Insurance	ABPL	US\$ 1,800,00.-	21 August 2015
		The Ship owners mutual Protection and Indemnity Association	Insurance on Damages to Property, Boat Crews, Passengers, Third Parties, Pollution, Shipwrecks	ABPL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	17 September 2015



No.	Vessel Name	Insurer	Insurance Type	Insured Party	Sum Insured	Expiry Date
3	KM Andriana XX	Covernote from LCH (s) Pte Ltd	Hull Materials & Machinery Insurance Ref No. HMM140374/001/002	ABPL	US\$ 1,840,000.-	17 September 2015
			Increased Value Policy &/or Disbursement including Excess Liabilities Ref No. HMM140374/001/002	ABPL	USD 460,000.-	17 September 2015
			War Risks Insurance No. HIV140374/001/002	ABPL	USD 2,300,000.-	17 September 2015
			The Ship owners mutual Protection and Indemnity Association	Insurance on Damages to Property, Boat Crews, Passengers, Third Parties, Pollution, Shipwrecks	ABPL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.
4	KM Soechi Anindya	PT Tugu Pratama Indonesia	Marine Hull Insurance	ABPL	Rp,6,000,000,000 .00	3 December 2014
			The Ship owners mutual Protection and Indemnity Association	Insurance on Damages to Property, Boat Crews, Passengers, Third Parties, Pollution, Shipwrecks	ABPL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.
5	KM Soechi Asia XXIX	PT Tugu Pratama Indonesia	Marine Hull Insurance	ABPL	US\$ 5,000,000.-	24 January 2015
			The Ship owners mutual Protection and Indemnity Association	Insurance on Damages to Property, Boat Crews, Passengers, Third Parties, Pollution, Shipwrecks	ABPL	
6	KM Angelia XVI	Covernote from LCH (s) Pte Ltd	Hull Materials & Machinery Insurance Ref No. HMM140374/001/004	ABPL	US\$ 2,400,000.-	17 September 2015
			Increased Value &/or Disbursement Including Excess Liabilities Ref No. HIV140374/001/004	ABPL	US\$ 600,000.-	17 September 2015
			War Risks Insurance No. HIV140374/001/011	ABPL	US\$ 3,000,000.-	17 September 2015
			The Ship owners mutual Protection and Indemnity Association	Insurance on Damages to Property, Boat Crews, Passengers, Third Parties, Pollution, Shipwrecks	ABPL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.



2. IEL

No.	Vessel Name	Insurer	Type of Insurance	Insured Party	Sum Insured	Expiry Date
1	KM Gas Soechi XXVIII	Cover Note L.C.H (s) Pte Ltd with Ref No. HMH140374/001.08, Ref No. HIV140374/001/008, Ref No. HWR 140374/001/008 dated 17 September	Marine Hall Insurance	IEL	USD 5,256,000.00	17 September 2015
			Increased Value Insurance	IEL	USD 1,314,000.00	17 September 2015
			War Risks Insurance	IEL	USD 6,570,000.00	17 September 2015
		The Ship owners mutual Protection and Indemnity Association	Insurance on Damages to Property, Boat Crews, Passengers, Third Parties, Pollution, Shipwrecks	IEL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	17 September 2015
2	KM Soechi Chemical IX	PT Tugu Pratama Indonesia	Marine Hall Insurance	IEL	USD 2,500,000.00	20 August 2015
		The Ship owners mutual Protection and Indemnity Association	Insurance on Damages to Property, Boat Crews, Passengers, Third Parties, Pollution, Shipwrecks	IEL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	17 September 2015
3	KM Alice XXV	PT Tugu Pratama Indonesia	Marine Hall Insurance	IEL	USD 2,800,000.00	10 September 2015
		The Ship owners mutual Protection and Indemnity Association	Insurance on Damages to Property, Boat Crews, Passengers, Third Parties, Pollution, Shipwrecks	IEL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	17 September 2015
4	KM Alina XXIII	PT Tugu Pratama Indonesia	Marine Hall Insurance	IEL	USD 13,000,000.-	31 January 2015
		The Standard Club Asia Ltd	Insurance on Damages to Property, Boat Crews, Passengers, Third Parties, Pollution, Shipwrecks	IEL		20 February 2015
5	MT Soechi Chemical XXI	PT Tugu Pratama Indonesia	Marine Hall Insurance	IEL	USD 1,500,000.00	16 June 2015
		The Ship owners mutual Protection and Indemnity Association	Insurance on Damages to Property, Boat Crews, Passengers, Third Parties, Pollution, Shipwrecks	IEL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	17 September 2015
6	MT Asumi XXVI	PT ArthaGraha	Marine Hall Insurance	IEL	USD 4,000,000.00	15 January 2015
		General Insurance The Ship owners mutual Protection and Indemnity Association	Insurance on Damages to Property, Boat Crews, Passengers, Third Parties, Pollution, Shipwrecks	IEL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	17 September 2015



3. SOKL

Kapal

No.	Vessel Name	Insurer	Type of Insurance	Insured Party	Sum Insured	Expiry Date	
1	KM. Soechi Chemical VII	PT Tugu Pratama Indonesia	Marine Insurance	Hall	SOKL	USD 3,135,000.-	6 April 2015
		The Ship owners mutual Protection and Indemnity Association	Insurance on Damages to Property, Crews, Passengers, Third Parties, Pollution, Shipwrecks	Boat	SOKL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	17 September 2015
2	KM. Soechi Chemical III	PT Tugu Pratama Indonesia	Marine Insurance	Hall	SOKL	USD 1,100,000.-	26 March 2015
		The Ship owners mutual Protection and Indemnity Association	Insurance on Damages to Property, Crews, Passengers, Third Parties, Pollution, Shipwrecks	Boat	SOKL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	17 September 2015
3	KM. Soechi Pratiwi	PT Tugu Pratama Indonesia	Marine Insurance	Hall	SOKL	USD 1,000,000.-	16 December 2014
		The Ship owners mutual Protection and Indemnity Association	Insurance on Damages to Property, Crews, Passengers, Third Parties, Pollution, Shipwrecks	Boat	SOKL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	17 September 2015
4	KM. Soechi Chemical V	PT Tugu Pratama Indonesia	Marine Insurance	Hall	SOKL	USD 1,200,000.-	18 September 2015
		The Ship owners mutual Protection and Indemnity Association	Insurance on Damages to Property, Crews, Passengers, Third Parties, Pollution, Shipwrecks	Boat	SOKL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	17 September 2015
5	KM. Soechi Chemical I	PT Tugu Pratama Indonesia	Marine Insurance	Hall	SOKL	USD 550,000.-	17 October 2015
		The Ship owners mutual Protection and Indemnity Association	Insurance on Damages to Property, Crews, Passengers, Third Parties, Pollution, Shipwrecks	Boat	SOKL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	17 September 2015
6	KM. Soechi Chemical XIX	PT Asuransi Rama Satria Wibawa (LCH Singapore)	Marine Insurance	Hall	SOKL	USD 1,880,000.00	17 September 2015
			Increased Value Insurance		SOKL	USD 470,000.00	17 September 2015
			War Risks Insurance		SOKL		17 September 2015
					USD 2,350,000.00		
		The Ship owners mutual Protection and Indemnity Association	Insurance on Damages to Property, Crews, Passengers, Third Parties, Pollution, Shipwrecks	Boat	SOKL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	17 September 2015



7	KM. Soechi Prestasi	PT Tugu Pratama Indonesia	Marine Insurance	Hall	SOKL	USD 1,000,000.-	7 November 2014
		The Ship owners mutual Protection and Indemnity Association	Insurance on Damages to Property, Crews, Third Pollution, Shipwrecks	Boat Parties,	SOKL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	17 September 2015
8	KM. Alisa XVII	PT Tugu Pratama Indonesia	Marine Insurance	Hall	SOKL	USD 6,000,000.-	22 March 2015
		The Ship owners mutual Protection and Indemnity Association	Insurance on Damages to Property, Crews, Third Pollution, Shipwrecks	Boat Parties,	SOKL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	17 September 2015
9	KM. Arenza XXVII	PT Tugu Pratama Indonesia	Marine Insurance	Hall	SOKL	USD 50.000.000,-	31 January 2015
		The Standard Insurance	Insurance on Damages to Property, Crews, Third Pollution, Shipwrecks	Boat Parties,	SOKL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	20 February 2015
10	KM. Silvia XII	PT Tugu Pratama Indonesia	Marine Insurance	Hall	SOKL	USD 800,000.-	24 May 2015
		The Ship owners mutual Protection and Indemnity Association	Insurance on Damages to Property, Crews, Third Pollution, Shipwrecks	Boat Parties,	SOKL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	17 September 2015
11	KM. Sukses XI	PT Asuransi Rama Satria Wibawa (LCH Singapore)	Marine Insurance	Hall	SOKL	USD 3,200,000.00	17 September 2015
			Increased Insurance	Value	SOKL	USD 800,000.00	17 September 2015
			War Risks Insurance		SOKL	USD 4,000,000.00	17 September 2015
			The Ship owners mutual Protection and Indemnity Association	Insurance on Damages to Property, Crews, Third Pollution, Shipwrecks	Boat Parties,	SOKL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.
12	KM. Success Fortune	PT Asuransi Rama Satria Wibawa (LCH Singapore)	Marine Insurance	Hall	SOKL	USD 27,200,000.00	17 September 2015
			Increased Insurance	Value	SOKL	USD 12,800,000.00	17 September 2015
			War Risks Insurance		SOKL	USD 40,000,000.00	17 September 2015
			The Standard Insurance	Insurance on Damages to Property, Crews, Third Pollution, Shipwrecks	Boat Parties,	SOKL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.

**Buildings**

The building has been covered by insurance with PT. Insan Asia Nusantara as the building management of the insured object.

**Motor Vehicles**

The motor vehicles have been sufficiently covered by insurance contracts.

**4. AMO**

No.	Vessel Name	Insurer	Insurance Type	Insured Party	Sum Insured	Expiry Date
1	KM Success Victory XXXIV	PT Asuransi Rama Satria Wibawa (LCH Singapore)	Marine Hull Insurance	AMO	USD 4,000,000.00	17 September 2015
			Increased Value Insurance	AMO	USD 1,000,000.00	17 September 2015
		The Ship owners mutual Protection and Indemnity Association	War Risks Insurance	AMO	USD 5,000,000.00	17 September 2015
			Insurance on Damages to Property, Boat Crews, Passengers, Third Parties, Pollution, Shipwrecks	AMO	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	17 September 2015
2	KM Success Challenger XXXVII	PT Asuransi Rama Satria Wibawa (LCH Singapore)	Marine Hull Insurance	AMO	USD 6,800,000.00	17 September 2015
			Increased Value Insurance	AMO	USD 1,700,000.00	17 September 2015
			Anticipated Owner's Interest Insurance	AMO	USD 1,500,000.00	17 September 2015
			War Risks Insurance	AMO	USD 10,000,000.00	17 September 2015
		The Standard Club Asia Ltd	Insurance on Damages to Property, Boat Crews, Passengers, Third Parties, Pollution, Shipwrecks	AMO	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	20 February 2015
3	Beaver (Tug Boat)	PT Tugu Pratama Insurance	Marine Hull Insurance	AMO	USD 330,000.00	13 November 2014
			Insurance on Damages to Property, Boat Crews, Passengers, Third Parties, Pollution, Shipwrecks	AMO	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	22 August 2015

**Motor Vehicles**

The motor vehicles have been sufficiently covered by insurance policies.

**5. MOS**

No.	Insured Object	Insurer	Insured Party	Sum Insured	Expiry Date
1	Steel Tanker "Hull Number 7008"	PT Asuransi Rama Satria Wibawa (LCH Singapore)	MOS	USD 23,000,000.00	1 December 2015
2	Pilling & quipment All Risks	First Capital Insurance Limited	MOS	MYR 2,960,000.00	2 October 2015
3	Ship Repairers legal liability insurance	PT Asuransi Rama Satria Wibawa	MOS	USD 2,000,000.00	3 December 2014
4	Comprehensive General Liability Insurance on Building located on Tg Melolo Pengke Vilage	PT Tugu Pratama Indonesia	MOS	Rp 5,000,000,000.00	15 January 2015



6. PUL

No.	Vessel Name	Insurer	Type of Insurance	Insured Party	Sum Insured	Expiry Date
1	KM. Success Total XXXI	Cover Note L.C.H (s) Pte Ltd with Ref No. HMH140374/001/009, Ref No. HIV140374/001/009, Ref No. HWR140374/001/009 dated 17 September 2014	Marine Hull Insurance	PUL	USD 5,440,000.00	17 September 2015
			Increased Value Insurance	PUL	USD 2,560,000.00	17 September 2015
			War Risks Insurance	PUL	USD 8,000,000.00	17 September 2015
		The Standard Club Asia Ltd	Insurance on Damages to Property, Boat Crews, Passengers, Third Parties, Pollution, Shipwrecks	PUL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	20 February 2015
2	KM. Success Pioneer XXXV	Cover Note L.C.H (S) Pte Ltd with Ref No. HMH140374/001/012, Ref No. HIV140374/001/012, Ref No. HWR140374/001/012 dated 17 September 2014	Marine Hull Insurance	PUL	USD 6,800,000.00	17 September 2015
			Increased Value Insurance	PUL	USD 3,200,000.00	17 September 2015
			War Risks Insurance	PUL	USD 10,000,000.00	17 September 2015
		The Standard Club Asia Ltd	Insurance on Damages to Property, Boat Crews, Passengers, Third Parties, Pollution, Shipwrecks	PUL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	20 February 2015
3	KM Success Energy XXXII	PT Tugu Pratama Indonesia	Marine Hull Insurance	PUL	USD 3,800,000.00	19 November 2014
		The Ship owners mutual Protection and Indemnity Association	Insurance on Damages to Property, Boat Crews, Passengers, Third Parties, Pollution, Shipwrecks	PUL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	17 September 2015
4	MT Almira XXII	PT Tugu Pratama Indonesia	Marine Hull Insurance	PUL	USD 1,200,000.00	13 July 2015
		The Ship owners mutual Protection and Indemnity Association	Insurance on Damages to Property, Boat Crews, Passengers, Third Parties, Pollution, Shipwrecks	PUL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	17 September 2015
5	KM. TK MOS I	PT Artha Graha General Insurance	Marine Hull Insurance	PUL	USD 180,000.00	27 August 2015
		PT Tugu Pratama Indonesia	Insurance on Damages to Property, Boat Crews, Passengers, Third Parties, Pollution, Shipwrecks	PUL	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	22 August 2015



6	KM. TK. Mos 2	PT Artha Graha General Insurance PT Tugu Pratama Indonesia	Marine Hull Insurance Insurance on Damages to Property, Boat Crews, Passengers, Third Parties, Pollution, Shipwrecks	PUL	USD 800,000.00  Unlimited, with a limit of USD 500,000,000.00 for certain claims,	8 August 2015  22 August 2015
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## 7. SML

No.	Vessel Name	Insurer	Type of Insurance	Insured Party	Sum Insured	Expired Date
1	KM Success Pegasus XXXVI	Covernote from LCH (s) Pte Ltd	Hull Materials & Machinery Insurance Ref No. HMM140374/001/011	SML	USD 6,460,000.00	17 September 2015
	Increased Value &/or Disbursement including Excess Liabilities Ref No. HIV140374/001/011		SML	USD 3,040,000.00	17 September 2015	
	Anticipated Owners Interest Ref No. HIV140374/001/011		SML	USD 9,500,000.00	17 September 2015	
		The Standard Club Asia Ltd Insurance	Insurance on Damages to Property, Boat Crews, Passengers, Third Parties, Pollution, Shipwrecks	SML	Unlimited, with a limit of USD 500,000,000.00 for certain claims.	20 February 2015

## 18. Legal Proceedings faced by the Company and its Subsidiaries, the Company and its Subsidiaries' Commissioners and Directors, and Board of Commissioners and Board of Directors

As of the date of issuance of this Prospectus, there is no lawsuit or legal proceedings faced by the Company, its Subsidiaries, the Company and its Subsidiaries' Commissioners and Directors, and Board of Commissioners and Board of Directors, either ongoing or decided by the Court and/or Arbitration Agency or potential lawsuit against the Company, which has material effect to the Company's business continuity, assets and the planned Initial Public Offering, either in criminal code, civil code, taxation, arbitration, industrial relation, state administrative or bankruptcy in any Indonesian court of law.



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## IX. BUSINESS ACTIVITIES AND PROSPECTS OF THE COMPANY

### 1. General

The development of national shipping industry that is fully supported by the Government of Indonesia, has brought a wind of change, as demonstrated by the increase in number of domestic fleets and the continuously growing number of domestic players. The implementation of cabotage principle by the Government of Indonesia through the enactment of Law No. 17 of 2008 is the main pillar of the rise of maritime industry in Indonesia. Since then, efforts and campaigns to pursue beyond cabotage implementation have received warm welcome from the maritime industry players. In principle, beyond cabotage provides more room for competition in Indonesian waters. The Company responded to the above by expanding its business, the last one being the development of the shipyard sector, which the Company believes has a bright prospect.

The Company was established in and has started its commercial operation since 2010. Currently, the Company is engaged in shipping and shipyard through subsidiaries also management consultant services. The Company owns subsidiaries that are engaged in two segments, vessel chartering and shipyard. The first Subsidiary engaged in vessel chartering has been operating since 1980, whereas the subsidiary engaged in shipyard has been operating since 2009. All of the Company's business activities are coordinated through the establishment of ten Subsidiaries, nine of which are engaged in vessel chartering.

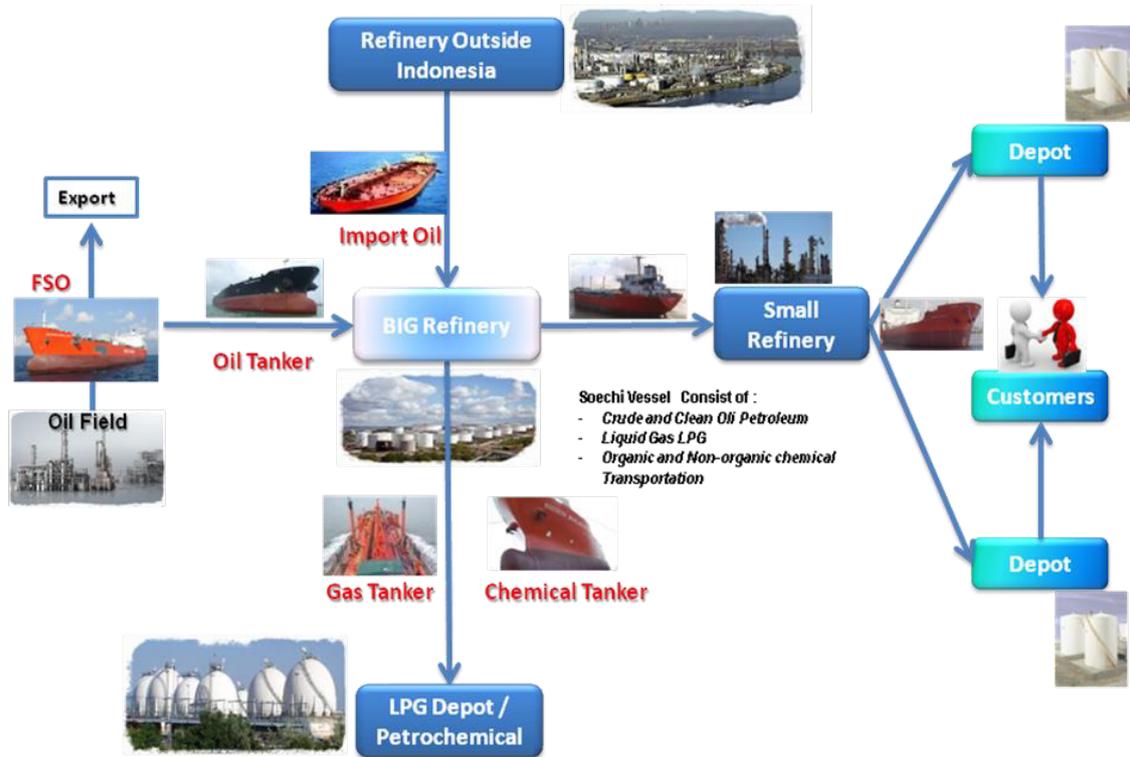
As of the date of the issuance of this Prospectus, the Company owns and operates 33 (thirty three) vessels, consisting of oil tankers, chemical tankers, gas carriers, and FSOs (Floating, Storage and Offloading). In addition, the Company also owns one tug boats and two barges that are privately used for the purpose of shipyard construction. Most of the vessels owned by the Company service the users from the oil and gas industry, both domestic and multinational companies. As previously stated at the beginning of this Prospectus, approximately 61.4% of the Company's current revenue is contributed by PT Pertamina (Persero), which is one of the Company's customers with a solid track record. The Company has long-standing relationships with its customers. For Pertamina, the Company has built a good relationship since more than 30 years ago. In the shipyard segment, the Company is currently capable of carrying out new shipbuilding activities in addition to MRO (Maintenance, Repair and Overhauling) activities and is actively participating in tender processes held by vessel users.

### 2. Business Activities

The main business activities: shipping and shipyard through subsidiaries also management consultant services.

#### 2.1. Shipping

In general, the Company provides transportation services to all supply chain lines of oil and gas companies and provides storage for oil production output (FSO) at the oil fields and caters the distribution to refineries and eventually to the energy users. The following diagram outlines the processes and roles carried out by the Company in oil and gas transportation.



#### Upstream Operation

1. The Company provides FSO (Floating, Storage and Offloading) type vessels to store oil production output from offshore and onshore oil fields.
2. The Company's vessels transport crude oil from Oil Fields or FSO vessels to the refineries.
3. The outputs from oil refineries are transported by the Company's vessel to the next refineries to be processed into fuels.

#### Downstream Operation

4. Fuel from the refineries is transported by the Company's smaller vessels to oil depots which will be distributed to end consumers.
5. The by-products of oil refineries in the form of liquid gases are transported by the Company's gas carrier vessels to LPG depot.
6. The by-products of oil refineries in the form of chemicals are transported by the Company's chemical tankers to the customers.
7. The Company's vessels also transport imported oil from outside Indonesia to refineries located in Indonesia.

In conclusion, the shipping operations carried out by the Company play a critical role in maintaining supply and ensuring the availability of oil and gas supply from production operational centres to the more advanced production facilities such as refineries; and connecting the oil and gas distribution network to the end consumers who use the energy sources in daily life.



## The Company's Fleet

As previously mentioned, the Company is currently operating 33 vessels of various types to support the vessel chartering business. The various types of vessels owned and operated by the Company are explained below:

### Oil Tanker

The Company owns 18 tankers, 2 of which are VLCCs with large capacities up to 300,000 DWT. There are 2 types of oil tankers owned by the Company, i.e., crude tanker and product tanker. The capacities of oil tankers owned by the Company range from 1,500 DWT – 300,000 DWT.

Several functions of oil tankers are as follows:

- Transport unprocessed crude oil from processing facilities to refineries.
- Transport processed oil from refineries to the market.



### Chemical Tanker

Chemical tankers (the Company owns 12 vessels) are vessels built to transport liquid chemicals. In average, this type of vessel has a dead weight tonnage between 4,000 metric tons up to 40,000 metric tons. These vessels generally transport chemical substances such as sulphur, phosphor, CPO and others.



### Gas Carrier

The Company currently owns 1 gas carrier that is normally used to transport LPG, LNG and chemical gas with a total capacity of 4,199 DWT.



### FSO Carrier

Floating, Storage, and Offloading Carrier are vessels; used to oil and gas industries and offshore for processing hydrocarbon also for fuel storage. The Company owns 2 FSO with capacity between 96.183 DWT and 47.100 DWT.



Each vessel operated by the Company has obtained several certifications and has undergone technical reviews in accordance with the international shipping industry standard, which are, among others, as follows:

1. Implementation of international shipping standard or International Safety Management (ISM) issued by IMO (International Maritime Organisation). The ISM has been audited on a periodical basis by the national shipping administration and has undergone review process by international classification bureau. The classification process includes inspection of office environment for DOC (Document of Compliance) Certificate as well as on board of ships for SMC Certificate (Safety Management Certificate).
2. The Company's management has implemented Stage 2 OCIMF (Oil Companies International Marine Forum) Standards regarding TMSA (Tanker Management Self Assessment), which are acknowledged and



accepted as a benchmark by the majority of oil companies in the world, such as, Shell, BP, Exxon Mobil and others. Several of the vessel charter agreements include clauses requiring the Company to undergo audit and verification processes by the vessel user, i.e. the oil company in question. These processes have been carried out by ConocoPhillips.

3. Review process on management's reliability on board of ships and the condition of the ships itself is carried out by all oil companies in Ship Inspection Report Programme (SIRE).
4. All of the Company's vessels have met the International classification requirements such as Lloyd Register (LR), American Bureau of Shipping (ABS), Det Norske Veritas (DNV), Germanischer Lloyd (GL), Nippon Kaiji Kyokai (NK), Biro Klasifikasi Indonesia (BKI) or others.

In addition, all of the Company's vessels have obtained the following certifications: International Load Line Certificate, Cargo Ship Safety Construction Certificate, Certificate of Classification for Hull, International Tonnage Certificate, Certificate of Classification Machinery, Cargo Ship Safety Equipment Certificate and other certificates.

5. The Company implements ISO 9001:2008 and ISO 14000 standards issued by International Organisation for Standardisation for shipping quality and environment management system and OHSAS18001 issued by Occupational Health & Safety Advisory Services for health and safety friendly work processes.

### **Vessel Chartering Activities**

In general, the process of vessel chartering is carried out through direct offering and negotiation or through tender/bidding system. Vessel charter transactions are generally entered into using one of the charter methods, i.e., voyage charter or time charter.

The Company currently provides vessel chartering services to several world class oil companies, with PT Pertamina (Persero) as the largest contributor, since Pertamina is the company appointed by the Government of Indonesia to process all oil and gas produced in Indonesia. All of the government share (generally between 65% - 85%, depending on the agreement with contractors) of natural oil and gas are controlled by Pertamina. Therefore, the majority of domestic oil and gas transportation market is dominated by Pertamina. Regardless of the above, the Company continues to diversify by taking the following steps:

1. Downstream: offering services to Pertamina's stakeholders/off takers, e.g., petrochemical factories such as Chandra Asri, Indorama, Mitsubishi and others.
2. Upstream: offering oil and gas production support services such as FSO to government contractors such as Conoco Phillips and others.
3. Import : providing services for imported crude oil and other products from overseas.
4. Palm Oil: providing services to palm oil industry players such as Wilmar, Golden Agri, Asian Agri and others. Indonesia is currently the largest palm oil exporter in the world.

Charter methods generally implemented by The Company to its customers are described below:

#### **a. Cargo Transportation (Voyage Charter)**

The Company transports cargoes that are specific in amount and nature from one place to another in accordance with the customer's (charterer's) requests. The calculation of charter fee is based on the amount and nature of the cargoes being transported and the vessel's travel distance. The customer then sets the vessel arrival date at the loading port, the estimated time required for cargo loading and unloading and the travel time. Under the scheme, the charterer pays the Company a compensation for the charter fee and the Company bears all costs including the voyage costs, fuel costs, port costs, crew costs and other operating expenses. The Company's total revenue from the Spot Charter business model for the years 2011, 2012, 2013 and for the six months period ended 30 June 2014 were USD 20,353,255, USD 18,172,124, USD 40,801,995 and USD 12,493,191, respectively.

#### **b. Vessel Charter (Time Charter)**

The Company provides vessel charter services to customers for an agreed period of time in return for a fee as negotiated by both parties. During the charter period, the charterer is fully responsible for paying all the voyage costs, including fuels and port costs and agency fee. On the other hand, as the vessel owner, the Company is responsible for the crew cost (including daily needs), vessel maintenance cost, spare parts and other operating expenses, whereby all of the aforementioned costs have been taken into account in the charter fee agreed upon by both parties. In certain contracts, such costs are charged to the charterers. In general, within a time charter scheme, the customer charters the vessel and crews and has full control for a certain period of time and has the authority to direct the destination of the vessel and the type of cargoes to be transported. The calculation of vessel charter under this method is based on time. The Company's total revenue from the time charter business model for the years 2011, 2012, 2013 and for the 6 months period ended 30 June 2014 were USD 44,778,512, USD 52,783,473, USD 61,696,073 and USD 37,223,934, respectively.



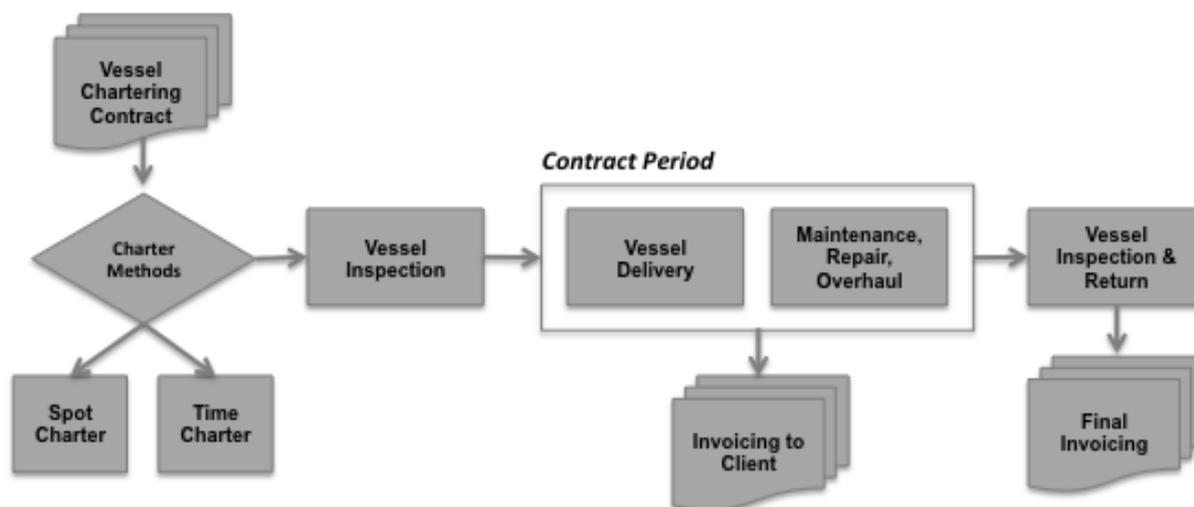
In general, there is no significant difference between the activities carried out by the Company’s employees in the vessel charter transactions, both using the spot charter or time charter. As defined in the following flowchart, the Company will check the vessel availability and conduct physical inspection at the time a charter contract for certain period is obtained. The vessel availability will also determine the Company’s management action, whether to purchase new vessels or allocate the available units.

In most cases, shipping companies will only invest in a new vessel when it is known for certain that the said company has won a tender for new vessel chartering services, considering the investment required to purchase a vessel is generally very high, depending on the specification required. Certain agreements allow for a window period, which provides flexibility to the shipping companies, including the Company, to search for or purchase the vessel to be chartered.

The invoicing process of vessel charter fees depends on the charter method used for each contract. Vessel charter fees for spot/voyage charter shall be settled by the charterer when the goods/cargoes transported has arrived at the destination. However, charter fee for contracts under the time charter method will be billed periodically in accordance with the contracts.

The same applies for fuel, maintenance, repairs and overhaul costs. For spot/voyage charter the cost components referred to above are borne by the Company, whereas under the time charter method such costs are charged to the charterer.

**Vessel Chartering Process Flow**



Source: The Company

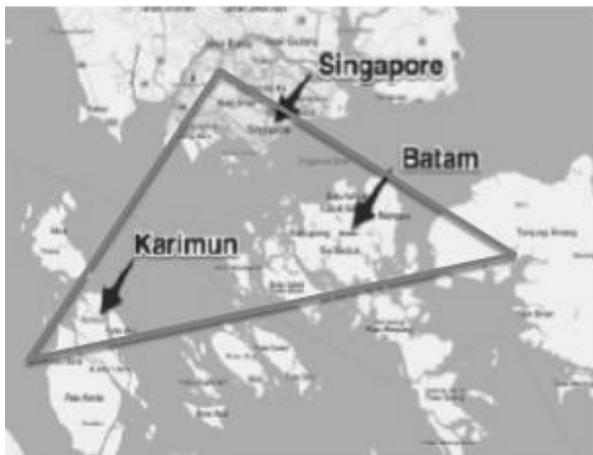
The Company currently provides vessel chartering services to several world class oil companies, with PT Pertamina (Persero) as the largest contributor. However, the Company constantly strives to diversify its customers along with the increasing number of vessels in the future. The duration of vessel charter provided by the Company starts from short term (calculated per trip) up to 10 years. The comparison of revenue composition between voyage charter and time charter has been discussed in Chapter V, Management’s Discussion and Analysis.

The Company’s main operational area for vessel chartering activities include the Indonesian waters and several international routes such as South East Asia, India and Middle East.

**a. Shipyard**

In 2009, the Company established a Subsidiary, which focuses on the shipyard business, namely PT Multi Ocean Shipyard (MOS) in Tanjung Balai, Karimun, Riau Islands, providing Ship Maintenance, Repair and Overhauling (MRO) and new shipbuilding in order to support integrated shipping business activities.

Geographically, the location of the Subsidiary in Tanjung Balai, Karimun, Riau Islands provides the following advantages for the shipyard operational purposes:



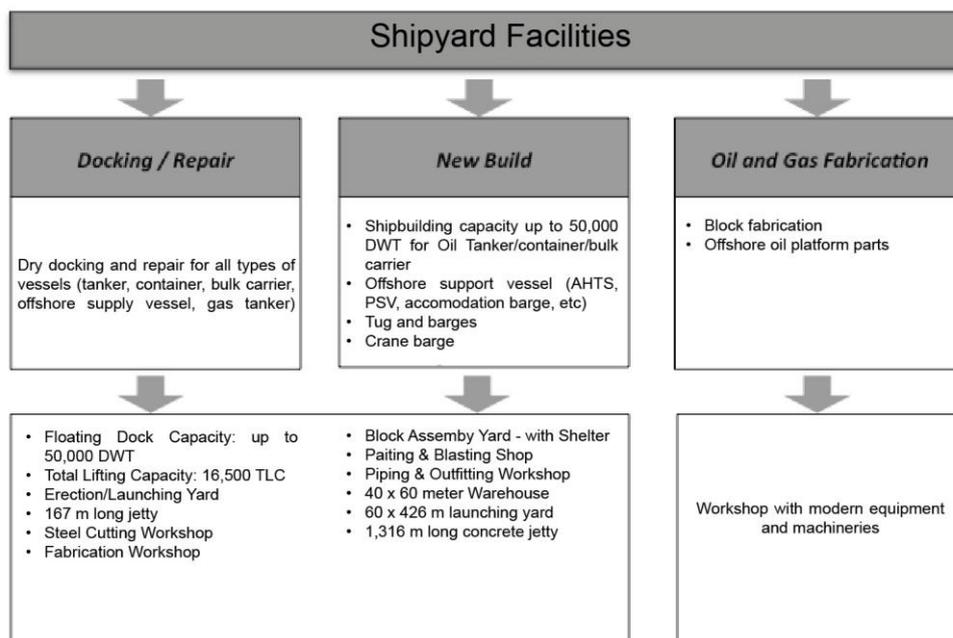
Source: The Company

1. Located in Malaka Strait, the busiest International shipping lanes in the world, therefore provides convenience for ships requiring maintenance in the shipyard, as they will not require significant amount of funds for mobilization and demobilization. Therefore, it is more efficient in terms of time and cost;
2. The location of the shipyard is in close proximity to Singapore (approximately 1.5 hours by ferry from harbour front center), which has an advanced maritime industry, therefore the shipyard has access to experienced contractors, from ship drawing designer contractors to sophisticated repair works contractors such as various automation boiler contractors and others in Singapore.

3. Located in the Free Trade Zone, thereby providing more incentive relating to custom and excise process to import goods and services of expert workers from other countries;
4. Total area of 219 hectares, with total coast line under control of the Company's shipyard reaching 1.3 km, therefore providing access convenience for ships to moor; and
5. Depth of water (draft) of 12 meters, providing better ability to carry out MRO and New Building works for large-size vessels and easy entry to the shipyard. In comparison, the average draft of most shipyards in Batam is between 5-6 meters.

Although considerably new in operating a shipyard, the Company has the capabilities to carry out this line of business professionally. It is demonstrated by the range of shipyard services offered to vessel owners, that is not limited to mere docking works, but also includes orders for shipbuilding or manufacturing of platforms used in offshore oil and gas mining.

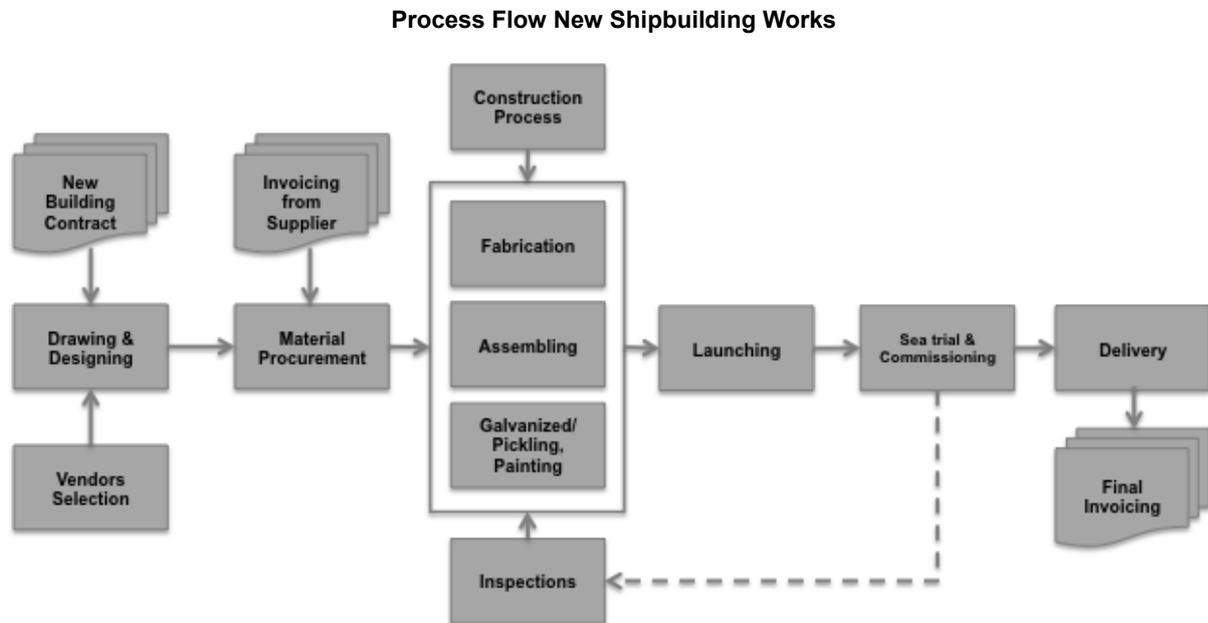
An overview of the types and capacities of shipyard facilities owned by the Company up to the date of issuance of this Prospectus is presented below:



Source: the Company

Up to the date of issuance of this Prospectus, the Company's shipyard has possessed the experience to build new ships up to medium tanker with a capacity of 50,000 DWT. In addition, up to June 2014, the total Ground Crew employed by the Company to assist in the Shipyard business consisted of 125 employees.

The duration of MRO Works or new shipbuilding will be highly dependent on the specification of shipyard works to be carried out or the maintenance required. Presented below is the flow chart describing the process of new shipbuilding:



*Source: the Company*

In general, the building works of a mid-size tanker (up to a capacity of 17,500 DWT) may take two years from the receipt of the order up to the delivery to the ship owner. To obtain new shipbuilding orders, shipyard owners generally participate in the tender process held by the customer, for example Pertamina (Persero). In this tender, the customer will evaluate various points concerning the expected technical capabilities, experience and the offer price. The shipyard owner appointed as partner is selected solely based on the customer's decision.

The shipbuilding process is continued with ship design/drawing/class approval works and technical specification, followed by selection of makerlist/machinery/specification/equipment, vendor for expert service provider and ship components provider. After the procurement process is complete, the construction process of fabrication, assembling, and painting stages (steel cutting, keel laying, launching and delivery) will begin. Each stage of construction will be monitored (inspected) for conformity with the result of the predetermined specification. After the construction is completed, the sea trial and commissioning will be prepared. If all the processes are successful, the completed ship will be handed over to the customer.

The construction stages of new shipbuilding (new building) are closely monitored by international classification agencies acclaimed worldwide, such as LR, GL, DNV, NK, BV and ABS in accordance with the world ship safety regulations/standards agreed by all classification agencies that are incorporated in the International Association of Classification Society (IACS). Class monitoring starts from the design stage, which has to be approved by the classification agencies and the implementation, starting from welding, raw materials such as steel, cable, machineries and others shall be certified by classification agencies the same applies for erection, construction and others.

Accounting wise, revenue arising from shipbuilding and realization of payment from customers are recognized using the percentage of completion method as follows:

- 20% on Contract Signing
- 20% on Steel Cutting
- 20% on Keel Laying
- 20% on Launching
- 20% on Delivery



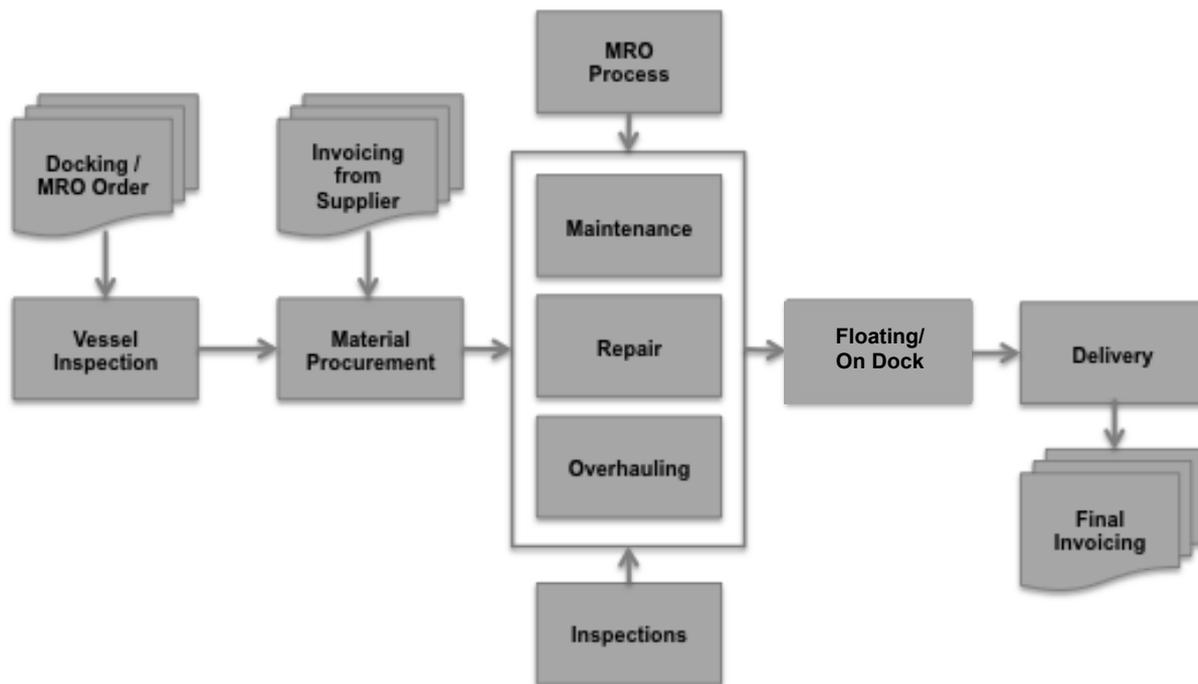
### **MRO (Repair)**

Based on IACS regulation, every ship shall go through underwater maintenance every 2.5 years (intermediate survey) and every 5 years (special survey). Within the scope of this survey, the examination of the ship for inspection, repair and maintenance of the ships bottom below the water line is to be carried out in drydock.

All repairs and maintenance carried out while the ship is in drydock is closely monitored by IACS class, in particular, prior approval from the class is required before any major work is carried out.

The work flow for MRO works is not significantly different than new shipbuilding work flow. The work shall commence once the order for maintenance is received from the ship owner. MRO works for regular maintenance requires shorter time.

### Work Flow of Maintenance, Repair and Overhauling in Shipyard



Source: the Company

The operational activities of the shipyard are constantly monitored by quality control. In addition of the ISO implemented to the shipping operational activities in general, all works carried out in the shipyard has to comply with the requirements from the international classification agency, i.e., International Association of Classification Societies (IACS). IACS monitors the processes including drawing, designing, fabrication, welding, painting and sea trial. In addition, compliance with HSEQ (Health, Safety, Environment Quality) aspects also needed to be properly carried out.

### 3. Competitive Advantages

The Company is believed to have several competitive advantages that may improve its competitiveness and sales value in carrying out shipping business of vessel chartering and shipyard. The competitive advantages are described below:

#### 3.1 Competitive Advantages in Shipping Business:

##### 1. Integrated shipping services

The Company is able to provide integrated transportation services to meet the transportation needs of oil and gas and other commodities such as crude palm oil and chemicals, starting from the upstream operation (oil fields to refineries) to downstream operation (refineries to regional depots). The Company's ability to provide a wide range of services is supported by the size of its fleet, consisting of 33 tankers of various types, including 2 FSOs and 2 VLCCs (Very Large Crude Carrier). In addition, the Company owns tankers of various sizes (from the smallest of 1,100 DWT up to the largest of 300,000 DWT), allowing for the use of ships with size suitable for various capacities of ports/SPMs in Indonesia.

With total overall capacity of approximately 1,200,000 DWT, the Company has the capability to service a greater share of the sea transportation of oil and gas. Global Business Guide research data (March 2014) stated that the Company's current market share in oil & gas transportation reached approximately 15% of the entire oil & gas cargo transported domestically. The Company's market share may continue to grow along with the growing number of the Company's fleet in the future.

##### 2. Positive growth opportunities arising from the implementation of Cabotage principle

The implementation of cabotage principle based on Law No. 17 Year 2008, which in essence stipulates the mandatory use of Indonesian-flagged vessels for domestic sea freight transportation, has created significant growth opportunities for domestic players in the shipping industry. With the implementation of the cabotage principle, competition among shipping companies is limited to domestic ship owners (Indonesian-flagged vessels). Foreign-flagged vessels cannot participate in the competition.



The cabotage principle plays an important role in maintaining the balance between ship tonnage supply and the cargo transportation demand, since in practice, shipping companies will only invest in Indonesian-flagged vessels when long-term contracts/commitments from cargo owners has been secured.

The use of Indonesian-flagged vessels for all transportation modes in Indonesian waters will increase the utilization rate of domestic vessels and in turn will create more economic return for domestic industry players.

The direct impact of the implementation of cabotage principle on the Company is reflected in the relatively high vessel utilization rate and the fact that nearly all of the vessels currently owned have been delegated to definitive charter contract, whether in the form of time charter or simultaneous spot charters. In terms of competition, the implementation of the cabotage principle has filtered the number of industry players with the restriction of foreign players from participating in vessel charter tender when domestic players have demonstrated the ability to provide vessels with certain specification.

In the future, the implementation of cabotage principle will follow the footsteps of the United States Government, which implemented the US Jones Act stipulating that all US domestic shipments shall be carried out by US-flagged vessels, and such vessels shall be built in American shipyards and owned by American citizens, with a minimum ownership limit of 75%. Therefore, in the future, the Company's shipyard will receive significant number of new building/repair/docking orders from Indonesian-flagged vessels. The same applies for the vessel chartering segment, which will grow in line with the growth in domestic oil and gas demand/needs.

### **3. The Company's competent operational management**

The Company's operational management system has accommodated various terms and conditions issued by various international shipping operational standard agencies as previously discussed, that is certificate of International Safety Management from International Maritime Organisation, Tanker Management Self Assessment from OCIMF (Oil Companies International Marine Forum) and ISO 9001:2008 and ISO 14000 for shipping companies quality control management. The numerous certifications obtained in addition to the ship classification issued by national and international classification bureau allows the Company to be accepted as partner in ship procurement process for international oil companies.

In addition, the Company's group is led by a group of people in the managerial line with various experience and competencies in their fields, with more than 30 years experience in the national and international shipping industry and good relationships with various parties in the domestic shipping system, such as the Government and maritime authorities, oil and gas companies in Indonesia, shipping industry association such as the Indonesian National Ship Owners Association (INSA) and Indonesian Shipbuilding and Offshore Association (*Ikatan Perusahaan Industri Kapal dan Lepas Pantai Indonesia* (IPERINDO)).

### **4. Long-term contracts with customers**

The majority of the Company's fleet are allocated to time charter contracts with cargo owner, with a charter period ranging from 1 – 10 years. The contracts guarantee the Company's vessel utilisation rate/usage efficiency be maintained at a high level.

As previously discussed in Chapter Management's Discussion and Analysis, the comparison between vessel charter revenue using the time charter method and spot charter method is 74.87% : 25.13%.

### **5. Good reputation and more than 30 years experience in the shipping industry**

The Company's Business Group is widely known in the national and regional shipping industry. The Company's operational history started in 1970s, when the Company started to provide oil and gas construction services for Pertamina. Customer satisfaction and good quality service from the Company since the earliest day of its establishment has created good reputation for the Company. Various compliance to ship technical specification as previously stated demonstrates the relation between the Company's quality control and the reputation it gained.

### **6. Good relationship with main customers**

Since the early days of the Company's Business Group's establishment, management has committed to maintaining good relationship with various parties, in particular, the Government and maritime authorities, vessel chartering business circle, and ship components and equipment providers, as well as good relationship with customers.

### **7. Economies of scale for cost efficiency**

With the continuously growing size of its fleet, the Company is able to improve its operational cost efficiency (economies of scale). Each year, in accordance with its capital expenditure budget, the Company increases the number of ships as the amount of investment increases. The increase in number of ships will spread the overhead/fixed cost, therefore resulting in lower vessel chartering overhead cost per ship owned.



## 8. Vast vessel operational area, covering Indonesian domestic routes and South East Asia, India, and the Middle East routes.

Despite of the guarantee from the implementation of cabotage principle in Indonesia, the Company continuously strives to expand its operations to countries other than Indonesia as demonstrated by the opening of the Company's shipping routes to areas covering the Indonesian, South East Asia, India and Middle East waters.

### 3.2 Competitive advantages in shipyard business

#### 1. Highly strategic shipyard location

As previously discussed, there are several geographical advantages of the Company's shipyard which is located in Tanjung Balai Karimun, Riau Islands as concluded below:

- Total shipyard size of 219 hectares, which can accommodate simultaneous building activities of several ships with large size and capacity, up to 300,000 DWT. The average size of shipyards located in the surrounding areas and in Singapore is around 50-60 hectares.
- Length of water face overlooking the sea of approximately 1.35 km. This condition is very helpful in planning shipyard expansion and construction of the docking area for ship maintenance activities and new shipbuilding.
- Depth of water (draft) of 12 metres, which allows for docking/building of ships with large capacity up to 300,000 DWT in size. Field data indicated that the average draft of shipyards operating in Indonesia is only around 5-6 metres.
- The location of the Company's shipyard is situated in Malacca Strait, one of the busiest international shipping lanes in the world, therefore ships repaired in the shipyard do not required significant amount of funds for mobilization and demobilization.

#### 2. FTZ Incentive

Tax, custom and excise incentives as the Company's shipyard is located in the Free Trade Zone, which offers various convenience, for example, expeditious clearance or custom duties process for overseas, and cost wise, it is lower for all type of works carried out in the shipyard.

Cost of shipbuilding carried out in the FTZ will be lower compared to shipyards operation in non-FTZ. This condition provides additional opportunities for the Company to compete with other shipyards in terms of ship construction cost and sales price.

#### 3. The location of the shipyard which is in close proximity to Singapore.

There are other advantages from the shipyard's close proximity to Singapore, i.e., easy access to reliable and experienced contractors to work on projects in the shipyards and time efficiency for the purchase of ship components, which often need to be imported from the neighbouring countries, particularly Singapore.

#### 4. The Company's Revenue in the Past 3 Years

(in USD)

Type of Revenue	30 June		31 December		
	2014	2013	2013	2012	2011
Vessel Charter Services					
<i>Time charter</i>	37,223,934	27,720,128	61,696,073	52,783,473	44,778,512
<i>Spot charter</i>	12,493,191	18,340,390	40,801,995	18,172,124	20,353,255
Shipyard	5,053,909	221,904	3,906,506	435,876	-
<b>Total Revenue</b>	<b>54,771,034</b>	<b>46,282,422</b>	<b>106,404,574</b>	<b>71,391,473</b>	<b>65,131,767</b>

### 5. Business Strategies

The Company's business strategies in conducting its business activities are as follows:

#### a. Vessel chartering business expansion

The Company will strive to develop the vessel chartering business organically through carefully planned addition of vessels, based on several considerations, among others: (1) annual vessel procurement budget, (2) development of a market intelligence system, the main function of which is to capture all information concerning future vessel requirement plan, (3) optimalization of marketing and administration professional function in participating in vessel charter tender, which often requires involves long documentation process.



**b. Obtain new contracts for MRO and new building for the Company's shipyard.**

The Company will improve its capabilities to obtain new shipbuilding and docking contracts for its shipyard, which has become fully operational in early 2014. Proven track record in both MRO and shipbuilding of the Company's shipyard will be considered as relevant factor as key advantage in order to get better positioning in market competition.

**c. Operational cost efficiency**

Company has introduced several business initiatives that serve as a basis to improve cost efficiency include the synergy between shipping and shipyard, therefore the Company can set a target to reduce the waiting time prior to docking and utilize the advantages from its close proximity to Singapore as well as from the tax and custom exemption.

**d. Integration of shipping industry operational support information system**

Improve operational efficiency through expertise in shipping, financial synergy and development of proper standardized systems in all areas. The Company is developing an integrated system that will facilitate better internal control and process flow, which will result in lower operational cost.

**e. Development of human capital**

Continuously improve and develop human resources through training in order to improve the quality of the Company's office staff and ship crew, with the final objective of providing high quality and reliable service to customers.

**6. Business Prospects**

**Shipping**

The demand for Indonesia's domestic marine transportation will continue to grow in line with the growth of society's energy demand, new refinery constructions and discoveries of new oil and gas production fields.

In addition to its large population, the growth of middle class in Indonesia ensures that future energy demand will continue to grow. Pertamina itself projected that the demand for fuel will increase by 7% per year. The growing demand for energy will certainly be accompanied by the increase in demand for marine transportation, especially considering Indonesia is an archipelago.

In addition to the demand for energy, the demand for marine transportation will also increase as a result of the new discoveries of oil and gas fields in Indonesia, which will soon enter the production stage, as described below:

1. Exxon Mobile in Cepu Block, which will soon produce 165.000 barrel of crude oil in early 2015. Up to the date this Prospectus is prepared, Exxon is constructing a giant Floating Storage Offloading facility, with the size of a VLCC, in Singapore. The giant FSO is currently close to completion. Once the facility arrives at the location, Exxon plans to start production in Cepu Block. The additional crude oil will require several Aframax and MR types vessels for transportation from FSO to domestic refineries, and eventually vessels to transport refinery products.
2. Chevron IDD Project
3. Santos Ande Ande Lumut Bloc in Natuna
4. Husky Madura Block, which will produce gas and condensate.
5. BP Tangguh Train 3, which is an expansion of the currently existing LNG field.
6. Donggi Senoro LNG
7. And others.

In the refinery sector, in order to lower the national balance of payment (reduce the fuel import amount), the Government is planning to develop new domestic refineries, in cooperation with foreign oil companies such as Saudi Aramco, Kuwait Petroleum and others. Additional refineries will also result in additional demand for marine transportation.

Demand for marine transportation will also increase as a result of the state electricity company's, PLN's (*Perusahaan Listrik Negara*), plan to use a new type of energy, that is Liquefied Natural Gas (LNG) for its power generators. Currently PLN has procured 2 units of LNG FSRU regasification facilities in West Java and Lampung, and is planning to procure additional units. This condition will increase demand for LNG carrier vessel from production fields such as Bontang and BP Tangguh to FSRU location, and in the future there will be high demand for small LNG feeders to cater direct distribution to the small power generators in the regions.



## 7. Competition in Shipping Industry

	Indonesian-Flagged Vessels (DWT)	Soechi (DWT)	% Soechi 's Market Share
Oil tankers	5,805,740	992,015	17%
Chemical and oil product tankers	753,640	58,895	8%
FSO	178,397	144,197	81%
Liquid Gas	617,715	4,199	1%
<b>Total</b>	<b>7,355,492</b>	<b>1,199,306</b>	<b>16%</b>

Source: Fleetmon, Company data, RHB

### Shipyards

In line with the implementation of cabotage principle, the need for shipyards for new shipbuilding and vessel repair and docking will rapidly increase.

Based on Indonesian National Shipping Association's (INSA) data, the major cabotage principle implementation in the years 2005 – 2012 has doubled the number of vessels, from 6,000 units to 11,628 units. These additional vessels tend to be large in size, therefore, in terms of tonnage the number tripled from 5.6 million to 16 million gross tons. Whereas the number of domestic shipyards does not increase significantly. The existing shipyards are designed to facilitate small sized vessels.

Based on the regulations from international classification agency (IACS), all vessels are required to conduct an inspection (survey) of the ship bottom (bottom survey) every 2.5 years (intermediate survey) and every 5 years (special survey). Therefore, the constant capacity of domestic shipyard will result in the following impact:

1. For small vessels: long queue of ships waiting for domestic dock space
2. For large vessels: difficulty in obtaining domestic shipyard space, therefore they will look for alternative shipyards overseas. For example, large vessels owned by the Company and Pertamina prefer to carry out docking in China.

The sharp increase in demand for docking is clearly reflected in the ability of domestic shipyards to obtain high profit by charging fees that are far higher compared to similar shipyards in China. However, customers are still waiting in line in those shipyards.

The Company believes that by the time the Company's floating dock facility is completed in early 2015, vessels that previously preferred to travel to China will choose to carry out docking in the Company's shipyard considering the vessel mobilization and demobilization cost to China is very high. In addition to the travel time to China that takes 5-7 days, fuel costs are to be incurred to travel to and back from China.

As for the new shipbuilding market, the Government of Indonesia has started implementing similar policies as the United States, i.e., Indonesian-flagged vessels are encouraged to be built by domestic shipyard. For example, Pertamina carried out tender for the new building of tanker with a capacity of 17,500 tons, provided that such vessel is built locally. The Company has seized this opportunity and managed to win the order for 3 17,500 tons vessels from Pertamina, with a total project value of more than USD 70 million. The same applies for government contractors for oil and gas under SKK Migas, which have implemented all tenders for new shipbuilding to require the vessel to be built in domestic shipyards. For example, Total E&P Mahakam Block recently issued tender for the new shipbuilding of 5 AHTS vessels, which are required to be built locally.

The Company believes that in the future, demands for new ships to be built locally will continue to grow. The Company's shipyard, which has just recently started operating, has managed to obtain orders for 5 vessels with a total value of USD 92 million.

## 8. Compliance with Environmental Regulations

Based on the State Minister Environmental Regulation No 11. Year 2006 concerning the type of business plan and/or activities for which environmental impact assessment reports are mandatory, the Company is not under the category of a company which business plans and/or business activities renders it mandatory to prepare environmental impact assessment reports (*Analisis Mengenai Dampak Lingkungan*, "AMDAL"). In addition, based on the Decree of the Governor of Special Capital Region of Jakarta No. 189/2002 dated 5 February 2002, the Company is also not categorized as a company which business plans and/or business activities renders it mandatory to prepare Environment Management Efforts (*Upaya Pengelolaan Lingkungan*, "UKL") and Environment Monitoring Efforts (*Upaya Pemantauan Lingkungan Hidup*, "UPL") in the Special Capital Region of Jakarta. Accordingly, it is not mandatory for the Company to prepare AMDAL or UKL and UPL documents.



However, based on Ministry of Transportation Regulation No. KM 4 Th. 2005 dated 20 January 2009 concerning Prevention of Pollution from Ships ("Permen No. KM 4 Th. 2005"), the Company should be able to demonstrate that the pollution prevention equipment and tools arrangement construction in the vessels owned by the Company have complied with the requirements set forth in Permen No. KM 4 Th. 2005 referred to above; therefore each vessel owned by the Company has to obtain the National Oil Pollution Prevention by Ships Certificate ("Pollution Prevention Certificate"). In that regard, based on the inspections conducted by the Directorate General of Sea Transport, the pollution prevention equipment and tools arrangement constructions in the vessels owned by the Company have complied with the requirements and have obtained the Pollution Prevention Certificate. Presented below is the list of certificates obtained by the Company:

NO	DOCUMENT	ISSUING AGENCY	VESSEL NAME	REGISTERED PORT	VALID UP TO
1	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	MT. SOECHI ANINDYA	JAKARTA	20/02/2016
2	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	MT. GOLDEN PEARL XIV	JAKARTA	15/05/2015
3	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	MT. ANGELIA XVI	BANTEN	22/07/2016
4	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	MT. STEPHANIE XVIII	JAKARTA	16/04/2017
5	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	MT. ANDRIANA XX	BATAM	29/07/2016
6	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	MT. SILVIA XII	JAKARTA	15/03/2015
7	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	MT. SOECHI CHEMICAL I	JAKARTA	08/05/2017
8	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	MT. SOECHI CHEMICAL III	PALEMBANG	29/09/2016
9	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	MT. SOECHI CHEMICAL V	BANTEN	26/08/2016
10	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	MT. SOECHI CHEMICAL VII	JAKARTA	20/06/2016
11	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	MT. SOECHI CHEMICAL IX	JAKARTA	14/10/2015
12	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	MT. SOECHI PRESTASI	JAKARTA	09/12/2016
13	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	MT. SOECHI PRATIWI	JAKARTA	03/03/2015
14	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	MT. SUKSES XI	JAKARTA	23/12/2016
15	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	MT. ALISA XVII	JAKARTA	06/12/2016



NO	DOCUMENT	ISSUING AGENCY	VESSEL NAME	REGISTERED PORT	VALID UP TO
16	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	MT. SOECHI CHEMICAL XIX	JAKARTA	04/10/2015
17	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	MT. SOECHI CHEMICAL XXI	JAKARTA	16/04/2017
18	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	MT. ALICE XXV	JAKARTA	03/06/2015
19	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	MT. ALMIRA XXII	JAKARTA	28/10/2014
20	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	MT. ASUMI XXVI	JAKARTA	20/03/2017
21	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	SUCCESS VICTORY	JAKARTA	25/09/2015
22	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	GAS SOECHI XXVIII	JAKARTA	12/04/2016
23	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	SUCCESS PIONEER	JAKARTA	04/10/2015
24	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	SUCCESS CHALLENGER XXXVII	JAKARTA	21/05/2016
25	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	SUCCESS PEGASUS	JAKARTA	15/04/2016
26	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	ALINA XXIII	JAKARTA	07/02/2016
27	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	ARENZA XXVII	JAKARTA	04/01/2016
28	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	SOECHI ASIA XXIX	JAKARTA	18/08/2016
29	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	SUCCESS ENERGY XXXII	JAKARTA	22/11/2015
30	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	SUCCESS MARLINA XXXIII	TOKYO	10/05/2015
31	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	SUCCESS OCEAN XXX	JAKARTA	01/07/2015
32	INTERNATIONAL OIL POLLUTION PREVENTION CERTIFICATE	DIRECTORATE GENERAL OF MARINE TRANSPORTATION	SUCCESS TOTAL XXXI	JAKARTA	22/06/2015



## **9. Good Corporate Governance**

In order to safeguard the interest of all stakeholders and increase value to shareholders, the Company always implements good corporate governance in its business activities. The Company is committed to adhering to transparent business ethics in accordance with the prevailing laws and regulations. In that regard, the Company has established a Corporate Secretary and appointed an Independent Commissioner and an Independent Director. In addition, the Company has established an Audit Committee as required by the prevailing law and regulations.

## **10. Corporate Social Responsibility (CSR)**

The Company is committed to carrying out sustainable corporate social responsibility (CSR). Several examples of CSR programmes carried out by the Company are:

1. Under a program implemented in order to assist Indonesian society in need and to maintain a better environment, the Company cooperated with Tzu Chi foundation and DAAI TV to help the society in need through, among others, the following:
  - a. Helping flood victims activities in 2012
  - b. Mangrove tree planting activitiesTotal cost incurred by the Company was approximately Rp 500 million in 2011 and Rp 620 million in 2012.
2. To improve human resources and the future of the nation, in particular the sons/daughters of the army/Civil Servant of the Indonesian Navy, the Company granted scholarships to the high achieving sons/daughters of the army/Civil Servant of the Indonesian Navy, evidenced by the signing of Memorandum of Agreement dated 17 July 2013, with a total funding of one billion Rupiah.



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## X. PROSPECTS OF SHIPPING AND SHIPYARD INDUSTRIES IN INDONESIA

### 1. General

As the largest archipelagic country in the world, with the second longest coast line after Canada, shipping and shipyard service activities play significant roles in Indonesia's trading activities. Indonesia is located strategically in the middle of the main route of world trading. The combination of 240 million population (the fourth largest in the world), high demand for marine transportation (Indonesia, as an archipelagic country boasts a total of 17,000 islands), and strong domestic demand as a result of economic growth (5-7%, even during the slowdown in the world economy), creates bright prospects for shipping and shipyard industries.

In shipping industry, the easy access for foreign-flagged vessels has hindered the growth of domestic shipping companies, until the Cabotage Principle policy was introduced in 2005. The Cabotage Principle is a government regulation stipulating that all goods shipment in Indonesia must be carried out by Indonesian-flagged vessel. This policy is commonly implemented in other countries, including in the United States through the implementation of US Jones Act.

Since then, domestic shipping companies have been growing rapidly, in line with the development of domestic captive market, with estimated total investment of USD 16 billion as per Indonesia National Shipowners Association's (INSA) data. The policy will continue to benefit domestic shipping companies Indonesia, where the volume of national shipping continues to grow, in line with the growth in inter-island, regional and international trading. The revocation of Cabotage Principle exemption on large scale vessels servicing the offshore oil and gas industry will also increase the number of domestic shipyards with the capacity to service those types of vessels, whereas shipping companies chartering the said types of vessels will have exclusive access to a captive market with continuously growing demand.

### 2. Shipping and Shipyard Industries Development in Indonesia

#### 2.1. Shipping Industry Development

The historical development of shipping industry in Indonesia is reflected by the following indicators:

- Based on Ministry of Transportation data in 2013, the number of fleets from 2005 to 2013 has doubled, from 6,041 units to 12,972 units.
- Indonesian fleet capacity has tripled from 5.67 Gross Tonnage (GT) in May 2005 to 17.89 GT in July 2013.
- Total shipping companies has increased from 2,071 companies in 2005 to 3,328 companies in 2012.
- Total domestic marine cargo increased from 206,339,130 tons in 2005 to 355,023,728 tons in 2012, with total market share of national shipping companies increased from 55.5% in 2005 to 99% in 2012. The market share of national shipping companies in export import transportation has doubled from 5% in 2005 to 10% in 2012.
- Commercial shipping sector (small-scale shipping, pioneer shipping and special shipping) is estimated to have recorded the highest growth, i.e., tripled from 3,167 units in 2005 to 8,738 units in 2012.

With the implementation of cabotage principle, domestic shipping companies are able to control substantially all market share of domestic cargo transportation.

Shipping industry in Indonesia has continuously grown rapidly each year, in line with the increase in Indonesian population, the development of middle class income, the development of eastern Indonesia area and the discoveries of new oil and gas fields. Furthermore, considering Indonesia is an archipelagic country, shipping is practically the most economical and feasible inter-island transportation mode for large scale cargo.

For example, the demand for vessels from Pertamina as the mandate holder of domestic field distribution has continuously increased from year to year. Pertamina's refinery locations that are generally established in the densely populated western Indonesia require Pertamina to use vessels to distribute its fuel to regions such as Kalimantan, Sulawesi, especially Papua and others.

However, prior to the implementation of cabotage principle in the 2005, the rapid developments were largely enjoyed by foreign shipping companies. Large size vessels in particulars are mostly foreign-flagged as they require significant investments.

As the government came to realize the size of potential held by this marine transportation market and the important roles played by commercial ships in national security and the distribution of energy and cargoes across islands within the country, the government implemented the cabotage principle in 2005, which requires the use of Indonesian-flagged vessels for domestic cargo transportation.

Since then, within the period between 2005 – 2012, domestic shipping companies have been in a race to invest in Indonesian-flagged vessels to replace foreign vessels, which are mostly large-size.



The Company, as a national company that has been engaged in the shipping industry for more than 30 years, made the most of this momentum by investing in foreign-flagged large vessels. Moreover, following the world economic crisis in 2008, the prices of second-hand vessels were exceptionally low. For example, the Company managed to purchase the largest Indonesian-flagged vessel, with a capacity of 300,00 ton to cater crude oil transportation from Arab Saudi to refineries in Indonesia. The aforementioned vessel is chartered based on a long-term contract of 10 years.

Other than the oil and gas sector, Indonesia is also the largest CPO producer in the world, which quantity continues to grow from year to year. This growing sector takes part in supporting the shipping industry, since CPO requires liquid carrier vessels (tankers) for inter-island distribution.

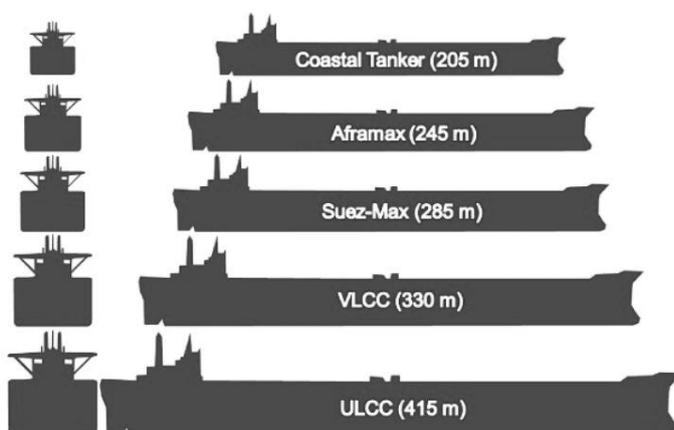
In the future, the national shipping industry will continue to grow with the growth in Indonesian economy, as each increase in demand for energy or cargo will always be followed by the increase in demand for ships. Furthermore, the implementation of cabotage principle indirectly maintains the balance of supply and demand for domestic ships tonnage.

### Introduction to Tanker Types

In general, the difference between each type of tanker lies in the capacity and dimension of the ship length.

#### 1. Coastal tanker

Coastal tankers are vessels with dead weight tonnage (DWT) below 10,000 tons that are used for distributing fuel and gas directly from refineries or depots to areas all over Indonesia. The vessel, with length less than 205 m can easily enter shallow rivers, therefore fuels can be directly distributed to ground storage depots to be further distributed to gas station by trucks.



Sumber : <http://maritime-connector.com/wiki/ship-sizes/>

#### 2. Handysize / General Purpose tanker

This type of vessel has a dead weight tonnage ranging from 10,000 – 20,000 tons and is generally used to transport chemicals and fuels from refineries to petrochemical factories or other smaller refineries.

#### 3. Medium Range (MR)

This type of vessel generally has a dead weight tonnage ranging from 30,000 - 50,000 tons, which are the common sizes used for distribution of crude and fuel.

- Crude = From Oil Fields/FSOs to Refineries
- Fuel = Imported from overseas from refinery to large storage depots.

This type of vessel has good flexibility as it allows for unloading through direct mooring points in jetty as well as offshore unloading through Single Point Mooring (SPM). Its capacity excellently suite crude sales parcels as well as medium range fuel, which generally range between 200,000 - 350,000 barrels.

#### 4. Aframax tanker

The main role of this vessel is to distribute crude oil from Oil Fields to Refineries. With dead weight tonnage of approximately 100,000 ton, the vessel normally holds between 600,000 – 700,000 barrels of crude oil, both the light type and the heavy type, which requires heating. Due to its large size and deep draft, the vessel normally does not moor in jetty, the loading and unloading are carried out offshore through SPM.



5. Very Large Crude Carrier (VLCC)

This type of vessel is used for long range crude transportation. Generally, the routes taken are Arabian Gulf (AG) and West Africa with Asia or Europe or America as the destinations. This type of vessel is able to hold up to 1,000,000 – 2,300,000 barrels (300,000 tons) of crude oil per trip.

The vessel has a very large size, with a total length up to 330 m, beam of 60 m and draft of 30 m, therefore loading/unloading operations are nearly always conducted offshore through SPM.

6. Suezmax tanker

In accordance with its name, tankers with suezmax specification are built to pass the Suez Canal in the Middle East area. This type of tanker has a length/beam/draft dimension of 285m/34m/23m and is capable of carrying a load of 125,000 up to 180,000 DWT.

7. ULCC (Ultra Large Crude Carrier)

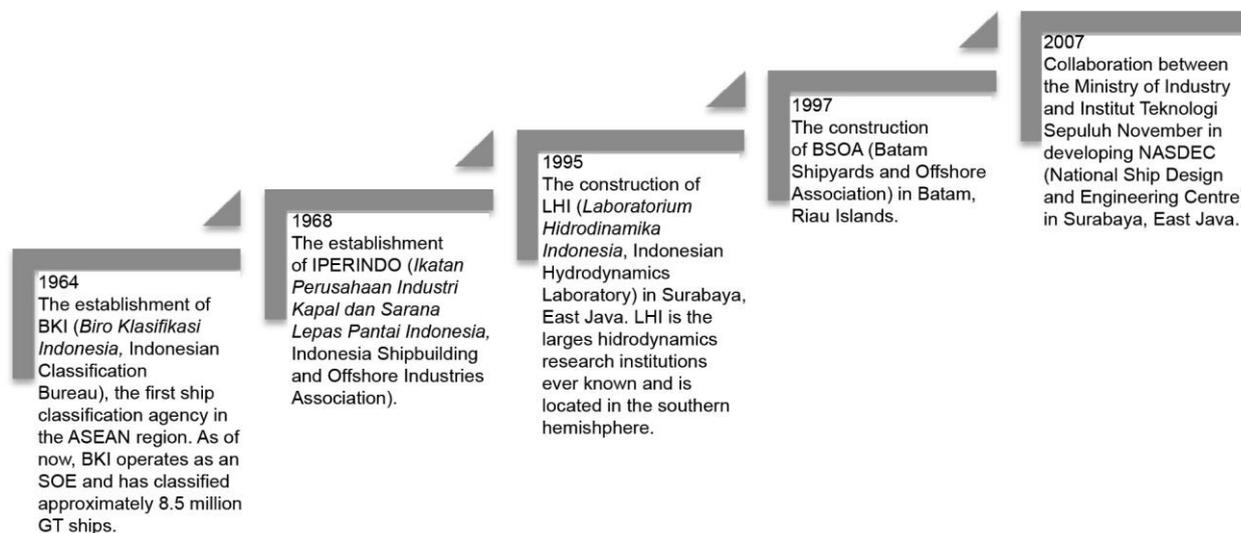
ULCC is the largest tanker in vessel class, with a dimension that can reach up to 415m/63m/25m (length/beam/draft) and a dead weight tonnage of more than 320,000 DWT. This size is highly inflexible and is no longer produced.

2.2. Shipyard Industry Development

In shipyard sector, the Government of Indonesia has long realized the huge potential of domestic maritime industry, however the Government has not implemented the right policies (and the effective means) to develop the shipyard industry. The Government focus tends to lean towards the ground transportation sector, causing the motor vehicle industry to become the main focus in the country development plan.

After the independence, the Government of Indonesia nationalized all Dutch Companies in 1960, converting five Dutch shipyards in Jakarta, Surabaya and Palembang to State Owned Enterprises (SOEs). Subsequently in 1960s and 1970s, at least live additional state-owned shipyards and six privately-owned shipyard were established, the most prominent of which was the establishment of PT Pabrik Kapal Indonesia (PAL Shipyard Indonesia) in Surabaya in 1980. PT Pabrik Kapal Indonesia is currently the shipyard company with the largest capacity in Indonesia. In 1990 and 1991, the government merged state owned shipyards in western Indonesia into a single entity, Dok and Perkapalan Kodja Bahari (DKI Shipyard).

Several important milestones in the shipyard industry in Indonesia are portrayed below:



The shipyard industry in Indonesia has existed and is continuously growing, however the growth rate is still lower than other countries such as China, Vietnam and Philippines, even India with smaller territorial waters, has managed to surpass the growth of shipyard industry in Indonesia.

The relatively slow growth is partially contributed by the difficulties in importing goods and services from overseas (complicated tax and custom & excise policies), while the shipyard industry is highly dependent on raw materials such as steel plates, machineries and other components that are manufactured overseas, as well as foreign contractors service. Therefore, domestic shipyards such as Dock Kodja Bahari in Jakarta often experience delays while waiting for custom clearance for imported spare parts.



Realizing this limitation, the government recently implemented the free trade zone (FTZ) policy for Batam island and Karimun in Riau island province. The FTZ regulation allows imported goods and services entering and coming out of the FTZ to be processed quickly without being subjected to any tax or custom. This regulation is warmly welcomed by foreign and domestic shipyard companies, who invested in establishing shipyards in Batam, among others, PT ASL, Drydock World and others. Given this opportunity, the Company also established a shipyard in Karimun with a total area of 216 hectares, which was relatively deep draft (12 m) compared to Batam (5 – 7 m).

As discussed in Chapter IX, Business Prospects in this Prospectus, the tremendous growth in national fleet during the period of 2005 – 2012 following the implementation of cabotage principle was not followed by the growth in shipyard facilities, therefore vessels requiring drydocking had to spend significant amount of time queuing, some of the vessels even had to sail to China for drydocking. This surge in demand is used by national shipyards to charge high fee for drydocking services.

In addition, there is a market for new shipbuilding, as the Government is actively promoting domestic shipbuilding.

The shipyard industry is currently entering the development stage to catch up with the increasing number of Indonesian fleets, and in the future, this industry will continue to grow in keeping with the increasing number of vessels in Indonesia.



### 3. Statistical Data of National Shipping and Shipyard Industries

#### Shipping Industry

The number of shipping companies has increased by approximately 43% during the five years period since 2007 up to 2012, from 2,326 companies to 3,328 companies. The said companies provide commercial shipping services (in particular cargo transportation, but also passenger), small scale shipping and special shipping (shipping of internal needs, such as CPO producers who ship their own CPO). The largest increase of 57.5% is contributed by the registered commercial shipping companies.

Number of Shipping Companies	2007	2012	Growth (%)
Commercial Shipping	1,432	2,256	57.5
Small Scale Shipping	560	664	18.6
Special/Private Shipping	334	408	22.2
<b>Total Companies</b>	<b>2,326</b>	<b>3,328</b>	<b>43.1</b>

Source: Ministry of Transportation Statistics, year 2012

The growth trend of number of vessels is even more impressive, the number of commercial vessels has doubled during the period from 2007 – 2012, from 3,950 vessels to 8,738 vessels.

Number of Vessels	2007	2012	Growth (%)
Commercial Shipping	3,950	8,738	121.2
Small Scale Shipping	1,279	1,323	3.4
Pioneer Shipping	53	67	26.4
Special Shipping	1,872	1,657	-11.5
<b>Total Vessels</b>	<b>7,154</b>	<b>11,791</b>	<b>64.8</b>

Source: Prepared based on Ministry of Transportation Statistics, year 2012

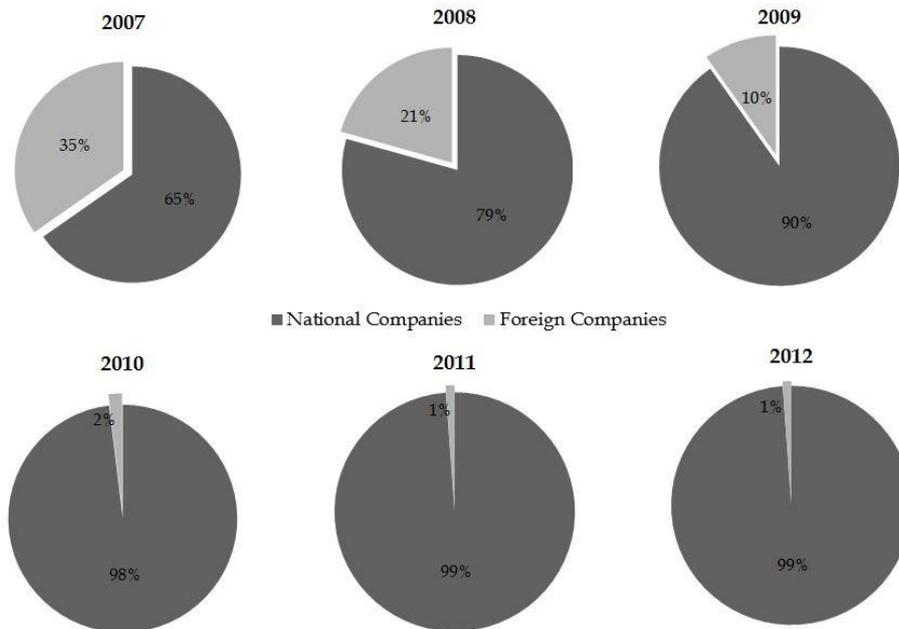
The following table clearly demonstrates the rapid growth of cargo transportation market in Indonesia, in keeping with Indonesia's economic growth. In 2007, total domestic transportation increased from 227 million tons to 355 million tons in 2012. The increase represents a 56% growth, or an average growth of 10% per year. In addition, the following table also explains the transformation of marine transportation as a result of the cabotage principle policy in Indonesia. National shipping companies previously controlled a mere 65.2% of the domestic cargo transportation in 2007 (55.5% in 2005), by 2012, these companies have managed to control substantially all market share. National ship owners have also gained a solid position in the export import market, with their market share increasing from 5% in 2005 to 10% in 2012.

Tonnage of Marine Shipping (in Tons)	2007	2008	2009	2010	2011	2012	Market Share 2012 (%)
<b>National Companies</b>							
Domestic Shipping	148,740,629	192,763,874	258,359,686	303,119,578	316,489,377	350,930,184	98.8
Export-Import	31,381,870	38,196,693	49,293,953	51,162,187	55,183,410	59,766,537	9.99
<b>Total</b>	<b>180,122,499</b>	<b>230,960,567</b>	<b>307,653,639</b>	<b>354,281,765</b>	<b>371,672,787</b>	<b>410,696,721</b>	
<b>Foreign Companies</b>							
Domestic Shipping	79,214,358	50,126,180	28,007,688	5,870,818	3,779,169	4,093,544	1.2
Export-Import	500,514,225	498,273,709	501,661,150	516,046,091	525,694,587	537,898,834	90.01
<b>Total</b>	<b>579,728,583</b>	<b>548,399,889</b>	<b>529,668,838</b>	<b>521,916,909</b>	<b>529,473,756</b>	<b>541,992,378</b>	
<b>Grand Total</b>							
Domestic Shipping	227,954,987	242,890,054	286,367,374	308,990,396	320,268,546	355,023,728	100.0
Export-Import	531,896,095	536,470,402	550,955,103	567,208,278	580,877,997	597,665,371	100.0

Source: Prepared based on Ministry of Transportation Statistics, year 2012

The following diagrams will clearly demonstrate that local players have managed to play a dominant role in domestic transportation before and after the implementation of Cabotage principle. In terms of economy, the continuous increase of shipping industry total expenditure managed to provide distinctive contribution to the national gross domestic product, i.e., RP 181,353 billion compared to total national gross domestic product of Rp 2,480,807 billion by the end of the first semester 2014.

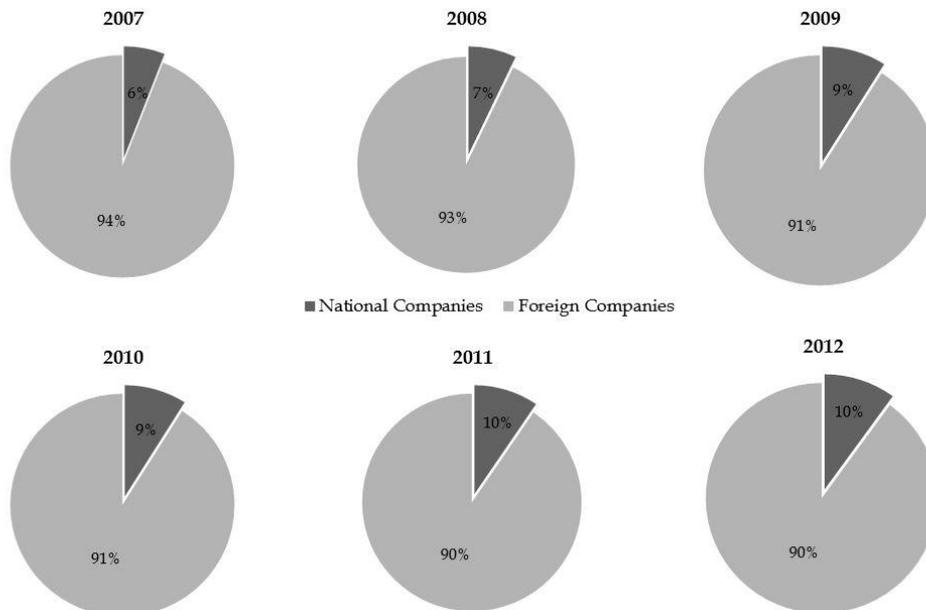
**Comparison of Domestic Transportation Market Share in Indonesia  
Year 2007 – 2012**



Source: Global Business Guide Report (March 2014), prepared based on Ministry of Transportation Statistics, year 2012

Presented below is the comparison of Marine Transportation Market Share for Export-Import activities, where local players represent a mere 10% of the total market share. This condition create future opportunities for national companies to enter the export import market following the beyond cabotage program that is continuously being proposed by the Indonesian National Shipping Association (INSA)

**Comparison of International Transportation Market Share  
Year 2007 – 2012**



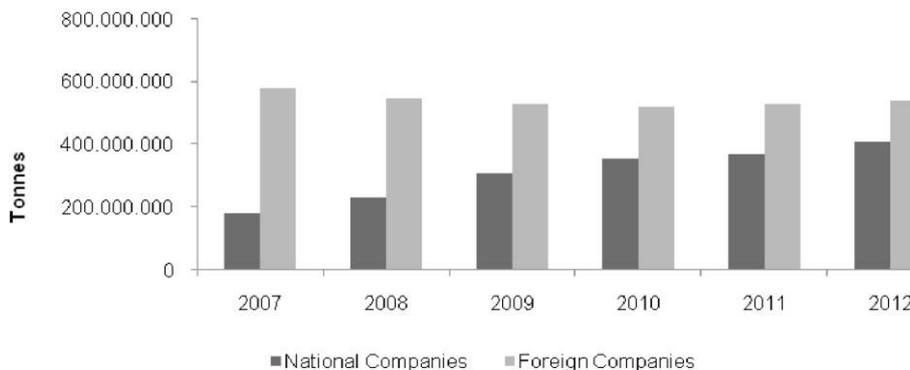
Source: Global Business Guide Report (March 2014), prepared based on Ministry of Transportation Statistics, year 2012



## Shipyard industry

The following chart concludes that since the implementation of the cabotage principle, the quantity of shipping operation carried out by local players has increased, particularly in 2011. This increase occurs not only in terms of marine transportation mode produced by domestic shipyard but also the amount of tonnage transported by sea.

Total Marine Transportation Production in Indonesia



Source: Global Business Guide Report (March 2014), prepared based on Ministry of Transportation Statistics, year 2012

Total marine transportation modes in Indonesia that are produced in domestic shipyard continued to increase, reaching nearly 400 million DWT by the end of 2012. However, in reality, the figure is far behind other countries, both in the Asian region and in the world. Based on data collected by IHS Fairplay, as quoted in one of the research report issued by Clarkson Report and presented in the research report issued by Global Business Guide (March 2004), it was noted that in 2011, the number of new vessels registered in the orderbook (shipbuilding order) of shipyards in Indonesia was only 125 units of new vessels, 19 of which were ready for handover. Indonesia ranks seventeen out of 20 countries in the list. Indonesia is far behind China's shipyard industry, which dominates the market with a total order book of 2,740 units of new vessels and 386 unit of vessels ready for handover.

**Summary of Total New Shipbuilding**  
(all types of vessels above 1,000 Gross Tons, in Unit)  
September 2011

No	New Shipbuilding	Order Book		Completion	
		Unit	GT (million)	Unit	GT (million)
1	China	2,740	91.830	386	11.170
2	South Korea	1,222	85.577	145	8.228
3	Japan	1,013	37.943	144	4.794
4	Philippines	87	5.191	10	0.566
5	China – Taipei	53	2.509	6	0.239
6	Brazil	128	2.310	6	0.008
7	Vietnam	237	2.241	24	0.178
8	India	243	2.020	7	0.029
9	Other Countries	771	1.686	78	0.177
10	Germany	54	1.342	4	0.153
11	Romania	97	1.291	6	0.162
12	Italy	40	1.085	5	0.115
13	Turkey	156	0.623	13	0.089
14	Iran	33	0.536	0	0
15	Russia	100	0.418	10	0.027
16	Croatia	22	0.409	2	0.055
17	<b>Indonesia</b>	<b>125</b>	<b>0.353</b>	<b>19</b>	<b>0.019</b>
18	France	11	0.319	0	0
19	Netherland	79	0.282	10	0.033
20	Finland	11	0.235	0	0

\*Combination of several countries with relatively small shipbuilding order

Source: IHS Fairplay, Global Business Guide Report (March 2014), prepared based on Ministry of Transportation Statistics, year 2012

However, another look at the activity of Indonesian shipyard for the construction of smaller type vessels (size below 1,000 GT – Gross Tons) indicated several positive notes that the national shipyards have possessed the capabilities to export small vessels to various countries. The following presented the number of ships sent abroad from Indonesian shipyards for the period from 2010 to 2013.



**Indonesian Vessel Export (Unit)**

2010 – 2013

Vessel Type	2010	2011	2012	2013 *
Motor Ship ≥ 500 GT	62	33	25	103
Barges, tug boats, <i>dredgers</i>	30	51	27	19
Motorless Vessels ≥ 500 GT	62	25	35	17
Floating/ submersible drilling/ production platforms	7	10	21	8

\* Up to the third quarter of Indonesia

Source: Statistics Indonesia, prepared by Global Business Guide (March 2014)

The rapid growth of national maritime industry during the past few years is not yet followed by the increase in qualified production capacity of the currently existing and operating shipyards. This resulted in a deficit of unit produced for each type of vessel compared to the number of vessels required. In 2013 (estimated based on data as of March 2014), there was at least 457 unit of vessels that had to be imported, with total capacity of 981,847 DWT. The following table indicates that the capacity of national shipyards is only able to fulfill approximately 17% of total domestic demand in 2013 for the ten type of vessels stated.

**Overview of Vessel Production and Import Plan Year 2013**

No	Vessel Type	Conversion Value (DWT)	Domestic Vessel Demand		Domestic Vessel Production		Vessel Import to Indonesia	
			Unit	DWT	Unit	DWT	Unit	DWT
1	General Cargo 2500 DWT	2,500	92	230,000	31	77,500	61	152,500
2	Container 750 TEU	4,000	7	28,000	2	8,000	5	20,000
3	Ro ro Vessels 700 GRT	515	4	2,060	2	1,030	2	1,030
4	Ferry 700 GRT	519	3	1,557	1	519	2	1,038
5	Bulk Carrier 12500 DWT	12,500	5	62,500	2	25,000	3	37,500
6	Tanker 15000 DWT	15,000	23	345,000	5	75,000	18	270,000
7	Barge 300 FT	3,000	151	453,000	6	18,000	145	435,000
8	Passenger 700 GRT	519	19	9,861	3	1,557	16	8,304
9	Tug Boat 2200 HP	350	153	53,550	25	8,750	128	44,800
10	Landing Craft 200 DW	200	22	4,400	5	1,000	17	3,400
11	Fishing Vessels 150 GT	111	63	6,993	8	888	55	6,105
12	Dredger 600 DWT	600	4	2,400	1	600	3	1,800
13	Cruise Ships 250 GT	185	3	555	1	185	2	370
<b>Jumlah</b>			<b>549</b>	<b>1,199,876</b>	<b>92</b>	<b>218,029</b>	<b>457</b>	<b>981,847</b>

Source : Global Business Guide Report, March 2014

**4. Future Projection of Demand for New Vessels**

As previously discussed, the number of vessels operating in Indonesia has rapidly increased within the last eight years, with an average growth rate of 6,9% (2006) up to 14,1% (2008). In reality, the number of vessels for commercial shipping has surged by 46.4% in 2011 from 5,281 units of ships in 2010 to 7,880 unit of ships in 2011. This rapid growth is not only supported by the implementation of the cabotage principle to replace foreign-flagged vessels operating in Indonesia, but also by the decline in prices of second hand vessels abroad as a result of the 2008 economic crisis. Therefore, the Company is able to benefit from high charter fee in the domestic market with low capital expenditure for the purchase of second hand vessels.

The Ministry of Transportation recorded an average growth of the number of operating vessels for the period from 2006 to 2013 as presented in the following table. Future growth projection on number of ships based on the figures presented is believed to be less than two digits compared to prior year. Based on data from INSA, which currently records approximately 13,000 units of vessels in Indonesia, the number of vessel is expected to increase to 16,000 – 19,000 vessels by the end of 2018. This condition will strengthen Indonesia's position to control approximately 20% of international shipping in 2020 (current portion is approximately 10%, see table Comparison of International Transportation Market Share in Sub-chapter X, number 3). These projections are certainly closely related with the conducive domestic economic and social politic conditions and the world economy in general.

**Growth Rate of Indonesian-flagged Vessels  
Year 2006 – 2013**

Type of Vessel	2006	2007	2008	2009	2010	2011	2012	2013 *
Commercial Shipping	13,6	9,8	15,9	10,4	6,5	46,4	10,9	-
Small Scale Shipping	-10,5	3,8	0,6	0,5	0,6	1,0	1,1	-
Special/Private Shipping	0,0	1,9	5,7	3,6	3,4	1,7	9,8	-
Total Vessels	6,9	11,3	14,1	12,2	8,5	9,6	8,2	10,0

Up to November 2013

Source: Ministry of Transportation, prepared by Global Business Guide, March 2014.



The growth of number of vessels in Indonesia is mainly supported by the development of oil and natural gas production activities in Indonesia. The Ministry of Trade estimated that a minimum of 30 CNG (Compressed Natural Gas) and LNG (Liquefied Natural Gas) carriers with 40,000 Cum capacity is required at present. However, in reality, Indonesian shipyards are only able to produce this type of vessel within the next three to four years (source: [www.bisnis.com](http://www.bisnis.com), 11 August 2013). The demand for gas carrier vessels continues to increase, in line with the increase in gas consumption that is parallel with the energy conversion program from oil to natural gas.

The distribution process of natural gas, which has reached approximately 20.1 TCF (Trillion Cubic Feet) in 2010, is estimated to increase by 13% to 22.8 TCF by the end of 2014. This volume is estimated to require approximately 150 to 2000 CNG and LNG carriers within the next 5 years.

The same applies for oil production and exploration activities, the number of oil tankers is projected to grow by 20% during the same period, assuming Pertamina (Persero), with the support from oil distributors such as PT AKR Corpindo Tbk, PT Petronal Niaga Indonesia and PT Surya Parna Niaga, will intensify their distribution operation in eastern Indonesia area.

Currently, there are 672 vessels supporting the oil and natural gas activities in Indonesia, and only approximately 3% (mostly C Class) consists of foreign-flagged vessels. Projection of the number of vessels required prepared by SKK Migas for the period 2013-2015 is outlined in the table below. Global Business Guide predicts that the demand for offshore vessels in the next 5 years (up to 2018) will be 460 units of new vessels.

#### Projection of Demand for Offshore Vessels Year 2013 – 2018

Exploration, Construction, Production	Operational Support	Type of Activity		
		Offshore Construction	Oil & Gas Explorations	Drilling
2013 – 2015 (3 years) *	206	63	16	64
2014 – 2018 (5 years) **	280	75	30	75

Source :

\* SKK Migas

\*\* Global Business Guide Projection, March 2014

Several important points from Pertamina's vessel procurement program summarized by Global Business Guide in its report as of March 2014 are as follows:

- Pertamina operates around 190 units of vessel, 59 units of which are properties of this state-owned oil and gas company. The remainings are vessels chartered from several private companies, including the Company, PT Berlian Laju Tanker Tbk., Samudra Shipping Services and Humpuss business group. Since November 2013 up to April 2014, Pertamina has carried out 39 time charter tenders, only a few were tenders opened for spot charter method.
- Pertamina plans to increase the number of vessels by up to 40 units of vessel for the 2013-2016 period, as stated in Pertamina's Long-term Plan (2012-2016), with a total budget of approximately USD 2.5 billion.
- Pertamina intends to own one unit of LNG gas carrier with a capacity of 140,000 m3 before 2018.

## 5. Maritime Industry Competitive Landscape

### Shipping Industry

In general, the competition of shipping industry in Indonesia is fully protected by the cabotage principle:

1. Foreign-flagged vessels are prohibited from transporting Indonesia's domestic cargo, therefore competition is limited to other domestic shipping companies.
2. All Indonesian-flagged vessels shall be owned by Indonesian citizen. Foreign ownership in Indonesian-flagged vessels is limited to a maximum of 49%.
3. All Indonesian-flagged vessels shall be manned by Indonesian citizen, therefore operating the vessel will be extremely difficult for foreigners, as they do not have skilled Indonesian crew.

In practice, domestic shipping companies will only acquire a vessel and register the said vessel as an Indonesian-flagged vessel if additional tonnage demand for ship transportation exists. In our experience, tenders for extension of existing vessel charter contract are commonly attended by a single participant, i.e., the existing vessel, with no competition.

Currently the annual increase in demand for oil and gas transportation in Indonesia is extremely high, therefore, each national shipping company indirectly obtains sufficient individual portion for them to grow. Therefore,



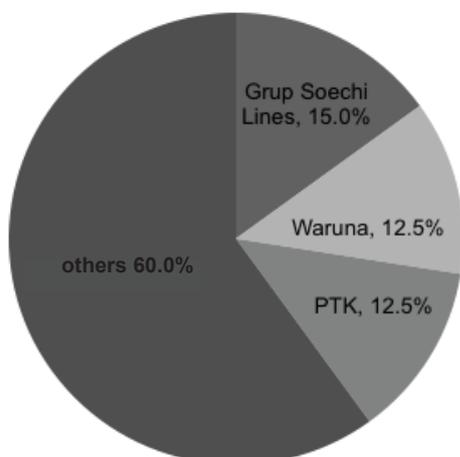
competition can be considered relatively inexistent or low. Particularly in large vessels sectors, there is only a very limited number of national shipping companies that are capable of providing large-size vessels.

Furthermore, we can project the future competitive landscape of shipping industry in Indonesia by looking at the market of ship transportation in the United States, which has long implemented the cabotage principle since 1920. Competition is practically inexistent in the US, for example the range of charter fee for MR type tanker in the world is between USD 12,000 -13,000 per day, but charter fee in the US is more than USD 50,000 per day.



## Competition in liquid transporter segment

**Liquid Transporter Market Share**



Source : Global Business Guide, March 2014

Competition in liquid transporter vessel segment operating in Indonesia is dominated by liquid cargo vessels, with total capacities up to 106 million DWT, whereas chemicals and CPO tankers contribute 3 million DWT and 9.5 million DWT, respectively. At the end of 2012 there are 574 liquid transporter vessel, 348 units of which are owned by members of INSA plus 115 barges and 50 self-propelled barges.

There is no official data available regarding the market share of vessel charter transactions in Indonesia. According to Global Business Guide report (March 2014) prepared based on interview and independent research, the largest portion of liquid transporter market share of 60% is controlled by numerous shipping companies, each controlling small market share of approximately 0.5% to 2%. The companies sharing the said 60% share are, among others, Humpuss business group, Samudra Indonesia and Andhika Lines. Whereas major players with more than 10% market share are PT Soechi Lines Tbk (and subsidiaries) with approximately 15%, Waruna business group with approximately 12.5% and PTK (a subsidiary of Pertamina).

## Shipyard Industry

Currently, there are approximately 250 registered shipyard companies, consisting of four SOEs, approximately 170 private companies outside Batam and Karimun island in Riau Islands Province, and approximately 75 private companies (mainly owned by foreign countries/Singapore) in Batam/Karimun. Based on IPERINDO data for the year 2013, the total capacities referred to above owns 160 shipbuilding facilities and 240 vessel maintenance/repair facilities in Indonesia.

The data collected by Global Business Guide report issued in March 2014 regarding the expansion of capacities and new shipbuilding facilities is as follows:

- 11 facilities have the capacity to build ships with size ranging from 5,001 – 10,000 DWT;
- 9 facilities have the capacity to build ships with size ranging from 3,001 – 5,000 DWT;
- 8 facilities have the capacity to build ships with size ranging from 1,001 – 3,000 DWT;
- 27 facilities have the capacity to build ships with size ranging from 500 – 1,000 DWT; and
- 99 facilities have the capacity to build ships with size less than 500 DWT.

Whereas for vessel maintenance/repair facilities, outlined below are the facilities owned by all shipyards in Indonesia:

- 3 facilities have the capacity to carry out works for ships with size ranging from 50,001 – 100,000 DWT;
- 6 facilities have the capacity to carry out works for ships with size ranging from 10,001 – 50,000 DWT;
- 7 facilities have the capacity to carry out works for ships with size ranging from 5,001-10,000 DWT;
- 6 facilities have the capacity to carry out works for ships with size ranging from 3,001-5,000 DWT;
- 25 facilities have the capacity to carry out works for ships with size ranging from 1,001-3,000 DWT;
- 45 facilities have the capacity to carry out works for ships with size ranging from 501-1,000 DWT;
- 121 facilities have the capacity to carry out works for ships with size less than 500 DWT.

Shipyard companies operating outside Batam, including 3 widely known SOEs are: PT PAL (SOE), PT Dumas Tanjung Perak Shipyard, and PT Dok & Perkapalan Surabaya (SOE), which operates in Surabaya, PT JMI operates in Semarang, PT Dok Kodja Bahari (SOE) operates in Jakarta and PT Daya Radar Utama and PT Caputra.

For shipyard companies outside Batam area, PT PAL is still considered the largest, not only in terms of capacity but also in terms of market share, which is predicted to reach 20% as PT PAL often receives new shipbuilding projects from the Government. PT dok and Perkapalan Surabaya, PT Daya Radar Utama and PT Dok Kodja Bahari are next, each holding a market share of 10% - 15%. PT JMI, PT Caputra and several other shipyard companies each hold a market share ranging between 2% - 5%. The remaining market share is divided between approximately 180 companies, both within or outside of Batam.

Several shipyard companies operating in Batam are PT Batamec, Drydock World (with 3 companies in its business group, including Nanidah), PT ASL Shipyard, PT Santek, PT Loh & Loh and PT Asiatic Shipyard.

Operational wise, shipyard companies located in Batam are more structured, in compliance with the Government regulations and in general are more cost efficient due to its proximity with Singapore. In terms of technology used,



several shipyard companies in Batam are more sophisticated due to support from their shareholders from the neighboring countries who are also players in the shipping industry.

**SWOT Analysis on National Shipyard Industry Potential**

To assess the potential of shipyard industry in Indonesia, Global Business Guide (March 2004) issued a SWOT (Strength, Weaknesses, Opportunities and Threats) analysis which summarizes the result of independent research on the condition of shipyard industry players. Outlined below are the SWOT factors that are relevant to the development, capital and competition between shipyard owners.

**SWOT Analysis on Shipyard Industry**

<ul style="list-style-type: none"> <li>Substantial potential demand for domestic vessels, including from the country's captive market and the related government agencies</li> <li>High demand for vessel repairs/maintenance services owing to the large number of domestic fleets</li> <li>Low cost labor are available relatively easily</li> <li>Establishment of several basic infrastructure, including industrial complex</li> <li>Strategic geographical location</li> <li>Availability of land for shipyard</li> <li>Government's commitment to developing the maritime industry</li> <li>Tendencies of the government and SOEs to use domestic shipyards in order to support the shipping industry</li> <li>Availability of human resources and institutions such as LHI, NaSDEC and Agency for the Assessment and Application of Technology (<i>Badan Pengkajian dan Penerapan Teknologi</i>, "BPPT").</li> </ul>	<ul style="list-style-type: none"> <li>Relatively low skills in vessel design and production management</li> <li>High dependency on imported raw material components</li> <li>Production facilities and equipment that are relatively old</li> <li>Weak regulation consistencies and coordination between various industries in the shipping and shipyard sector</li> <li>Mandatory regulation implementation, which contributes to the high production cost</li> <li>Lack of support from the banking industry</li> <li>Domestic shipyards are relatively slow to adapt with the market's new requirements, such as design, quality, efficiency and innovation (partly due to the lack of adequate facilities and supporting components)</li> <li>Lack of skilled labor, including welder</li> </ul>
<b>STRENGTHS</b>	<b>WEAKNESSES</b>
<b>OPPORTUNITIES</b>	<b>THREATS</b>
<ul style="list-style-type: none"> <li>Relocation of shipyards from developing countries</li> <li>The increase in domestic demand for new vessels to replace obsolete vessels</li> <li>Increased cooperation with countries possessing advanced shipbuilding technology (for example, South Korea, Russia with its submarines, and others).</li> <li>Potential recovery of the world economy, which resulted in the increase in global demand for vessels</li> <li>The start of ASEAN open market in 2015 will trigger business developments and market expansion steps</li> </ul>	<ul style="list-style-type: none"> <li>Tighter competition from foreign shipyards, particularly from the ASEAN region and China.</li> <li>Cost increase in ship direct raw material, main components and equipment.</li> <li>The improved investment climate and foreign companies in competing countries, particularly in ASEAN region</li> <li>Domestic political stability issue, in particular the political issue in 2014</li> <li>Domestic macroeconomic stability issue (current inflation, interest rate and depreciation of foreign exchange currencies)</li> <li>Potential barrier in industrial relation, particularly in Batam, if workers from ASEAN countries are allowed to enter freely.</li> </ul>

Source: *Global Business Guide, Indonesia's Shipping & Shipyard Sector, December 2013- March 2014*

**6. Role of and Support from the Government of Indonesia**

Considering the rapid development and demand growth for national shipping industries and consideration of several legal aspects related to the geographical sovereignty in Indonesian waters, the Government continuously plays an active role in regulating and creating conducive industry climate, particularly for domestic business players. A series of laws and other regulations have been issued by the Government, with a single objective of supporting the development of national maritime industry and protect domestic business players from foreign business players, which tend to corner local players.

**6.1 Implementation of the Cabotage principle**

Based on Laws of the Republic of Indonesia No. 17 Year 2008 ("Law no. 17 Year 2008") concerning Shipping, cabotage principle is defined as the obligation of all commercial ships operating in Indonesian waters to use Indonesian-flagged ships and the ban on foreign ships carrying out inter-islands or inter-ports passengers and/or goods transportation in Indonesian waters. The law is effective by 1 January 2011 at the latest. Ships executing transportation contracts signed prior to the issuance of Law No. 17 Year 2008 are granted allowance until 7 May 2011 or 3 (three) years subsequent to the issuance of the aforementioned law.

This principal essentially means domestic shipping management is the sole right of the coastal state. In this regard, the coastal state has the right to prohibit foreign ships from sailing and trading in the waters of such state.



The implementation of cabotage principle is supported by the provision of the International Maritime Law with regard to coastal state's sovereignty and jurisdiction over its territorial waters. The implementation of this regulation follows the footsteps of the American government, who also implements the US Jones ACT, which stipulates that all domestic shipping in America shall be carried out by American-flagged vessels built in US shipyards, and at least 75% owned by American citizen.

Economic wise, the purpose of cabotage principle implementation is to develop the economy of Indonesian society by providing business opportunities as wide as possible for national and local sea transportation companies. The law is believed to be able to increase domestic ship production since all ships sailing in the Indonesian waters have to be Indonesian-flagged.

Other objectives of the cabotage principle implementation are to prevent or reduce the society's dependence to foreign ships; expedite the flow of goods or services and passengers to all areas of the archipelago with maximum services and reasonable price, including to remote areas; as an effort to provide job opportunities to the citizen; and lastly as the backbone and support of national defense and security system.

In addition, since the implementation of cabotage principle requires every commercial ship transporting domestic cargo to use Indonesian-flagged vessels, it will automatically increase the level of employment and reserve Indonesia's foreign exchange income as a result of the reduction in use of foreign ships for transporting domestic cargo and the increased role of national shipping companies and industry in transportation of export or import cargo.

The cabotage principle, which requires the use of Indonesian-flagged vessels to transport domestic cargoes, particularly for oil and gas upstream and downstream business activities support services, was implemented by 1 January 2011, at the latest. Ships executing transportation contracts signed prior to the issuance of Law No. 17 Year 2008 are granted allowance until 7 May 2011 or 3 (three) years subsequent to the issuance of the aforementioned law. Presented below is the mapping of cabotage principle implementation plan based on Law N. 17 Year 2008, Government Regulation No 22 Year 2011 and Minister of Transportation Regulation No. 48 Year 2011:

#### Roadmap of Cabotage Principle Implementation in Indonesia

No.	Activity	Vessel Type	2012	2013	2014	2015
1	Offshore Support Vessels	AHTS Vessel ≥ 5.000 bhp with dynamic positioning	√	√	√	√
		Platform Supply Vessel	√	√	√	√
		Diving Support Vessel	√	√	√	√
	Offshore Construction	Diving Support Vessel	√	√	√	√
2	Dredging	Drug Head Suction Hopper Dredger			√	√
		and Talling Suction Happer Drugger			√	√
3	Underwater construction activities and offshore rescue	Heavy Floating Crane, Heavy Crane			√	√
		Barge and Survey Salvage			√	√
		Derrick/Crane, Pipe/Cable/Sub Sea			√	√
		Umbilical Riser Flexible Laying Barge			√	√
4	Oil and Gas Survey	Seismic, Geophysical, and Geotechnical				√
5	Drilling	Jack Up Rig, Semi Submersible Rig				
		Deep Water Drill Ship, Tender Assist				

The Government, through the Ministry of Industry has prepared a roadmap that will serve as a guidance for the implementation of Law No. 17 of 2008, which does not only cover the use of Indonesian-flagged vessels but also implements guidance for the shipyard segment. By 2025, Indonesia is expected to be able to independently produce vessels with total capacities of 2 million DWT per year and to be able to carry out repair works up to a capacity of 20 million DWT per year. The specification of vessels to be produced independently are various tankers with total capacity of 400,000 DWT per unit or cruise ship with a capacity of 2,000 passengers.



**Roadmap of National Shipyard Industry Production Capabilities and Capacities Plan**

Class	Indicator	2012 - 2015	2015 - 2020	2015 - 2025
<b>A</b>	<b>Production facility capacity</b>			
	New vessels (DWT)	85,000	300,000	300,000
	Repairs (DWT)	150,000	300,000	300,000
<b>B</b>	<b>Production capacity &amp; capability</b>			
	New vessels (DWT/year)	1,000,000	1,500,000	2,000,000
	Repairs (DWT/year)	12,000,000	15,000,000	20,000,000
	Type of ships produced	Tanker variant of various types and sizes up to 85,000 DWT Passenger ship with a capacity of 1,000 passengers Battleships (Landing Craft/LCT, Landing Platform Dock/LPD, Fast Patrol Boat/FPB, Corvette)	Tanker variant of various types and sizes up to 300,000 DWT Cruise ship with a capacity of 1,000 passengers. Battleships (LCT,LPD,FPB, Corvette, Frigate)	Tanker variant of various types and sizes up to 400,000 DWT Cruise ship with a capacity of 2,000 passengers. Battleships (LCT,LPD,FPB, Corvette, Frigate, Submarines).

Source: Ministry of Industry, Road Map for the Shipyard Industry, 2014

**6.2 Limitation of foreign ownership**

Presidential Regulation No. 39 Year 2014 concerning Investment Negative List limits foreign investment in Indonesia's Overseas and Domestic Sea Transportation business at a maximum of 49%. The regulation will have positive impact on the Company's business growth prospects, since competition, particularly from foreign competitors, can be minimized. Foreign investors may perceive the shipping industry as less attractive considering the ownership limit which prevents them from being majority shareholders (maximum 49%), therefore rendering them difficult to control business development policies and/or profit distribution.

The substantial investment required to acquire vessels is a barrier to entry for the shipping industry, the existence of the Presidential Regulation referred to above will add the barrier to entry for competitors, particularly foreign investors. Foreign investors will consider the limitation in business development prospects of shipping industry, in terms of the maximum business scale to be developed considering the capability of local partner to simultaneously provide capital contribution. Local partner may experience financing problems in the event that the planned business expansion is substantial in scale. The foregoing will indirectly create multiple problems for foreign investors intending to massively and aggressively develop shipping business in Indonesia.

In addition, competitors intending to provide services for the offshore oil and gas industry will experience the greatest impact from Presidential Regulation No. 36 due to vessels costs that are the highest among other type of vessels.



## XI. EQUITY

The following table sets forth the Company's consolidated equity position presented based on the consolidated statements of financial position of the Company as of 30 June 2014, 31 December, 2013, 2012 and 2011, and the consolidated statements of comprehensive income for the six months periods ended 30 June 2014 and 30 June, 2013, and the years ended 31 December 2013, 2012 and 2011. The consolidated financial statements of the Company as of 30 June 2014, 31 December 2013, 2012 and 2011, and the consolidated statements of comprehensive income for the six months periods ended 30 June 2014 and 2013, and the years ended 31 December 2013, 2012 and 2011 were audited by the Public Accountant Firm Kosasih, Nurdiyaman Tjahjo & Partners (a member of Crowe Horwath International), which expressed an unqualified opinion in its report dated 9 October 2014.

Description	(in USD)			
	30 June 2014	2013	31 December 2012	2011
<b>Equity</b>				
Share capital - par value of Rp100 per share as of June 30, 2014, December 31, 2013 and 2012, and Rp1.000.000 per share as of December 31, 2011				
Authorized - 23.000.000.000 shares as of June 30, 2014, 14.000.000.000 shares as of December 31, 2013, 4.000.000.000 shares as of December 31, 2012, and 200.000 shares as of December 31, 2011				
Issued and fully paid - 6.000.000.000 shares as of June 30, 2014, 3.572.081.001 shares as of December 31, 2013, 1.072.081.001 shares as of December 31, 2012, and 50.050 shares as of December 31, 2011	57,064,356	36,831,698	11,494,716	5,567,297
Additional paid-in capital	65,141,276	65,112,248	-	-
Proforma equity arising from restructuring transactions of entities under common control	-	-	-	23,097,110
Difference in value from restructuring transactions of entities under common control	-	-	65,110,210	21,615,527
Retained earnings				
Appropriated	7,284,280	-	-	-
Unappropriated	44,727,195	36,421,401	6,202,071	3,450,487
Total equity attributable to owners of the parent entities	174,217,107	138,365,347	82,806,997	53,730,421
Non-controlling interests	147,109	151,991	118,700	12,251,120
<b>Total Equity</b>	<b>174,364,216</b>	<b>138,517,338</b>	<b>82,925,697</b>	<b>65,981,541</b>

Up to the date of issuance of the Prospectus there is no change in the capital structure and share ownership of the Company.

The following sets forth the pro forma equity position of the Company on June 30, 2014 after taking into account the effects of Initial Public Offering:

**PROFORMA EQUITY TABLE AS OF 30 JUNE 2014**

Description	Share capital- issued and fully paid	Additional paid- in capital	Retain Earnings		Non-controlling interests	Total Equity
			Appropriated	unappropriated		
<b>Equity position in the financial statements as of June 30, 2014</b>	57.064.356	65.141.276	7.284.280	44.727.195	147.109	174.364.216
Changes in equity after June 30, 2014, under assumption the following occur on the date::						
- Initial Public Offering in the amount of (●) shares with the offer price of Rp ●, - per share after deducting estimated Offering expenses borne by the Company and the par value of Rp100, - per share	●	●	-	-	-	●
<b>Proforma equity as of June 30, 2014 after the Initial Public Offering</b>	●	●	7.284.280	44.727.195	147.109	●



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## XII. TAXATION

### Taxation for Shareholders

Income tax on dividends is levied under the law and regulations in force. According to Article 4 paragraph 3 item f of the Law of the Republic of Indonesia No. 7 year 1983 as most currently amended by law No. 36 year 2008 on Income Tax (entering into force on 1 January 2009), dividend or distribution of profit earned by limited liability companies as domestic taxpayers, cooperative, state-owned or local government owned enterprises, as result of equity investment in any business entity established and domiciled in Indonesia, shall not be liable on income tax if the following requirements are fulfilled:

- The dividends derived from retained earnings; and
- In the case where the recipient of dividends is a limited liability company or a state or local government owned enterprise, its ownership in the enterprise paying the dividend must not be less than 25%.

Pursuant to the Regulation of the Minister of Finance No. PMK 234/PMK.03/2009 dated 29 December 2009 on Certain Investment Sectors of Generating Income for Pension Funds Excluded as Income Tax Object, then the income of a pension fund foundation approved by the Minister of Finance shall not be subject to Income Tax if such income was received or acquired from investment in, among others, stocks being traded at the Indonesia Stock Exchange.

In accordance of Government Regulation No. 14 of 1997 on Amendment of Government Regulation No. 41 of 1994 on Income Tax on Proceeds from Sale Transactions of Shares at the Stock Exchange, and Circular of the Directorate General of Tax No. SE-06/PJ.4/1997 dated 20 June 1997, regarding the Application of Income Tax on Proceeds from Share Sale Transactions at the Stock Exchange the following provisions are stipulated:

1. On any income received or earned by any individual or entity from a sale transaction of shares on a Stock Exchange, a final income tax will be imposed at 0.1% of the gross value of the transactions. Payment of the related withholding tax is to be made by the Stock Exchange organized through stock brokers at the time of payment of the sale transaction of shares;
2. Founding shareholders shall be charged with additional final income tax of 0.5% of the value of shares in the Company at the time of the Initial Public Offering;
3. Founding shareholders are given an exemption of fulfillment of their tax obligations by their own calculations in accordance with the above provisions. In this case, the founding shareholders for tax purposes may make a final calculation using their own assumptions that proceeds have been generated. Payment of additional Income Tax is carried out by the Company in the name of the founding shareholders by no later than 1 month following the trade of the shares at the Stock Exchange. However, in the event the shareholder declines to take advantage of such exemption, calculation of the Income Tax shall be based on the applicable Income Rate in accordance with Article 17 of Law No. 7 of 1983 as most currently amended by Law No. 36 of 2008 on Income Tax

Pursuant to Government Regulation No. 19 of 2009 on Income Tax Applicable to Dividend Received or Acquired by Domestic Individual Taxpayer, income in the form of dividend received or acquired by a domestic individual taxpayer is subject to a final Income Tax of 10% of the total gross value.

Dividends paid to a Domestic Taxpayer (including Permanent Corporate Entities) which does not meet the qualifications stipulated under Article 4 paragraph 3 item f of Law No. 7 of 1983 as most currently amended by Law No. 36 of 2008 above shall be subject to a deduction for Article 23 Income Tax at the rate of 15% of the gross value, as provided under Article 23 paragraph 1 and 1(a) of Law No. 7 of 1983, as most currently amended by Law No. 36 of 2008 on Income Tax, and if such Taxpayer does not have a Taxpayer Registration Number, the rate will be 100% higher, or 30% of the gross income.

The magnitude of the rate imposed on the income in the form of dividends received or obtained by the private Taxpayer in the country is based on the provisions of article 17 paragraph (2 c) Law No. 36 year 2008 about income tax and the tariff imposed on income in the form of dividends to be distributed to taxpayers of a private person in the country which can be as high as 10 % (ten per cent ) and shall be final. The stipulation concerning the amount of the tariff based on the provision of article 17 paragraph ( 2d ) shall be regulated by government regulation no. 19 / 2009 on income tax on dividends are received or obtained taxpayers a private person in the country.

In accordance with the Regulations of the Director General of Tax No. PER-64/PJ/2009 on the application of the approval procedures of the Double Tax Avoidance, as amended by by-24/PJ/2010. Dividends paid to Foreign Taxpayers will be subject to a 20% rate of cash being paid out (in terms of cash dividend) or 20% of the par value



(in terms of share dividends) or a lower rate in terms of dividend payments made to those who are residents of a State that has signed Double Taxation Avoidance (P3B) with Indonesia.

In order for such foreign tax payer to benefit the rate stipulated under the Agreement on Avoidance of Double Taxation, then pursuant to the provisions of the Regulation of the Director General of Tax No.PER-24/PJ/2010 dated 30 April 2010 on Amendment to the Regulation of the Director General of Tax No. PER-61/PJ/2009 on Procedure to Invoke Agreement on Avoidance of Double Taxation, such Foreign Taxpayer is required to file a Certificate of Domicile of Non Resident for Indonesia Tax Withholding, namely:

1. Form-DGT 1 or;
2. Form-DGT 2 for banks and Foreign Taxpayers receiving or acquiring income through a custodian with respect to income derived from a share or bond transfer traded or listed at an Indonesian stock exchange other than interest and dividend, and Foreign Taxpayers having the form of a pension fund foundation which was established by virtue of the laws of the state party and in which the taxpayer is located.
3. SKD Form issued by the state party, in the event the competent authority of such state party declines to sign the Form DGT-1/DGT-2. The SKD form is issued in English. The DGT-1/DGT-2 form needst only be signed by the Foreign Taxpayers, and will constitute an appendix to the SKD Form of the state party with the following terms:
  - The SKD form is issued in English;
  - Published on or after January 1, 2010;
  - Original document or copy of the document that has already been legalised by tax services office where one of the tax collector is listed as a taxpayer;
  - At least include information about WPLN name ; and
  - Include the signature of an authorized officer, his Deputy, or the official of the Office of the tax authorities in the P3B partner countries, or an equivalent of a sign [or signature?] that matches with the customary of P3B partner countries

In addition to the requirement of filing a Form-DGT1 or Form DGT-2 or SKD Form of the State Party, then in accordance with PER-25/PJ/2010 dated 30 April 2010 on Amendment to Regulation of the Director General of Tax No. PER-62/PJ/2009 on the Prevention of the Misuse of the Agreement on the Avoidance of Double Taxation, a Foreign Taxpayer must meet the Beneficial Owner requirement.

#### **Tax Obligations of the Company**

As Taxpayers, the Company has tax liability for income tax (PPh) and land and building tax (PBB). The company has fulfilled its tax obligation in accordance with the taxation regulations.

The company's tax liabilities for the fiscal year 2011 for the income tax Article 21, 23, 26, 4 (2), 29 and VAT have been fulfilled by the company. The company's tax liabilities for the fiscal year 2011, has been paid at the time of submission of SPT in April 2012, thus the company has no outstanding tax liabilities for fiscal year 2011 (nil).

The company's related parties transactions with related parties have been reported in accordance with the provisions of article 18, paragraph 4 of law No. 7 Year 1983 as amended with law No. 36 Year 2008 regarding income tax and regulations of the Director General of Taxes No. 43 in 2010, which was modified by the regulations of the Director General of Taxes No. 32 in 2011 on the application of the principle of reasonableness and the customary effort of transactions entered into between taxpayers with a special relationship.

<p><b>PROSPECTIVE BUYERS OF SHARES IN THE INITIAL PUBLIC OFFERING IS EXPECTED TO CONSULT WITH THEIR RESPECTIVE TAX CONSULTANT ABOUT THE TAX CONSEQUENCES THAT MAY ARISE FROM THE PURCHASE, POSSESSION AND SALE OF SHARES PURCHASED THROUGH AN INITIAL PUBLIC OFFER.</b></p>
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### XIII. DIVIDEND POLICY

New shareholders with regard to this Initial Public Offering will have equal and similar rights in all respects with the holders of the Company's existing issued and fully paid-up shares, including the rights to receive dividend distributions.

Based on Law No. 40 of 2007 on Limited Liability Company, dividends are distributed based on the resolutions of the Annual General Meeting of Shareholders (Annual GMS). Before the end of a financial year, interim dividend can be distributed as long as it is allowed by the Articles of Association of the Company and the distribution does not cause the net asset of the Company to become less than the issued and fully paid capital and also taking into consideration the mandatory reserves of the Company as stated in the Limited Liability Company Law. Interim dividend is distributed by the Board of Directors after being authorized by the Board of Commissioners. In the event that the Company suffered from loss after the distribution of interim dividend at the end of the financial year, the interim dividend that has already been distributed must be refunded to the Company. The Boards of Commissioners and Directors shall be jointly and severally responsible for the refund process by the Shareholders.

The Company has no plan to distribute cash dividends for the financial year of 2014, considering that in line with the Company's financial projection, the entire profit generated in the financial year of 2014 shall be used to support the Company's plan to expand the business of its Subsidiaries, to pay a portion of bank loan of its Subsidiaries or to provide additional working capital as set forth in Use of Proceeds from Initial Public Offering.

The Company's management plans to distribute cash dividends to the Company's shareholders at a maximum amount of 30% (thirty percent) of the Company's consolidated comprehensive income starting for the book year 2015 and will be paid start in 2016, without disregard to the Company's financial health and without prejudice to the right of the AGM of the Company to determine otherwise in accordance with the Company's Articles of Association.

Payment of cash dividends in the future will depend on a variety of factors, including the retained earnings, operational and financial performance, financial condition, liquidity, future business prospects, cash requirements, business opportunities and compliance with laws and regulations as well as other factors deemed relevant by the Board of Directors.

Cash dividends will be paid in Rupiah. Shareholders, who are registered as of the record date, are entitled to the full amount of paid dividend and subject to the applicable withholding taxes in accordance with the prevailing tax regulations in Indonesia. Dividends received by foreign shareholders will be subject to income tax in accordance with the prevailing tax regulations in Indonesia.

**AS OF THE DATE OF ISSUANCE OF THIS PROSPECTUS, THERE ARE NO NEGATIVE COVENANTS IMPOSED WHICH MAY ADVERSELY AFFECT THE RIGHTS OF THE PUBLIC SHAREHOLDERS.**



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## XIV. UNDERWRITING

### 1. INFORMATION ON THE JOINT LEAD UNDERWRITER

Under the terms and conditions of the Deed of Underwriting Agreement, the Underwriters whose names are identified below shall jointly or severally agree to offer and sell the Company's Offered Shares to the public based upon their respective underwriting portion with full commitment and are bound to purchase the Offered Shares that remain unsold at the close of the Offering Period.

The aforesaid agreement shall constitute the full and entire agreement which supersedes all arrangements that may have been previously made by the parties regarding the subject matter provided under the Underwriting Agreement, which are in conflict therewith. After the Underwriting Agreement, there is no other agreement which was made by the Company and Underwriters.

The Joint Lead Underwriters participating in the underwriting of the Company's shares have agreed to discharge their duties in conformity with Regulation IX.A.7 Decree of the Chairman of Bapepam and LK No. Kep-691/BL/2011 dated 30 December 2011 on Ordering and Allotment of Securities in Public Offering.

The composition, underwriting portion and percentage of the members of the syndicated Underwriters in the Company's Initial Public Offering with full commitment are as follows:

No.	information	Underwriting Portion		
		Shares	Rp	Percentage (%)
<b>Joint Lead Underwriter:</b>				
1.	PT Mandiri Sekuritas	[•]	[•]	[•]
2.	PT RHB OSK Securities Indonesia	[•]	[•]	[•]
<b>Underwriter:</b>				
1.	[•]	[•]	[•]	[•]
<b>Total</b>		[•]	[•]	[•]

PT Mandiri Sekuritas and PT RHB OSK Securities Indonesia as the Joint Lead Underwriters and the Underwriters expressly represent that they do not have any affiliation, whether directly or indirectly, with the Company as such term is defined in the Company Law.

### 2. DETERMINATION OF OFFERING PRICE IN THE PRIMARY MARKET

The Offering Price for the Offered Shares is determined based upon the mutual agreement and negotiations between the Company's Shareholders and the Joint Lead Underwriters.

Based upon the result of the book building, the highest bid price received by the Joint Lead Underwriters is between Rp• (•Rupiah) up to Rp• (•Rupiah) per share. Taking into account the result of the bookbuilding as mentioned above, upon the mutual agreement of the Joint Lead Underwriters and the Company, an Offering Price of Rp• (•Rupiah) per share is determined. Such determination of price has also taken into account the following factors:

- The market condition at the time of the bookbuilding;
- Global investors demand (domestic and international);
- Qualified potential investors demand;
- Financial performance of Company;
- Data and information on the Company, the Company's performance, brief history, business prospect and information on the cigarette industry in Indonesia;
- The Company's latest standing and development of Company;
- Factors as mentioned above in relation with market value determination and such valuation methods for companies which operates in the same industry with Company;
- Valuation based on PER comparison ratio between such public companies listed in comparable regional stock exchange; and
- Shares performance in the secondary market.

It cannot be guaranteed or ascertained that following the Initial Public Offering, the Company's share price will continue to be above the Offer Price or that trading of the Company's stock will actively grow at the IDX where the Shares are listed.



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## XV. CAPITAL MARKET SUPPORTING INSTITUTIONS AND PROFESSIONALS

The Capital Market Supporting Institutions and Professionals participating in this Initial Public Offering are as follows:

- 1. Public Accountant:** **Kosasih, Nurdiyaman, Tjahjo & Partners (Crowe Horwath International) Public Accounting Firm**  
Cyber 2 Tower, 21<sup>st</sup> floor Unit F  
Jl. H.R. Rasuna Said Blok X-5  
Jakarta 12950, Indonesia  
Phone: (62 21) 2553 9299  
Facsimile: (62 21) 2553 9298  
Partner Name : Mulyadi  
STTD No: 167/BL/STTD-AP/2011  
STTD No: 22 November 2011  
IAPI Membership no.: No. Reg 1779  
Professional Standards : Indonesian Generally Accepted Accounting Standards set by IAPI  
No. of Appointment Letter KNT&R-Landmark-067/07/2014 dated 18 July 2014

To conduct audit in accordance with the auditing standards determined by the Indonesian Institute of Public Accountants. The standards require the Public Accountant to plan and perform the audit in order to obtain a reasonable assurance about whether the financial statements are free from material misstatements. The audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements.

- 2. Legal Consultant:** **Wecolaw**  
Jl. Bora No. 31 Menteng  
Jakarta 10310, Indonesia  
Phone: (62 21) 3917228  
Facsimile: (62 21) 3917440  
  
Member of the Association of Capital Market Legal Consultants No. 200125 and 200126 in the name of Teddy A.Wardhana, SH, LL.M. and Imran S. Kris, SH, LL.M.;  
STTD No. 361/PM/STTD-KH/2001 and No. 363/PM-STTD-KH/2001, both dated 6 April 2001;  
Appointment Letter dated 28 April 2014.

The Legal Consultant's principal duties and obligations as the capital market supporting professionals in this Initial Public Offering is to conduct research and examination of the legal aspects surrounding the facts about the Company and other related information as presented by the Company. The results of the audit and review are set forth in a Legal Due Diligence Report, which forms the basis of the legal opinion rendered in an objective and independent manner, in line with the applicable code of ethics, professional standards and the prevailing capital market regulations.

- 3. Appraiser:** **KJPP Suwendho Rinaldy & Partners**  
Rasuna Office Park WO 01-02  
Rasuna Epicentrum  
Jl. H.R. Rasuna Said - Kuningan  
South Jakarta 12960  
Phone: ( 62 21) 7970913/7994521  
Facsimile: (62 21) 7973350  
  
STTD : 02/BL/STTD-P/AB/2006  
Date of STTD : 31 Mei 2006  
Member of Society of Appraisers Association of Indonesia (*Anggota Asosiasi Masyarakat Profesi Penilai Indonesia*, MAPPI)  
MAPPI Membership no : 95-S-00654  
Appraiser license no. : PB-1.09.00242  
Framework : Indonesian Appraisal Standard (*Standar Penilaian Indonesia*, SPI) and Indonesian Appraisal Code of Ethics (*Kode Etik*)



*Penilai Indonesia, KEPI)*

Appointment Letter: No. 140325.002/SRR/SPN-A/SL/OR dated 25 March 2014

The principal duties and responsibilities of the Appraiser in the Initial Public Offering are to calculate the market value of the vessels owned by the Company as of 30 June 2014. In performing the assessment to form the opinion on market value, the Appraiser shall always refer to the Indonesian Appraisal Standard (SPI-2007) and Rule No. VIII.C.4.

**4. Share Administration PT Sirca Datapro Perdana**

**Bureau:**

Jl. Johar No. 18, Menteng  
Jakarta 10340 – Indonesia  
Phone: (62 21) 390 0645; 390 5920; 314 0032  
Facsimile: (62 21) 390 0652; 315 0845; 390 0671  
Business License No. : Kep-92/KMK.010/1990 dated 29 January 1990  
SAB Association Membership: ABI (Asosiasi Biro Administrasi Efek, Securities Administration Bureau Association)  
Association Membership No. : ABI/IX/2014-001  
Appointment Letter : No. 007/PH/SDP/VIII/2014 dated 22 August 2014.

In accordance with the prevailing Professional Standards and Capital Market Law, the principal duties of the Securities Administration Bureau (“SAB”) include: acceptance of shares subscriptions in the form of Shares Subscription List (“SSL”) and Shares Subscription Form (“SSF”) that are supplemented by documents required in the shares subscription and approved by the Joint Lead Underwriters as the submitted subscription for share allotment and performing the administering of shares subscription in accordance with the available application in the SAB. Together with the Joint Lead Underwriters, SAB reserves the right to reject subscriptions that are not in conformity with the subscription requirements, subject to the prevailing regulations. In the event of oversubscription, the SAB carries out the allotment process based on the allotment formula set by the Joint Lead Underwriters, prints out the allotment confirmation form and prepares the allotment report. SAB is also responsible for issuing the Allotment Confirmation Form under the name of the subscriber entitled to allotment and preparing the IPO report in accordance with the prevailing capital market regulations.

**5. Notary:**

**Irma Bonita, S.H.**

Jl. Suryopranoto No. 11 C  
Central Jakarta, Indonesia  
Phone: (62 21) 38900720-21  
Facsimile: (62 21) 38900722  
STTD No.: 38/BL/STTD-N/2007  
STTD Date : 11 January 2007  
Association Membership : Indonesian Notary Association (*Ikatan Notaris Indonesia*)  
Association No: 011.002.132.300462  
Framework : Law No. 30 Year 2004 regarding Notary Office and Indonesian Notary Association Code of Ethics.  
Appointment Letter: No 008/SL/LGL/VIII/2014, dated 11 August 2014

The scope of work of the Notary as the supporting professional in relation to the Initial Public Offering includes, among others, preparing and drafting notarial deeds in relation to the Initial Public Offering, among others, the amendment of the Company’s Articles of Association in its entirety, the Underwriting Agreement and the Share Administration Agreements by referring to the Notary Regulations and Code of Ethics.

**THE CAPITAL MARKET SUPPORTING INSTITUTION AND PROFESSIONALS EXPRESSLY STATE THAT THEY ARE NOT AFFILIATED PARTIES OF THE COMPANY, EITHER DIRECTLY OR INDIRECTLY, AS DEFINED IN THE CAPITAL MARKET LAW.**

## XVI. LEGAL OPINION

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Ref. No.: 206/WECO/TAW-ISK-FF-DA-DP-LSW-AP/X/2014

Jakarta, October 13<sup>th</sup>, 2014

**UNOFFICIAL TRANSLATION**

To:

**PT Soechi Lines**

Gd Sudirman Plaza - Plaza Marein Lt. 21

Jl. Jenderal Sudirman Kav.76-78

Jakarta 12910

Attn: Board of Directors

Concerning : **LEGAL OPINION IN CONNECTION WITH INITIAL PUBLIC OFFERING OF PT SOECHI LINES TBK YEAR 2014**

Dear Sir,

We the undersigned, **Teddy A. Wardhana, S.H, LL.M.** and **Imran S. Kristanto, S.H., LL.M.**, are partners of our office the Legal Consultant Firm **WECOLAW Office**, having our offices at Jalan Blora No. 31, Jakarta 10310, registered as Capital Market Supporting Professional (Capital Market Legal Consultant) at the **Indonesia Financial Service Authority/Otoritas Jasa Keuangan** (formerly **Capital Market and Financial Institutions Supervisory Agency/Badan Pengawas Pasar Modal dan Lembaga Keuangan "Bapepam"**) (hereinafter referred to as the "**OJK**") with registration number 361/PM/STTD-KH/2001 and No. 363/PM/STTD-KH/2001, both dated 6 April 2001 and also listed as members of Capital Market Legal Consultant Association (**Himpunan Konsultan Hukum Pasar Modal "HKHPM"**) number 200126 and 200125, have been appointed by **PT Soechi Lines**, a limited liability company domiciled in Jakarta (hereinafter referred to as the "**Issuer**") in the letter dated 28 April 2014 regarding Letter of Appointment, to conduct legal due diligence (hereinafter referred to as the "**Legal Due Diligence**") and to provide opinion from the legal point of view (hereinafter referred to as the "**Legal Opinion**") as required by the prevailing provisions in capital market sector in relation to the Issuer's plan to conduct an Initial Public Offering (hereinafter referred to as the "**IPO**") with amounting up to a maximum of 2.571.428.500 ( two billion five hundred and seventy one million four hundred and twenty eight thousand five hundred) newly issued shares.

In order to fulfill a requirement in its Article of Association, in relation to the IPO plan of the Issuer, the Issuer has obtained approval from its shareholder by Deed of Shareholders Resolution

No. 14 dated 19 August 2014 made before Irma Bonita, S.H., Notary in Central Jakarta, deed of which has been approved by Minister of Law and Human Right of the Republic of Indonesia “**MOLHR**” under Approval Letter No. No AHU-06828.40.20.2014 dated 21 August 2014 and registered in the Register of Companies No. AHU-0084218.40.80.2014 dated 21 August 2014, (hereinafter referred to as the “**Deed No. 14/2014**”) Issuer’s shareholders agree to conduct an Employee Stock Allocation Program (hereinafter referred to as the “**ESA Program**”) with an amount of 3% (three percent) of total offered Shares in IPO and to authorize Board of Directors (hereinafter referred to as the “**BOD**”) to determine the procedure and to authorize Board of Commissioners (hereinafter referred to as the “**BOC**”) to declare under separate notarial deed regarding the certainty of shares and sold by IPO with due observance of the applicable capital market and stock exchange regulations.

For the purposes of Initial Public Offering, the Issuer have entered into a Underwriting Agreement with PT Mandiri Sekuritas and PT RHB OSK Securities Indonesia (hereinafter referred to as the “**Joint Lead Underwriters**”) as laid out in the Deed of Underwriting Agreement No. 66 dated 12 September 2014 as amended by the Deed of Amendment to Underwriting Agreement No. 20 dated 10 October 2014, all of which were made before Irma Bonita, S.H., Notary in Central Jakarta, (hereinafter referred to as the “**Deed No. 66/2014 & its Amendment**”). According to the Underwriting Agreements, the Joint Lead Underwriters also acting as Underwriters, have promised and bind themselves with full commitment to buy unsold shares at the Offering Price on the closing date of the Offering Period, each underwriter according to its underwriting portion to be regulated in the Deed of Amendment and may form a syndication with each Underwriters, and the syndication (if any) to be stated in the Deed of Amendment to Underwriting Agreement which is an inseparable and integral part of this agreement.

In accordance with the applicable capital market laws and regulations, for a Registration Statement of an IPO to be effective, Issuer must obtain a declaration from the OJK that its Registration Statement is effective (hereinafter referred to as the “**Registration Statement**”) within or by the lapse of a period of 45 (forty five) days since the submission date of Registration Statement, provided that there is no objection from OJK. Issuer submitted a Registration Statement on 16 September 2014.

#### **BASIS AND SCOPE OF LEGAL OPINION**

1. This Legal Opinion is given according to and within framework of the laws of the Republic of Indonesia and therefore is not meant to be interpreted in any other laws or jurisdiction.
2. In giving this Legal Opinion, we examine and rely on:
  - a. Applicable laws in the Republic of Indonesia, particularly concerning capital market and public offerings in the Indonesian Stock Exchange.

- b. Documents provided by Issuer, whether original or photocopy or in any other copied form, which according to statements and/or confirmation from Issuer are valid and the authentic copied version handed over to us for the purposes of this Legal Opinion are true to the original.
3. In giving this Legal Opinion, we rely on legal documents and facts concerning the Articles of Association (hereinafter referred to as the “**AOA**”) and its amendments, shares and capitalization, official permits, assets, insurance, labour, material transactions, other statements or information provided by Issuer’s BOD and/or authorized employees and confirmation of disputes involving Issuer for the period between establishment until the date of our Legal Opinion.

Furthermore, we have perform due diligence towards legal documents of the Issuer’s shareholding over subsidiary companies (hereinafter referred to as the “**Subsidiaries**”) which either financially consolidated in the Issuer’s financial statyement and/or over 50%( fifty percent) or more shares are owned by the Issuer, specifically for subsidiary companies domiciled inside the jurisdiction of Singapore, we rely on legal due diligence and Legal Opinion dated 19 Agustus 2014 issued by Watson, Farley & Williams Asia Practice LLP, a legal consultant based in Singapore (hereinafter referred to as the “**Legal Due Diligence Watson, Farley & Williams Asia Practice LLP**”) and for Subsidiary company domiciled inside the jurisdiction of Panama, we rely on legal due diligence and Legal Opinion dated 19 Agustus 2014 issued by Shirley & Associates, a legal consultant based in Panama(hereinafter referred to as the “**Legal Due Diligence Shirley & Associates**”)

4. Furthermore, we also have conducted on-site visits to Issuer’s place of business in order to understand Issuer’s actual business activities. The said visits, unless otherwise indicated, should not be construed that we provide an opinion on Issuer’s ownership and/or custody over the said place of business.
  5. This Legal Opinion is made and conducted in accordance to Capital Market Legal Consultant Professional Standards as stipulated under HKHPM Decision No. 01/HKHPM/2005 dated 18 February 2005 as last amended with HKHPM Decision No. KEP. 04/HKHPM/XI/2012 regarding Amendment of HKHPM’s Professional Standards.

#### **ASSUMPTION, LIMITATION AND QUALIFICATION**

This Legal Opinion is given with the following assumption, limitation and qualification:

1. Whereas all seals and/or signature on all original documents handed over or revealed to us by Issuer or third party in making this Legal Opinion and the Legal Due Diligence Report are real and all original documents handed over or revealed to us are authentic, and all copies of documents handed over to us are true to the original.

2. Whereas all documents, statements and information provided by the Issuer and third party to us in making this Legal Opinion and the Legal Due Diligence Report are true, accurate, complete and reflect the actual condition, and no changes are made as at the date of this Legal Opinion.
3. Whereas this Legal Opinion rely on by the copy of documents, statements and informations provided by Issuer to us until the date of this Legal Opinion, including but not limited to article of association, official permits, and agreements between Issuer and third parties. Requested documents by us but not given to us by Issuer, are excluded in scope of this Legal Opinion.
4. Whereas legal due diligence for subsidiary companies domiciled in Singapore, we rely on legal due diligence and Legal Opinion issued by Watson, Farley & Williams Asia Practice LLP and for subsidiary company domiciled in Panama, we rely on legal due diligence and Legal Opinion issued by Shirley & Associates.
5. Whereas we separately and independently, as long as it is made possible by the prevailing legal provisions and practices, have conducted an examination and directly requested the third parties, whom we considered relevant, including executive and judicial institutions, to provide certain statements, examination, and confirmation, whether verbally or in writing, in relation to a number of legal aspects, which in our opinion are important and closely related to the Issuer, are correct and in accordance with the prevailing legal provisions, therefore we did not conduct comparative due diligence on the truth of the information or statement from the said third parties.
6. Whereas this Legal Opinion is given only about legal aspects and other aspects such as the validity of financial data, technical or commercial fairness of a transaction are not within its scope. Furthermore, the legal aspects are limited in its validity based on the Statement and information from BOD and employees of Issuer, both verbally or in writing. We do not provide opinion concerning commercial or financial fairness of a transaction where Issuer is a party to, has an interest in or having effect on its assets.
7. This legal Opinion has been made in Indonesian and English version. In the event of discrepancy of interpretation between the Indonesian and English version, the Indonesian version shall prevail and relevant English version shall be deemed to be automatically amended in accordance with Indonesian version.
8. Whereas this Legal Opinion is given with limitation unless otherwise indicated in this Legal Opinion, and this Legal Opinion covers legal condition since the date of establishment until the date of this Legal Opinion.

9. Our responsibilities as independent Legal Consultant of Issuer for its Initial Public Offering is limited and according to Article 80 Law No. 8 year 1995 concerning Capital Market (hereinafter referred to as the “**Capital Market Law**”) and its implementing regulations, and relevant code of ethics.

## LEGAL OPINION

After due consideration and review of documents and relying on statements and information provided by Issuer to us, and referring to our Legal Due Diligence Report, we confirm the following:

1. The Issuer is a legal entity duly established under the laws of the Republic of Indonesia, domiciled in Central Jakarta and is a legal entity possessing capacity to sue and be sued, to possess/own assets and to conduct business in accordance with its AOA and applicable laws in the Republic of Indonesia, particularly laws concerning limited liability company.
2. The AOA of the Issuer have been amended several times and each amendment to AOA of the Issuer are in accordance with the provisions of AOA and prevailing statutory regulations in Indonesia, in particular in Limited Liability sector.
3. Issuer’s latest version of AOA complies with Law No. 40 year 2007 concerning Limited Liability Company (hereinafter referred to as the “**Company Law**”) and Bapepam Regulation No. IX.J.1 concerning Main Substances of AOA of Company Performing a Public Offering and Public Company, is as stipulated in Deed No 14/2014.
4. According to Article 3 of its AOA, the Issuer’s Objectives and Purpose is to conduct business in the field of Trading, Services, Transportation, Industry, Constructions, Printing, Agriculture and Workshop. To achieve above Objectives and Purposes, Issuer may engage itself in the following business activities:
  - a. The Issuer’s Objective and Purpose is to conduct business in the field of Trading, Services, Transportation, Industry, Constructions, Printing, Agriculture and Workshop.
  - b. To achieve above Objectives and Purposes, Issuer may engage itself in the following business activities:
    - 1) Main business activities:
      - i. Export-import trading between regional and local, of self-produced goods and goods produced by other companies, among others electrical and mechanical tools, building tools. Heavy equipment for mining, mining products, office stationery, laboratory apparatus, marine products,

- industrial/manufacturing products, domestic purpose utilities, medical equipments;
- ii. Real estate trading such as sale and purchase of residential housing, office buildings, retail buildings room apartment units, condominium and office space and retail space, distributors and as a representative from the bodies of other companies, derived from both domestic or overseas;
  - iii. To engage in business activities in the field of services among others consultancy, training and skill of labour, mining field consultancy services, engineering consultancy services, ship management services, supervision, drilling, business consultant, management and administration, advertising, training and skill of labour services, restaurant / restaurant food services, except for law and tax consultants;
  - iv. To engage in business activities in the field of transportation;
  - v. To engage in business activities in the field of industry such as plastic and fibre industry, activated carbon industry and charcoal, gas and LPG industry, industrial machinery, industrial electronics including computers;
  - vi. To engage in business activities in the field of construction acting as a developer that cover planning and execution, general contractor among others, are construction of residential areas (real estate), industrial area (industrial estate), apartment buildings, condominiums, offices and shopping complex, the installation of electric, gas, water supply, telecommunications, air conditioning, and of civil engineering field;
  - vii. To engage in business activities in the field of painting, offset, design and graphics printing, books binding and publishing.
  - viii. To engage in business activities in the field of agriculture, farm, inland and sea fisheries, plantations and forestry;
  - ix. To engage in business activities in the field of workshop, which covers maintenance, and repair of vehicles
- 2) Secondary business activities
- i. To engage in business activities in the field of manufacturing goods to be traded in the main business activities;
  - ii. To engage in business activities to support the main business activities including but not limited to business and management consulting, property consulting, architecture consulting, landscape, design and interior, civil construction consulting, construction services, property agency services, except for services of law and taxation;
  - iii. Trade, sell and sublease the products of the main business activities.
  - iv. Set up a real estate developer and conduct activities including acquires/purchase, processing, maturation, cut and fill service, and excavation of land and build facilities and infrastructure / infrastructure, plan, build, rent, sell and commercialize real estate, integrated area, central offices, buildings, residential, office, apartment, industrial,

- hospitality, hospitals, shopping malls, sports facilities and centers supporting facilities including but not limited to golf courses, clubs, restaurants, entertainment venues, and facilities;
- v. Print, bind and publish books and magazines, including to sublease printing machine and bindery;
  - vi. Purchase lands to open agricultural field, plantations, and farms.

As of the date of this Legal Opinion, in accordance with the Legal Due Diligence, the Issuer has conducted its business activities in accordance with its Objective and Purposes as stipulated in its AOA and the Issuer have never conducted business activities beyond the stated Objectives and Purposes as stipulated in its AOA.

Whereas, as of the date of this Legal Opinion, the Issuer has conducted its business activities in accordance with its Objective and Purposes which is shipping management services, related to limitation on foreign capital, according to the Presidential Regulation No.39 of 2014 concerning the List of Business Field that are closed to Investment and Business Field that are Conditionally permitted for Investment (hereinafter referred to as the “**Perpres 39/2014**”), the business activities of the Issuer not stipulated, therefore, based on Article 3 Perpres 39/2014, it states that business activities which are not listed in Perpres 39/2014 are declared permitted for investment without requirements. Furthermore, according to Article 5 Perpres 39/2014 the limitation does not apply to indirect investment through domestic capital market. Thus, the Issuer’s Objectives and Purposes in relation to the IPO plan, do not contradict any conditions in any of the provisions of Investment.

5. The Issuer is authorised to conduct business activities as stated in its AOA. In performing its business and management consulting, Issuers has obtained permit from the Trade Business License regarding **Surat Izin Usaha Perdagangan “SIUP”**, issued by Micro, Small and Intermediate Business and Trading Agency of Province of *DKI Jakarta/ Dinas Koperasi, Usaha Mikro, Kecil dan Menengah, dan Perdagangan Pemerintah Provinsi Daerah Khusus Ibukota Jakarta*, and up to the date of this Legal Opinion, the Issuer’s permits are still valid and not expired.
6. On the date of this Legal Opinion, in accordance with the Deed of Shareholders Resolution No.16 dated 30 June 2014, made before Doddy Natadihardja, S.H., Notary in Tangerang, deed of which has been approved by MOLHR under Approval Letter No. AHU-04800.40.20.2014. years of 2014 dated 1 July 2014, and registered in the Register of Companies No. AHU-0066527.40.80.2014 dated 1 July 2014 (hereinafter referred to as the “**Deed No.16/2014**”), the Issuer’s capital structure is as follows:

Authorised Capital : Rp.2.300.000.000.000,00 (two trillion three hundred billion Rupiah) in 23.000.000.000 (twenty three billion) of shares, each with a nominal value of Rp.100,00 (one hundred Rupiah).

Issued/  
Paid-up Capital : Rp.600.000.000.000,00 (six hundred billion Rupiah) in 6.000.000.000 (six billion) of shares, each with a nominal Rp.100,00 (one hundred Rupiah).

As of the date of this Legal Opinion, the above structure of Authorised, Issued and Paid-up Capital is true and in accordance with applicable laws and the AOA. All Issued and Paid-Up Capital have been duly paid by Issuer's Shareholders.

7. As of the date of this Legal Opinion, in accordance with the Deed No.16/2014, , Issuer's shareholders composition is as follows:

Shareholders	Shares Owned	Nominal Value (Rp.)	Percentage (%)
PT Soechi Group	5.640.000.000	564.000.000.000,00	94,00
Go Darmadi	120.000.000	12.000.000.000,00	2,00
Paulus Utomo	120.000.000	12.000.000.000,00	2,00
Hartono Utomo	120.000.000	12.000.000.000,00	2,00
<b>Total Amount</b>	<b>6.000.000.000</b>	<b>600.000.000.000,00</b>	<b>100,00</b>

Whereas for all changes in ownership of shares of the Issuer since the establishment up to the date of this Legal Opinion, are in accordance to its capital structure and the changes are legally taken in accordance with the AOA and applicable laws.

Whereas, in relation to increase the Issuer's paid-up capital based on the Deed No 16/2014, where the Issuer's shareholders obtain the price under the price of the IPO 6 (six) months before Registration Statement, in accordance with the Bapepam Regulation No IX.A.6 concerning The Limitation of Shares Issued Prior to Public Offering, is prohibited to be transferred to a party at least 8 (eight) months after The Issuer received effective statement.

8. On the date of this Legal Opinion, the Issuer has performed its obligation to register every changes in ownership in its List of Shareholders and the Special List as required by Article 50 Paragraph (1) and (2) of the Company Law.
9. Each shareholder which is registered under the List of Shareholders shall be entitled and authorized to establish and enforce all rights attached to such shares as provided in the AOA and the provisions of the applicable laws, including attending general meetings of shareholders, to cast vote in meetings and receive dividends distributed by the Issuer in accordance with the decisions of the meeting, pursuant to the ratio of the number of shares.
10. On the date of this Legal Opinion, the composition of the BOD and the BOC of the Issuer is as follows:

**BOARD OF COMMISSIONERS**

President Commissioner : Paulus Utomo  
Commissioner : Johannes Utomo  
Independent Commissioner : Edy Sugito

**BOARD OF DIRECTORS**

President Director : Go Darmadi  
Director : Paula Marlina  
Director : Hartono Utomo  
Director : Pieters Adyana Utomo  
Independent Director : Liem Joe Hoo

The members of BOD and BOC have been appointed respectively for 5 (five) years of term of office, appointment of which has been conducted in a legitimately convened Extraordinary General Meeting of Shareholders and has made valid resolutions as stipulated in the Deed No.14/2014.

Whereas as of the date of this Legal Opinion, the members of the BOD and BOC have fulfilled the requirements under the Bapepam Chairman Decision No. Kep-45/PM/2004 dated 29 November 2004 about Regulation No. IX.I.6 concerning Directors and Commissioners of Listing and Publicly Listed Companies.

Whereas, Issuer has duly appointed an Independent Director in accordance with BOD of PT Bursa Efek Indonesia Decision No. KEP—00001/BEI/01-2014 dated 20 January 2014 regarding Amendment to Regulation No. I-A concerning Listing of Shares and Equity-Type Securities other than Shares Issued by Listed Company (hereinafter referred to as the “**KEP 00001/BEI/2014**”).

**CORPORATE SECRETARY**

Whereas as of the date of this Legal Opinion, the Issuer has duly appointed Paula Marlina as Corporate Secretary under the Letter of Appointment No. 11/SL/LGL/VIII/2014 dated 21 August 2014 as regulated under with BOD of KEP 00001/BEI/2014.

**AUDIT COMMITTEE**

Whereas the Issuer has duly formed an Audit Committee Charter in accordance with the Bapepam Regulation No IX.I.5 concerning Guidelines and Working Implementation of Audit Committee under the BOC of Issuer Decision dated 21 Agustus 2014.

Whereas the Issuer has duly established an Audit Committee under the BOC of Issuer's Decision No. 13/SL/LGL/VIII/2014 dated 21 August 2014, in accordance with BOD of PT Bursa Efek Indonesia Decision No. KEP 00001/BEI/2014 and in compliance with the Bapepam Regulation No. IX.I.5 concerning Guidelines and Working Implementation of Audit Committee, with the following composition:

Head : Edy Sugito  
Member : Drs Herbudianto, Ak  
Member : Dumaria Louise Togina Pohan

#### **INTERNAL AUDIT CHARTER AND INTERNAL AUDIT COMMITTEE**

Whereas Issuer has duly obtained an Internal Audit Charter in accordance with the Bapepam Regulation No. IX.I.7 concerning Formation and Guidelines for Internal Auditory Statute by BOD Decision dated 21 August 2014.

Whereas, in accordance with BOD Decision No. 15/SL/LGL/VIII/2014 dated 21 August 2014, the Issuer has obtained an Internal Audit Committee by Stephanie Anindya Utomo.

11. On the date of this Legal Opinion, based on our Legal Due Diligence, the Issuer has fulfilled all of its obligations according to the applicable labour laws, in particular concerning:
  - a. the Company Regulation for Issuer's employees which has been registered at the Manpower and Transmigration Agency of Tangerang Regency;
  - b. the obligation to perform labor reporting for each place where the Issuer establish a branch or office facilities;
  - c. the obligation to provide its employees with social security provided by Employment Social Security Agency /***Badan Penyelenggara Jaminan Sosial Ketenagakerjaan ("BPJS Ketenagakerjaan")***;
  - d. the obligation to pay its employees above the minimum wage rate for each province where the Issuer establish a branch or office facilities.
12. On the date of this Legal Opinion, the Issuer and Subsidiaries's ownership of assets in the form of land, building, vehicles and vessels is legally valid and supported by the necessary documents proving its legal ownership of such assets.
13. On the date of this Legal Opinion, none of the Issuer and the Subsidiaries's assets are under attachment in any form. Some lands, buildings, vehicles, machineries and all vessels except TK MOS II, are currently put forward as collateral to creditors of subsidiaries, each asset with its own collateral agreement. Whereas none of the said collateralisation of assets was pledged against the Issuer and Subsidiaries's AOA and the applicable laws.

That should the collaterals were executed by creditors, such execution might affect the Issuer' and Subsidiaries's business activities. However, it should be noted that on the date of this Legal Opinion, based on the statement and information given by the Issuer as well as its Subsidiaries, the Subsidiaries never been declared in default.

14. On the date of this Legal Opinion, licenses/or registrations on vessels owned by the Issuer and Subsidiaries's are still valid and not expired, except for 6 (six) licenses of vessels that have expired and are under repair and / or docking. As for the licenses of 6 (six) vessels that are under repair and/or docking for maintenance, applications will be filed for its extension before repair and/or docking is completed.
15. On the date of this Legal Opinion, key assets owned by the Issuer and its Subsidiaries have been covered by insurance against high-risk type of risks in sufficient covered amount.
16. On the date of this Legal Opinion, the Issuer legally owned shares in the following Subsidiaries:
  - a) **PT Multi Ocean Shipyard ("MOS")**, a limited liability company duly established under the laws of the Republic of Indonesia, domiciled in Karimun, Province of *Kepulauan Riau*, engaged in business activities in the field of shipping industry, wherein the Issuer has shares subscription amounting to 419.970 (four hundred nineteen thousand nine hundred seventy) shares with a total amount of Rp. 419.970.000.000,00 (four hundred nineteen billion nine hundred seventy million Rupiah) or 99,99 % (ninety nine point ninety nine percent) of all shares issued by MOS.
  - b) **PT Inti Energi Line ("IEL")**, a limited liability company duly established under the laws of the Republic of Indonesia, domiciled in Jakarta, engaged in business activities in the field of shipping, wherein the Issuer has shares subscription amounting to 62.155 (sixty two thousand one hundred fifty five) shares with the total amount of Rp.62.155.000.000,00 (sixty two billion one hundred fifty five million Rupiah) or 99,94 % (ninety nine point ninety four percent) of all shares issued by IEL.
  - c) **PT Putra Utama Line ("PUL")**, a limited liability company duly established under the laws the of Republic of Indonesia, domiciled in Jakarta, engaged in business activities in the field of shipping, wherein the Issuer has shares subscription amounting to 7.500.000 (seven million five hundred thousand) shares with the total amount of Rp.75.000.000.000,00 (seventy five billion Rupiah) or 100% (one hundred percent) of all shares B issued by PUL.
  - d) **PT Armada Bumi Pratiwi Lines ("ABPL")**, a limited liability company duly established under the laws of Republic of Indonesia, domiciled in Jakarta, engaged in business activities in the field of shipping, wherein the Issuer has shares subscription amounting to 1.000.000 (one million) shares with a total amount of

Rp.10.000.000.000,00 (ten billion Rupiah) or 99,91 % (ninety nine point ninety one percent) of all shares issued by **ABPL**.

- e) **PT Sukses Osean Khatulistiwa Line ("SOKL")**, a limited liability company duly established under the laws of Republic of Indonesia, domiciled in Jakarta, engaged in business activities in the field of shipping, wherein the Issuer has shares subscription amounting to 50.000 (fifty thousand) shares A, each share with a nominal value of Rp.1.000.000,00 (one million Rupiah) and 10.000.000 (ten million) shares B, each shares with a nominal value of Rp.10.000,00 (ten thousand Rupiah) therefore the total value is Rp.150.000.000.000,00 (one hundred fifty billion Rupiah) or 99,80 % (ninety nine point eighty percent) of all shares issued by **SOKL**.
- f) **PT Armada Maritime Offshore ("AMO")**, a limited liability company duly established under the laws of Republic of Indonesia, domiciled in Jakarta, engaged in business activities in the field of shipping, wherein the Issuer has shares subscription amounting to 649.900 (six hundred forty nine thousand nine hundred) shares with the total amount of Rp.6.499.000.000,00 (six billion four hundred ninety nine million Rupiah) or 99,98 % (ninety nine point ninety eight percent) of all shares issued by **AMO**.
- g) **PT Sukses Maritime Line ("SML")**, a limited liability company duly established under the laws of Republic of Indonesia, domiciled in Jakarta, engaged in business activities in the field of shipping, wherein the Issuer has shares subscription amounting to 2.449.900 (two million four hundred forty nine thousand nine hundred) shares with a total amount of Rp. 24.499.000.000,00 (twenty four billion four hundred ninety nine million Rupiah) or 99,99% (ninety nine point ninety nine percent) of all shares issued by **SML**.
- h) **Success International Marine Pte Ltd ("SIM")**, a company duly established under the laws of jurisdiction of the Republic Singapore, wherein the Issuer has shares subscription amounting to 99,999 % (ninety nine point nine hundred ninety nine percent) of all shares issued by **SIM**.

SIM legally own shares in the following companies :

- 1) **Success Marlina Pte Ltd ("SM")**, a company duly established under the laws of jurisdiction of Republic of Singapore, wherein SIM has shares subscription amounting to 100% (one hundred percent) of all shares issued by SM.
- 2) **Success Marlina XXXIII S.A ("SM XXXIII")**, a company duly established under the laws of jurisdiction of Panama, wherein SIM has shares subscription amounting to 100% (one hundred percent) of all shares issued by SM XXXIII.

17. On the date of this Legal Opinion, based on our Legal Due Diligence, the ownership of Shares by the Issuer stated in point 16 above are legal and valid, supported by the necessary documents of ownership and the procedures were conducted in accordance with the applicable laws, along with the Issuer's and target companies' AOA, neither the shares owned by Issuer nor the rest of target companies' shares are put forward as collateral, under dispute whatsoever, or under any confiscation.
18. On the date of this Legal Opinion, each Subsidiary is a legal entity legitimately established, and able to conduct its business activities in accordance with the laws of the country where it is domiciled, and in accordance with our Legal Due Diligence, each Subsidiary has complied its requirements according to the prevailing legal provisions, including capital, management, permit and registration, manpower, and assets, except for the followings:
- a. MOS's permits which is still under renewal process is Company Regulation, according to Letter No 001/MOS/IX/2014 dated 3 September, 2014 and Letter dated 10 September 2014, issued by the government of Karimun Regency Manpower Agency.

Whereas as stipulated under Article 188 paragraph (1) Law No 13 of 2003 concerning Manpower, failure to comply with such obligation by having Company Regulation is subject to administrative penalty of Rp. 50.000.000,00 (fifty million Rupiah) maximum.

- b. IEL is currently in the process of filing application for the publication of Deed of Establishment No 18 dated 21 June 2006 made before Meissie Pholuan, S.H., Notary in Jakarta in the State Gazette of the Republic of Indonesia (hereinafter referred to as the "**IEL's State Gazette**").

Whereas according to the Letter No : 014/NOT/X/2013 made before Notary Anna Maria Ira Kelana, SH, M.Kn., dated 4 Oktober 2013, it states that the publication of IEL's State Gazette is still in process Whereas in the absence of publication in the State Gazette, The BOD shall be jointly and severally liable for all of IEL's legal act as referred to in Article 23 Law 1 of 1995 concerning Limited Liability Company (hereinafter referred to as the "**Law No. 1/1995**").

- c. PUL is currently in the process of filing application for the publication of Deed of Establishment No 19 dated 21 June 2006 made before Meissie Pholuan, S.H., Notary in Jakarta in the State Gazette of the Republic of Indonesia (hereinafter referred to as the "**PUL's State Gazette**").

Whereas according to Letter No : 012/NOT/X/2013 made before Notary Anna Maria Ira Kelana, SH, M.Kn., dated 4 Oktober 2013, the publication of PUL's State Gazette is still in process. Whereas in the absence of publication in the State Gazette, The BOD shall be jointly and severally liable for all of that PUL's legal act as referred to in Article 23 of Law No. 1/1995.

- d. ABPL is currently in the process of filing application for the publication of Deed of Establishment No 1 dated 3 November 1980 made before Meissie Pholuan, S.H., Notary in Jakarta, Deed of Shareholders Resolution No 20 dated 9 March 1984 made before Sri Soetengsoe Abdoel Sjoekoer, S.H., Notary in Jakarta, Deed of Shareholders Resolution No. 141 dated 29 December 1987 made before Sri Soetengsoe Abdoel Sjoekoer, S.H., Notary in Jakarta and Deed of Shareholders Resolution No 48 dated 30 March 1992, made before Sri Soetengsoe Abdoel Sjoekoer, S.H., Notary in Jakarta, in the State Gazette of the Republic of Indonesia (hereinafter referred to as the “**ABPL’s State Gazette**”).

Whereas according to the Letter No : 013/NOT/X/2013 made before Anna Maria Ira Kelana, SH, M.Kn., Notary in Tangerang, dated 4 Oktober 2013, the publication of ABPL’s State Gazette are still in process. Whereas in the absence of publication in the State Gazette, The BOD shall be jointly and severally liable for all of ABPL’s legal act as referred to in Article 39 of Indonesian Commercial Code /*Kitab Undang-Undang Hukum Dagang*(“**KUHD**”).

- e. SOKL is currently in the process of filing application for the of Deed of Shareholders Resolution No 13 dated 11 March 2004 made before Putranti Wahyuningsih, S.H., Notary in Jakarta in the State Gazette of the Republic of Indonesia (hereinafter referred to as the “**SOKL’s State Gazette**”).

Whereas according to the Letter No : 109/NOT/VII/2014 made before Herry Julianto, S.H., Notary in Bekasi, dated 19 August 2014, the publication of SOKL’s State Gazette is still in process. Whereas in the absence of publication in the State Gazette of The Republic of Indonesia, The BOD shall be jointly and severally liable for all PUL’s legal act as referred to in Article 23 Law No. 1/1995.

19. The Issuer and its Subsidiaries are authorised by law to make, enter into and execute any legal agreement. Based on our Legal Due Diligence, the conclusion and execution of agreements entered into by the Issuer and Subsidiaries are not in contradiction with the Issuer and Subsidiaries’s AOA, the applicable laws, and with other agreements which the Issuer and Subsidiaries are a party to. The plan for IPO by Issuer and the use of funds raised in it do not contradict any conditions in any of the agreements entered into by the Issuer and its Subsidiaries. Therefore, Issuer and its Subsidiaries are not obliged to seek for authorisation from any party, except from several banks which, as of the date of this Legal Opinion the Issuer and its Subsidiaries, have obtained authorisation to waive certain limitation regarding dividends that may preclude the interest of public shareholder, as described as follows:
- a. IEL has obtained 1(one) loan facility from PT Bank Internasional Indonesia, Tbk, and 2(two) loan facilities from PT Bank Central Asia, Tbk which among of the said facilities,

IEL has obtained all such necessary approvals from PT Bank Internasional Indonesia, and PT Bank Central Asia, Tbk.

- b. SOKL has obtained 2 (two) loan facilities from PT Bank Central Asia, Tbk, 3 (three) loan facilities from PT Bank Mandiri (Persero), Tbk, and 2 (two) loan facilities from PT Bank OCBC NISP Indonesia, Tbk, which among of the said facilities, SOKL has obtained all such necessary approvals from PT Bank Central Asia, Tbk, PT Bank Mandiri (Persero), Tbk, and PT Bank OCBC NISP Indonesia.
- c. AMO has obtained 1(one) loan facility from PT Bank Central Asia, Tbk and has obtained such approval from the said bank.

As of the date of this Legal Opinion, there are no limitation that may obstruct the IPO including the use of proceeds from the IPO, and the interest of public shareholders for any agreements entered into by the Issuer and Subsidiaries,

20. For the purposes of IPO, Issuer has entered into the following agreements:
  - a. Deed for Administration of Shares Agreement No. 68 dated 12 September 2014 made before Irma Bonita, S.H., Notary in Central Jakarta Jakarta, by and between Issuer and PT Sirca Datapro Perdana as Securities Administration Bureau (Biro Administrasi Efek "BAE");
  - b. Deed No.66/2014 & Amendment;
  - c. Securities Listing and Registration Agreement No. SP-0018/PE/KSEI/2014 dated 12 September 2014 made privately by and between Issuer and PT Kustodian Sentral Efek Indonesia;
  - d. Preliminary Securities Listing Agreement dated 12 September 2014 made privately by and between Issuer and PT Bursa Efek Indonesia.

The above agreements and statements made by the Issuer in the process of IPO stated above are valid and binding for the Issuer and the parties with which Issuer entered into each agreement with, the agreements also contain conditions and stipulations regularly found in similar agreements made for the purposes of initial public offering in Indonesia, the agreements also do not contravene either the Issuer's AOA or applicable capital market laws and regulations. Furthermore, the Issuer has no affiliation relationship with all Capital Market Supporting Agency and Professionals including but not limited to Underwriters, either directly or indirectly as defines in the Capital Market Law.

21. Pursuant to Deed No.66/2014 made before Irma Bonita, S.H., Notary in Jakarta, the shares are offered and sold through IPO and registered at the Indonesia Stock Exchange with due

observance of all applicable laws and regulations in the framework of capital market and stock exchange where the Issuer's shares are registered. This Agreement may be terminated at any time up to the end of Offering Period, or the Public Offering may be postponed according to the applicable regulations of OJK by the Lead Underwriter or Issuer with prior written notification to OJK or other competent authority should the following occurs:

- i. Jakarta Composite Index fall more than 10% (ten percent) for 3 (three) consecutive Market Days;
- ii. Natural disaster, war, riot, fire, labour strike which has significant effect to Issuer's business; and/or
- iii. Other instances which may significantly affect Issuer's business as set out in Bapepam Regulation IX.A.2.

22. Whereas funds raised in this IPO shall be used by Issuer, after all necessary costs deductions, for:

- a. Approximately 50% will be used for ship procurement through the Subsidiaries.

The entire use of of proceeds for capital expenditures is planned to be utilized during the years of 2015 and 2016

The purchase of capital goods will be directly commissioned to third parties that are not affiliated to the Company

- b. Approximately 25% (twenty five percent) will be used to repay a portion of bank loans in relation to investment and working capital credit facilities through the Subsidiaries

Description on portion of credit facilities to be fully paid by the Issuer through Subsidiaries using the proceeds from the IPO are summarized below :

No.	Company	Name of Banks	Credit Agreement	%	Due Date	Currency	Outstanding 31 Des 2014
1	SOKL	BCA	Kredit Lokal (R/K)	11,75%	10-Dec-14	IDR	20.000.000.000
2	SOKL	BAG	RL III	15,25%	20-Jul-15	IDR	37.000.000.000
3	SOKL	BAG	Fixed Loan II	8,00%	12-Jan-16	USD	1.037.719
4	SOKL	BAG	Fixed Loan IV	8,00%	19-Sep-17	USD	2.672.749
5	SOKL	BAG	Fixed Loan III	8,00%	21-Nov-15	USD	611.111

No.	Company	Name of Banks	Credit Agreement	%	Due Date	Currency	Outstanding 31 Des 2014
6	SOKL	BAG	Revolving Loan	8,00%	10-Nov-14	USD	1.000.000
7	SOKL	BAG	Revolving Loan II	8,00%	10-Nov-14	USD	1.000.000
8	SOKL	BAG	RL IV	8,00%	20-Jul-15	USD	4.000.000
9	IEL	BCA	Installment loan	12,25%	01-Nov-17	IDR	61.180.000.000
10	IEL	BCA	Kredit Investasi 6	6,00%	02-Nov-15	USD	3.083.333
11	IEL	BII	Pinjaman Berjangka	7,25%	20-May-15	USD	1.401.428

The Issuer and the creditors are not affiliated parties

Payment of loan before the due date by the Issuer to the banks does not require prior approval from the banks, since working capital credit facilities may be paid off any time, whereas the investment credit facilities to be paid off are the investment credit facilities that may be paid off at any time without incurring any penalties, except for IEL's Term Loan from Bank BII that is subject to a penalty of 1% (one percent)

- c. Approximately 25% (twenty five percent) will be used for additional working capital of its Subsidiaries.

The allocated use of proceeds from the IPO will be used to finance the operational activities of the Issuer's Subsidiaries, which are entirely related to the Issuer's main business activities, which covers vessel chartering, ship maintenance, new shipbuilding and ship repair. The working capital will be used to pay suppliers of goods and services related to the business activities of the Issuer's Subsidiaries. The amount of fund to be allocated to each subsidiary will be determined based on each Subsidiary's working capital requirement.

Transfer funds from company to each Subsidiary will be determined through deposit or capital lending.

As of the date of this legal Opinion, the Issuer has not decided percentage of amount of fund that allocated to each Subsidiary.

Whereas, the use of proceeds from the IPO for payment of some debt to banks in relation to loan facility investment and capital work may be carried out and not in contradiction with any provisions of loan facility that have been obtained by SOKL and/or IEL, unless PT SOKL is required to obtain written approval from PT OCBC NISP Indonesia Tbk prior to full

repayment of loan facility from PT Bank Central Asia Tbk and PT Bank Artha. Its approval has been obtained from PT OCBC NISP Indonesia Tbk based on the Letter Bo 0201/SOKL/X/2014 dated 10 October 2014. With respect to the aforementioned and plan to use of funds from the IPO is allowed and is not against the credit agreement which was obtained by SOKL and / or IEL.

23. Whereas in accordance with Article 2 paragraph 1 of Perpres 39/2014, there is a limit imposed on foreign capital investment in the business activities of the Issuer in shipping sector, which is a maximum of 49% (forty nine percent), in relation to the IPO plan of the Issuer, Article 5 Perpres 39 that stated such stipulation shall be deemed as invalid for indirect capital investment or portfolio, transaction of which is conducted through the domestic capital market. Therefore in relation to the IPO plan do not contradict with any conditions in any of the provision of Investment related to limitation on foreign capital investment.
24. As of the date of this Legal Opinion, all legal aspects contained in the Prospectus are true and reflects the Issuer's actual standing.
25. As of the date of this Legal Opinion, based on our Legal Due Dilligence, statements and confirmation given to us, the Issuer is not involved in civil, criminal, labour, Indonesian National Arbitration Board, administrative, taxation proceedings and any other out of court disputes, whether involving the Issuer and its Subsidiaries' shareholders. IEL, the subsidiary's of the Issuer received a letter from PT Ekasari Bahari concerning a vessel accident. In our opinion, however, such letter does not have any material effect to the Issuer that may cause obstacle or hindrance for the Issuer or its Subsidiary to perform its business activities.
26. As of the date of this Legal Opinion, based on our Legal Due Diligence, statements and confirmation provided to us, Issuer is not involved in any disputes related to bankruptcy as defined in Law No. 37 year 2004 concerning Bankruptcy and Suspension of Debt Payment Obligation, there is no legal action against Issuer for liquidation, and there is no investigation against the Issuer as defined in Law No. 40 year 2007 concerning Limited Liability Companies.

This Legal Opinion is given with our objectivity and responsibility as independent Legal Consultant in accordance with Article 80 of the Capital Market Law and its implementing regulations.

Made in Jakarta at the date written at the beginning of this Legal Opinion.

Sincerely yours,  
**WECOLAW Office**



**Teddy A. Wardhana, SH, LL.M.**  
No. 361/PM/STTD-KH/2001



**Imran S. Kristanto, S.H., LL.M.**  
No. 363/PM/STTD-KH/2001

Cc:

1. Head of Indonesian Financial Service Authority.
2. Head of Bureau of Appraisal of Companies in Transportation Services Sector of Indonesian Financial Service Authority.

**XVII. INDEPENDENT AUDITOR'S REPORT AND THE COMPANY'S  
CONSOLIDATED FINANCIAL STATEMENTS**

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**PT SOECHI LINES TBK  
DAN ENTITAS ANAK/*AND SUBSIDIARIES***

**LAPORAN KEUANGAN KONSOLIDASIAN  
BESERTA LAPORAN AUDITOR INDEPENDEN  
PERIODE ENAM BULAN YANG BERAKHIR PADA  
TANGGAL-TANGGAL 30 JUNI 2014 DAN 2013  
DAN TAHUN YANG BERAKHIR  
PADA TANGGAL-TANGGAL  
31 DESEMBER 2013, 2012 DAN 2011/**

***CONSOLIDATED FINANCIAL STATEMENTS  
WITH INDEPENDENT AUDITORS' REPORT  
SIX-MONTH PERIODS ENDED JUNE 30, 2014 AND 2013  
AND YEARS ENDED  
DECEMBER 31, 2013, 2012 AND 2011***

***(MATA UANG DOLAR AS/*US DOLLAR CURRENCY*)***

The original consolidated financial statements included herein are in Indonesian language.

**PT SOECHI LINES TBK DAN ENTITAS ANAK  
LAPORAN KEUANGAN KONSOLIDASIAN  
BESERTA LAPORAN AUDITOR INDEPENDEN  
PERIODE ENAM BULAN YANG BERAKHIR PADA  
TANGGAL-TANGGAL 30 JUNI 2014 DAN 2013  
DAN TAHUN YANG BERAKHIR PADA TANGGAL-  
TANGGAL 31 DESEMBER 2013, 2012 DAN 2011**

**PT SOECHI LINES TBK AND SUBSIDIARIES  
WITH INDEPENDENT AUDITORS' REPORT  
SIX-MONTH PERIODS ENDED  
JUNE 30, 2014 AND 2013  
AND YEARS ENDED  
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# PT. SOECHI LINES Tbk

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Jl. Jend. Sudirman Kav. 76-78, Setiabudi  
Jakarta Selatan – Indonesia  
Phone : (021) 57936883 (Hunting)  
Fax : (021) 57936883

**SURAT PERNYATAAN DIREKSI TENTANG TANGGUNG JAWAB ATAS LAPORAN KEUANGAN  
KONSOLIDASIAN PERIODE ENAM BULAN YANG BERAKHIR PADA TANGGAL 30 JUNI 2014 DAN  
TAHUN YANG BERAKHIR PADA TANGGAL-TANGGAL 31 DESEMBER 2013, 2012 DAN 2011  
PT SOECHI LINES TBK DAN ENTITAS ANAK/**

**DIRECTORS' STATEMENT REGARDING THE RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL  
STATEMENTS SIX-MONTH PERIOD ENDED JUNE 30, 2014 AND  
YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011  
PT SOECHI LINES TBK AND SUBSIDIARIES**

Kami yang bertanda tangan dibawah ini/*We, the undersigned:*

- Nama/*Name* : Go Darmadi  
Alamat kantor/*Office address* : Jl. Jend. Sudirman Kav. 76-78, Plaza Marein Lt. 21  
Alamat domisili sesuai KTP atau identitas lain/*Domicile as stated in ID Card* : Jl. Pantai Kuta I No. 20, Jakarta Utara  
Nomor telepon/*Phone Number* : 021-57936883  
Jabatan/*Position* : Direktur Utama / *President Director*
- Nama/*Name* : Paula Marlina  
Alamat kantor/*Office address* : Jl. Jend. Sudirman Kav. 76-78, Plaza Marein Lt. 21  
Alamat domisili sesuai KTP atau identitas lain/*Domicile as stated in ID Card* : Jl. Permata Intan F III / 59, Jakarta Selatan  
Nomor telepon/*Phone Number* : 021-57936883  
Jabatan/*Position* : Direktur Keuangan / *Finance Director*

Menyatakan bahwa / *Declared that:*

- Bertanggung jawab atas penyusunan dan penyajian laporan keuangan konsolidasian PT Soechi Lines Tbk ("Perusahaan") dan Entitas Anak / *We are responsible for the preparation and presentation of the consolidated financial statements of PT Soechi Lines Tbk ("the Company") and Subsidiaries;*
- Laporan keuangan konsolidasian Perusahaan dan Entitas Anak telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia / *The consolidated financial statements of the Company and Subsidiaries have been prepared and presented in accordance with Indonesian Financial Accounting Standards.*
- Semua informasi dalam laporan keuangan konsolidasian Perusahaan dan Entitas Anak telah dimuat secara lengkap dan benar / *All information in the consolidated financial statements of the Company and Subsidiaries have been disclosed in a complete and truthful manner;*
  - Laporan keuangan konsolidasian Perusahaan dan Entitas Anak tidak mengandung informasi atau fakta material yang tidak benar, dan tidak menghilangkan informasi atau fakta material / *The consolidated financial statements of the Company and Subsidiaries do not contain incorrect material information or facts, nor do they omit material information or facts.*
- Bertanggung jawab atas sistem pengendalian intern dalam Perusahaan dan Entitas Anak / *We are responsible for the internal control system of the Company and Subsidiaries.*

Demikian pernyataan ini dibuat dengan sebenarnya / *This statement letter has been made truthfully.*

Jakarta, 9 Oktober 2014 / *Jakarta, October 9, 2014*

Direktur Utama / *President Director*

Direktur Keuangan / *Finance Director*

Go Darmadi



Paula Marlina

*The original report included herein is in Indonesian language.*

**Laporan Auditor Independen****Independent Auditors' Report**

Laporan No. KNT&R-0494/14

Report No. KNT&R-0494/14

Pemegang Saham, Dewan Komisaris dan Direksi  
**PT SOECHI LINES TBK**

*The Shareholders, Boards of Commissioners and  
Directors*  
**PT SOECHI LINES TBK**

Kami telah mengaudit laporan keuangan konsolidasian PT Soechi Lines Tbk ("Perusahaan") dan Entitas Anaknya terlampir, yang terdiri dari laporan posisi keuangan konsolidasian tanggal 30 Juni 2014 dan 31 Desember 2013, serta laporan laba rugi komprehensif, laporan perubahan ekuitas dan laporan arus kas konsolidasian untuk periode enam bulan yang berakhir pada tanggal-tanggal 30 Juni 2014 dan 2013, dan tahun yang berakhir pada tanggal 31 Desember 2013, dan suatu ikhtisar kebijakan akuntansi signifikan dan informasi penjelasan lainnya.

*We have audited the accompanying consolidated financial statements of PT Soechi Lines Tbk (the "Company") and its Subsidiaries, which comprise the consolidated statements of financial position as of June 30, 2014 and December 31, 2013, and the consolidated statements of comprehensive income, changes in equity and cash flows for the six-month periods ended June 30, 2014 and 2013, and the year ended December 31, 2013, and a summary of significant accounting policies and other explanatory information.*

**Tanggung jawab manajemen atas laporan keuangan****Management's responsibility for the financial statements**

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan konsolidasian tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia, dan atas pengendalian internal yang dianggap perlu oleh manajemen untuk memungkinkan penyusunan laporan keuangan konsolidasian yang bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan.

*Management is responsible for the preparation and fair presentation of such consolidated financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.*

**Tanggung jawab auditor****Auditors' responsibility**

Tanggung jawab kami adalah untuk menyatakan suatu opini atas laporan keuangan konsolidasian tersebut berdasarkan audit kami. Kami melaksanakan audit kami berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Standar tersebut mengharuskan kami untuk mematuhi ketentuan etika serta merencanakan dan melaksanakan audit untuk memperoleh keyakinan memadai tentang apakah laporan keuangan konsolidasian tersebut bebas dari kesalahan penyajian material.

*Our responsibility is to express an opinion on such consolidated financial statements based on our audits. We conducted our audits in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.*

The original report included herein is in Indonesian language.

## Halaman 2

Suatu audit melibatkan pelaksanaan prosedur untuk memperoleh bukti audit tentang angka-angka dan pengungkapan dalam laporan keuangan. Prosedur yang dipilih bergantung pada pertimbangan auditor, termasuk penilaian atas risiko kesalahan penyajian material dalam laporan keuangan, baik yang disebabkan oleh kecurangan maupun kesalahan. Dalam melakukan penilaian risiko tersebut, auditor mempertimbangkan pengendalian internal yang relevan dengan penyusunan dan penyajian wajar laporan keuangan entitas untuk merancang prosedur audit yang tepat sesuai dengan kondisinya, tetapi bukan untuk tujuan menyatakan opini atas keefektifitasan pengendalian internal entitas. Suatu audit juga mencakup pengevaluasian atas ketepatan kebijakan akuntansi yang digunakan dan kewajaran estimasi akuntansi yang dibuat oleh manajemen, serta pengevaluasian atas penyajian laporan keuangan secara keseluruhan.

Kami yakin bahwa bukti audit yang telah kami peroleh adalah cukup dan tepat untuk menyediakan suatu basis bagi opini audit kami.

## Opini

Menurut opini kami, laporan keuangan konsolidasian terlampir menyajikan secara wajar, dalam semua hal yang material, posisi keuangan konsolidasian PT Soechi Lines Tbk dan Entitas Anaknya tanggal 30 Juni 2014 dan 31 Desember 2013, serta kinerja keuangan dan arus kas konsolidasiannya untuk periode enam bulan yang berakhir pada tanggal-tanggal 30 Juni 2014 dan 2013 dan tahun yang berakhir pada tanggal 31 Desember 2013, sesuai dengan Standar Akuntansi Keuangan di Indonesia.

## Hal-hal lain

Audit kami atas laporan keuangan konsolidasian PT Soechi Lines Tbk dan Entitas Anaknya tanggal 30 Juni 2014 dan 31 Desember 2013, dan untuk periode enam bulan yang berakhir pada tanggal-tanggal 30 Juni 2014 dan 2013, dan tahun yang berakhir pada tanggal 31 Desember 2013 terlampir dilaksanakan dengan tujuan untuk merumuskan suatu opini atas laporan keuangan konsolidasian tersebut secara keseluruhan. Informasi keuangan PT Soechi Lines Tbk (Entitas Induk) terlampir, yang terdiri dari laporan posisi keuangan tanggal 30 Juni 2014 dan 31 Desember 2013, serta laporan laba rugi komprehensif, laporan perubahan ekuitas dan laporan arus kas untuk periode enam bulan yang berakhir pada tanggal-tanggal 30 Juni 2014 dan 2013, dan tahun yang berakhir pada tanggal 31 Desember 2013 (secara kolektif disebut sebagai "Informasi Keuangan Entitas Induk"), yang disajikan sebagai informasi tambahan terhadap laporan keuangan konsolidasian terlampir, disajikan untuk tujuan analisis tambahan dan bukan merupakan bagian dari laporan keuangan konsolidasian terlampir yang diharuskan menurut Standar Akuntansi Keuangan di Indonesia. Informasi Keuangan Entitas Induk merupakan tanggung

## Page 2

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of PT Soechi Lines Tbk and its Subsidiaries as of June 30, 2014 and December 31, 2013, and their consolidated financial performance and cash flows for the six-month periods ended June 30, 2014 and 2013 and the year ended December 31, 2013, in accordance with Indonesian Financial Accounting Standards.

## Other matters

Our audits of the accompanying consolidated financial statements of PT Soechi Lines Tbk and its Subsidiaries as of June 30, 2014 and December 31, 2013, and for the six-month periods ended June 30, 2014 and 2013, and the year ended December 31, 2013 were performed for the purpose of forming an opinion on such consolidated financial statements taken as a whole. The accompanying financial information of PT Soechi Lines Tbk (Parent Entity), which comprises the statements of financial position as of June 30, 2014 and December 31, 2013, and the statements of comprehensive income, changes in equity and cash flows for the six-month periods ended June 30, 2014 and 2013, and the year ended December 31, 2013 (collectively referred to as "Parent Entity Financial Information"), which is presented as a supplementary information to the accompanying consolidated financial statements, is presented for the purposes of additional analysis and is not a required part of the accompanying consolidated financial statements under Indonesian Financial Accounting Standards. The Parent Entity Financial Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to

*The original report included herein is in Indonesian language.*

**Halaman 3**

jawab manajemen serta dihasilkan dari dan berkaitan secara langsung dengan catatan akuntansi dan catatan lainnya yang mendasarinya yang digunakan untuk menyusun laporan keuangan konsolidasian terlampir. Informasi Keuangan Entitas Induk telah menjadi objek prosedur audit yang diterapkan dalam audit atas laporan keuangan konsolidasian terlampir berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Menurut opini kami, Informasi Keuangan Entitas Induk disajikan secara wajar, dalam semua hal yang material, berkaitan dengan laporan keuangan konsolidasian terlampir secara keseluruhan.

Laporan ini diterbitkan dengan tujuan untuk dicantumkan dalam prospektus sehubungan dengan rencana penawaran umum saham perdana PT Soechi Lines Tbk di Bursa Efek Indonesia, serta tidak ditujukan, dan tidak diperkenankan untuk digunakan, untuk tujuan lain.

Kami telah menerbitkan laporan auditor independen No. KNT&R-0476/14 tanggal 25 Agustus 2014 atas laporan keuangan konsolidasian PT Soechi Lines Tbk untuk periode enam bulan yang berakhir pada tanggal-tanggal 30 Juni 2014 dan 2013 dan tahun yang berakhir pada tanggal-tanggal 31 Desember 2013, 2012 dan 2011. Sehubungan dengan rencana Perusahaan untuk melakukan Penawaran Umum Perdana Saham Perusahaan, Perusahaan menerbitkan kembali laporan keuangan konsolidasian untuk periode enam bulan yang berakhir pada tanggal-tanggal 30 Juni 2014 dan 2013 dan tahun yang berakhir pada tanggal-tanggal 31 Desember 2013, 2012 dan 2011 yang disertai perubahan maupun tambahan pengungkapan pada catatan atas laporan keuangan konsolidasian.

**KOSASIH, NURDIYAMAN, TJAHJO & REKAN**



**Mulyadi**

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9 Oktober 2014/October 9, 2014

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*prepare the accompanying consolidated financial statements. The Parent Entity Financial Information has been subjected to the auditing procedures applied in the audits of the accompanying consolidated financial statements in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. In our opinion, the Parent Entity Financial Information is fairly stated, in all material respects, in relation to the accompanying consolidated financial statements taken as a whole.*

*This report has been prepared solely for inclusion in the prospectus in connection with the proposed initial public offering of the equity shares of PT Soechi Lines Tbk on Indonesia Stock Exchange, and is not intended to be, and should not be used, for any other purposes.*

*We have issued the independent auditors' reports No. KNT&R-0476/14 dated August 25, 2014 on the consolidated financial statements of PT Soechi Lines Tbk for the six-month periods ended June 30, 2014 and 2013 and the years ended December 31, 2013, 2012 and 2011. In relation with the Company's plan to conduct Initial Public Offering, the Company reissued its consolidated financial statements for the six-month periods ended June 30, 2014 and 2013 and the years ended December 31, 2013, 2012 and 2011 with changes and additional disclosures in the notes to the consolidated financial statements.*

**NOTICE TO READERS**

*The accompanying consolidated financial statements are not intended to present the consolidated financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Indonesia. The standards, procedures and practices utilized to audit such consolidated financial statements may differ from those generally accepted in countries and jurisdictions other than Indonesia. Accordingly, the accompanying consolidated financial statements and the auditors' report thereon are not intended for use by those who are not informed about Indonesian Financial Accounting Standards and Auditing Standards, and their application in practice.*

*The original report included herein is in Indonesian language.*

**Laporan Auditor Independen****Independent Auditors' Report**Laporan No. KNT&R-0495/14Report No. KNT&R-0495/14Pemegang Saham, Dewan Komisaris  
dan Direksi  
**PT SOECHI LINES TBK***The Shareholders, Boards of Commissioners  
and Directors  
**PT SOECHI LINES TBK***

Kami telah mengaudit laporan posisi keuangan konsolidasian PT Soechi Lines Tbk ("Perusahaan") dan Entitas Anaknya tanggal 31 Desember 2012 dan 2011, serta laporan laba rugi komprehensif, laporan perubahan ekuitas dan laporan arus kas konsolidasian untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2012 dan 2011. Laporan keuangan konsolidasian adalah tanggung jawab manajemen Perusahaan. Tanggung jawab kami terletak pada pernyataan pendapat atas laporan keuangan konsolidasian berdasarkan audit kami.

*We have audited the consolidated statements of financial position of PT Soechi Lines Tbk (the "Company") and its Subsidiaries as of December 31, 2012 and 2011, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2012 and 2011. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.*

Kami melaksanakan audit berdasarkan standar auditing yang ditetapkan Institut Akuntan Publik Indonesia. Standar tersebut mengharuskan kami merencanakan dan melaksanakan audit agar kami memperoleh keyakinan memadai bahwa laporan keuangan bebas dari salah saji material. Suatu audit meliputi pemeriksaan atas dasar pengujian, bukti-bukti yang mendukung jumlah-jumlah dan pengungkapan dalam laporan keuangan. Audit juga meliputi penilaian atas prinsip akuntansi yang digunakan dan estimasi signifikan yang dibuat oleh manajemen, serta penilaian terhadap penyajian laporan keuangan secara keseluruhan. Kami yakin bahwa audit kami memberikan dasar memadai untuk menyatakan pendapat.

*We conducted our audits in accordance with auditing standards established by the Indonesian Institute of Certified Public Accountants. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.*

Menurut pendapat kami, laporan keuangan konsolidasian yang kami sebut di atas menyajikan secara wajar, dalam semua hal yang material, posisi keuangan konsolidasian PT Soechi Lines Tbk dan Entitas Anaknya tanggal 31 Desember 2012 dan 2011, serta hasil usaha dan arus kas konsolidasian untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2012 dan 2011, tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia.

*In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of PT Soechi Lines Tbk and its Subsidiaries as of December 31, 2012 and 2011, and the consolidated results of their operations and their cash flows for the years ended December 31, 2012 and 2011, in conformity with Indonesian Financial Accounting Standards.*

Laporan ini diterbitkan dengan tujuan untuk dicantumkan dalam prospektus sehubungan dengan rencana penawaran umum saham perdana Perusahaan di Bursa Efek Indonesia, serta tidak ditujukan, dan tidak diperkenankan untuk digunakan, untuk tujuan lain.

*This report has been prepared solely for inclusion in the prospectus in connection with the proposed initial public offering of the equity securities of the Company on Indonesia Stock Exchange, and is not intended to be, and should not be used, for any other purposes.*

The original report included herein is in Indonesian language.

Halaman 2

Audit kami atas laporan keuangan konsolidasian Perusahaan dan Entitas Anaknya tanggal 31 Desember 2012 dan 2011, dan untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2012 dan 2011 terlampir dilaksanakan dengan tujuan untuk merumuskan suatu opini atas laporan keuangan konsolidasian tersebut secara keseluruhan. Informasi keuangan Perusahaan (Entitas Induk) terlampir, yang terdiri dari laporan posisi keuangan tanggal 31 Desember 2012 dan 2011, serta laporan laba rugi komprehensif, laporan perubahan ekuitas, dan laporan arus kas untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2012 dan 2011 (secara kolektif disebut sebagai "Informasi Keuangan Entitas Induk"), yang disajikan sebagai informasi tambahan terhadap laporan keuangan konsolidasian terlampir, disajikan untuk tujuan analisis tambahan dan bukan merupakan bagian dari laporan keuangan konsolidasian terlampir yang diharuskan menurut Standar Akuntansi Keuangan di Indonesia. Informasi Keuangan Entitas Induk merupakan tanggung jawab manajemen serta dihasilkan dari dan berkaitan secara langsung dengan catatan akuntansi dan catatan lainnya yang mendasarinya yang digunakan untuk menyusun laporan keuangan konsolidasian terlampir. Informasi Keuangan Entitas Induk telah menjadi objek prosedur audit yang diterapkan dalam audit atas laporan keuangan konsolidasian terlampir berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Menurut opini kami, Informasi Keuangan Entitas Induk disajikan secara wajar, dalam semua hal yang material, berkaitan dengan laporan keuangan konsolidasian terlampir secara keseluruhan.

Kami telah menerbitkan laporan auditor independen No. KNT&R-0476/14 tanggal 25 Agustus 2014 atas laporan keuangan konsolidasian PT Soechi Lines Tbk untuk periode enam bulan yang berakhir pada tanggal-tanggal 30 Juni 2014 dan 2013 dan tahun yang berakhir pada tanggal-tanggal 31 Desember 2013, 2012 dan 2011. Sehubungan dengan rencana Perusahaan untuk melakukan Penawaran Umum Perdana Saham Perusahaan, Perusahaan menerbitkan kembali laporan keuangan konsolidasian untuk periode enam bulan yang berakhir pada tanggal-tanggal 30 Juni 2014 dan 2013 dan tahun yang berakhir pada tanggal-tanggal 31 Desember 2013, 2012 dan 2011 yang disertai perubahan maupun tambahan pengungkapan pada catatan atas laporan keuangan konsolidasian.

KOSASIH, NURDIYAMAN, TAJHJO & REKAN



Mulyadi

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Our audits of the accompanying consolidated financial statements of the Company and its Subsidiaries as of December 31, 2012 and 2011, and for the years ended December 31, 2012 and 2011 were performed the purpose of forming an opinion on such consolidated financial statements taken as a whole. The accompanying financial information of the Company (Parent Entity), which comprises the statements of financial position as of December 31, 2012 and 2011, and the statements of comprehensive income, changes in equity, and cash flows for the years ended December 31, 2012 and 2011 (collectively referred to as "Parent Entity Financial Information"), which is presented as a supplementary information to the accompanying consolidated financial statements, is presented for the purposes of additional analysis and is not a required part of the accompanying consolidated financial statements under Indonesian Financial Accounting Standards. The Parent Entity Financial Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the accompanying consolidated financial statements. The Parent Entity Financial Information has been subjected to the auditing procedures applied in the audit of the accompanying consolidated financial statements in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. In our opinion, the Parent Entity Financial Information is fairly stated, in all material respects, in relation to the accompanying consolidated financial statements taken as a whole.

We have issued the independent auditors' reports No. KNT&R-0476/14 dated August 25, 2014 on the consolidated financial statements of PT Soechi Lines Tbk for the six-month periods ended June 30, 2014 and 2013 and the years ended December 31, 2013, 2012 and 2011. In relation with the Company's plan to conduct Initial Public Offering, the Company reissued its consolidated financial statements for the six-month periods ended June 30, 2014 and 2013 and the years ended December 31, 2013, 2012 and 2011 with changes and additional disclosures in the notes to the consolidated financial statements.

NOTICE TO READERS

The accompanying consolidated financial statements are not intended to present the consolidated financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Indonesia. The standards, procedures and practices utilized to audit such consolidated financial statements may differ from those generally accepted in countries and jurisdictions other than Indonesia. Accordingly, the accompanying consolidated financial statements and the auditors' report thereon are not intended for use by those who are not informed about Indonesian Financial Accounting Standards and Auditing Standards, and their application in practice.

The original consolidated financial statements included herein are in Indonesian language.

**PT SOECHI LINES TBK DAN ENTITAS ANAK**  
**LAPORAN POSISI KEUANGAN**  
**KONSOLIDASIAN**  
**30 Juni 2014, 31 Desember 2013, 2012 dan 2011**  
**(Disajikan Dalam Dolar AS, kecuali Dinyatakan Lain)**

**PT SOECHI LINES TBK AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF**  
**FINANCIAL POSITION**  
**June 30, 2014, December 31, 2013, 2012 and 2011**  
**(Expressed in US Dollar, unless Otherwise Stated)**

	Catatan/ Notes	30 Juni/ June 30, 2014	31 Desember/December 31,			
			2013	2012	2011	
<b>ASET</b>						<b>ASSETS</b>
<b>ASET LANCAR</b>						<b>CURRENT ASSETS</b>
Kas dan setara kas	2d,2e, 3,5,30,31	10.334.038	2.972.951	3.957.591	3.528.067	Cash and cash equivalents
Kas yang dibatasi penggunaannya	2d,2e,3, 6,30,31	14.980	74.228	202.506	105.515	Restricted cash
Piutang usaha	2d,2g, 3,7,30,31					Trade receivables
Pihak ketiga - setelah dikurangi cadangan penurunan nilai sebesar AS\$260.121 pada tanggal 30 Juni 2014, AS\$259.783 pada tanggal 31 Desember 2013 dan AS\$25.779 pada tanggal 31 Desember 2012		6.033.248	17.001.764	4.305.707	3.714.251	Third parties - net of allowance for impairment of USD260,121 as of June 30, 2014, USD259,783 as of December 31, 2013 and USD25,779 as of December 31, 2012
Pihak berelasi	2f,20 2d,2g, 3,30,31	-	338.291	193.600	-	Related party
Piutang lain-lain	3,30,31					Other receivables
Pihak ketiga - neto		726.762	537.590	970.964	31.893	Third parties - net
Pihak berelasi	2f,20	-	-	224.659	-	Related party
Pendapatan yang masih harus ditagih	2d,2n,3, 10,30,31	2.212.849	1.770.248	2.863.219	-	Unbilled revenues
Persediaan	2h,3,8	2.524.008	3.985.503	1.835.656	929.168	Inventories
Pajak dibayar dimuka	2q,3,18	867.412	531.214	169.319	2.880	Prepaid tax
Uang muka dan beban dibayar dimuka	2i,9	5.990.428	3.378.002	3.730.151	1.909.163	Advances and prepaid expenses
Piutang dari pihak-pihak berelasi	2d,2f, 3,20,31	-	-	2.106	510.957	Due from related parties
Aset tidak lancar yang dimiliki untuk dijual	2j,11	9.000.000	9.000.000	-	-	Non-current assets held for sale
<b>Total Aset Lancar</b>		<b>37.703.725</b>	<b>39.589.791</b>	<b>18.455.478</b>	<b>10.731.894</b>	<b>Total Current Assets</b>
<b>ASET TIDAK LANCAR</b>						<b>NON-CURRENT ASSETS</b>
Aset tetap - setelah dikurangi akumulasi penyusutan sebesar AS\$79.302.366 pada tanggal 30 Juni 2014, AS\$72.868.739 pada tanggal 31 Desember 2013, AS\$62.464.036 pada tanggal 31 Desember 2012 dan AS\$57.376.307 pada tanggal 31 Desember 2011	2k,2m,2s,2t, 3,12,27,28	331.419.875	326.860.272	268.599.501	220.512.860	Fixed assets - net of accumulated depreciation of USD79,302,366 as of June 30, 2014, USD72,868,739 as of December 31, 2013, USD62,464,036 as of December 31, 2012 and USD57,376,307 as of December 31, 2011
Aset takberwujud - setelah dikurangi akumulasi amortisasi sebesar AS\$66.578 pada tanggal 30 Juni 2014 dan AS\$41.488 pada tanggal 31 Desember 2013	2i,2s,13	134.146	159.237	39.963	-	Intangible asset - net of accumulated amortization of USD66,578 as of June 30, 2014 and of USD41,488 as of December 31, 2013
Aset pajak tangguhan	2q,3,18	1.235.481	1.528.136	552.797	496.045	Deferred tax assets
Aset tidak lancar lainnya	2i,14	6.745.300	6.509.680	7.384.166	3.585.395	Other non-current assets
<b>Total Aset Tidak Lancar</b>		<b>339.534.802</b>	<b>335.057.325</b>	<b>276.576.427</b>	<b>224.594.300</b>	<b>Total Non-Current Assets</b>
<b>TOTAL ASET</b>		<b>377.238.527</b>	<b>374.647.116</b>	<b>295.031.905</b>	<b>235.326.194</b>	<b>TOTAL ASSETS</b>

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

The original consolidated financial statements included herein are in Indonesian language.

**PT SOECHI LINES TBK DAN ENTITAS ANAK**  
**LAPORAN POSISI KEUANGAN**  
**KONSOLIDASIAN (lanjutan)**  
**30 Juni 2014, 31 Desember 2013, 2012 dan 2011**  
**(Disajikan Dalam Dolar AS, kecuali Dinyatakan Lain)**

**PT SOECHI LINES TBK AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF**  
**FINANCIAL POSITION (continued)**  
**June 30, 2014, December 31, 2013, 2012 and 2011**  
**(Expressed in US Dollar, unless Otherwise Stated)**

	Catatan/ Notes	30 Juni/ June 30, 2014	31 Desember/December 31,			
			2013	2012	2011	
<b>LIABILITAS DAN EKUITAS</b>						<b>LIABILITIES AND EQUITY</b>
<b>LIABILITAS JANGKA PENDEK</b>						<b>CURRENT LIABILITIES</b>
Utang usaha	2d,3, 16,30,31					Trade payables
Pihak ketiga		8.445.658	8.312.673	5.191.307	2.866.642	Third parties
Pihak-pihak berelasi	2f,20	256.032	769.745	390.849	367.589	Related parties
Utang lain-lain	2d,3,17,30,31	3.390.056	2.995.088	3.896.532	1.912.363	Other payables
Selisih lebih tagihan kemajuan kontrak di atas estimasi pendapatan	2o 3,33	1.578.801	1.478.502	-	-	Billings in excess of estimated earnings on contracts
Utang pajak	2q,3,18	294.988	235.653	326.410	2.167.714	Taxes payable
Beban yang masih harus dibayar	2d,3, 19,30,31	4.870.686	4.469.704	3.470.317	3.338.706	Accrued expenses
Pinjaman bank jangka pendek	2d,3, 15,30,31	6.386.810	12.633.950	14.037.368	5.251.360	Short-term bank loans
Utang kepada pihak berelasi	2d,2f,3, 20,30,31	10.839.738	35.528.480	34.701.884	35.701.950	Due to a related party
Pinjaman jangka panjang jatuh tempo dalam satu tahun:	2d,3,30,31					Current maturities of long-term loans:
Pinjaman bank	21	35.603.408	31.912.329	27.421.524	23.873.598	Bank loans
Utang sewa pembiayaan	2m	197.414	204.425	278.017	154.014	Finance lease payables
Utang pembiayaan konsumen		205.187	132.597	151.568	72.438	Consumer financing payables
Total Liabilitas Jangka Pendek		72.068.778	98.673.146	89.865.776	75.706.374	Total Current Liabilities
<b>LIABILITAS JANGKA PANJANG</b>						<b>NON-CURRENT LIABILITIES</b>
Pinjaman jangka panjang - setelah dikurangi bagian jatuh tempo dalam satu tahun:	2d,3,30,31					Long-term loans - net of current maturities:
Pinjaman bank	21	129.958.792	136.697.661	121.200.034	93.014.860	Bank loans
Utang sewa pembiayaan	2m	-	80.624	306.084	255.607	Finance lease payables
Utang pembiayaan konsumen		215.025	100.730	167.601	67.566	Consumer financing payables
Liabilitas imbalan kerja	2p,3,22	631.716	577.617	566.713	300.246	Employees' benefits liabilities
Total Liabilitas Jangka Panjang		130.805.533	137.456.632	122.240.432	93.638.279	Total Non-Current Liabilities
<b>TOTAL LIABILITAS</b>		<b>202.874.311</b>	<b>236.129.778</b>	<b>212.106.208</b>	<b>169.344.653</b>	<b>TOTAL LIABILITIES</b>

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

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**PT SOECHI LINES TBK DAN ENTITAS ANAK**  
**LAPORAN POSISI KEUANGAN**  
**KONSOLIDASIAN (lanjutan)**  
**30 Juni 2014, 31 Desember 2013, 2012 dan 2011**  
**(Disajikan Dalam Dolar AS, kecuali Dinyatakan Lain)**

**PT SOECHI LINES TBK AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF**  
**FINANCIAL POSITION (continued)**  
**June 30, 2014, December 31, 2013, 2012 and 2011**  
**(Expressed in US Dollar, unless Otherwise Stated)**

	Catatan/ Notes	30 Juni/ June 30, 2014	31 Desember/December 31,			
			2013	2012	2011	
<b>EKUITAS</b>						<b>EQUITY</b>
<b>EKUITAS YANG DAPAT DIATRIBUSIKAN KEPADA PEMILIK ENTITAS INDUK</b>						<b>EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT ENTITY</b>
Modal saham - nilai nominal Rp100 per saham pada tanggal 30 Juni 2014, 31 Desember 2013 dan 2012 dan Rp1.000.000 per saham pada tanggal 31 Desember 2011						Share capital - par value of Rp100 per share as of June 30, 2014, December 31, 2013 and 2012 and Rp1,000,000 per share as of December 31, 2011
Modal dasar - 23.000.000.000 saham pada tanggal 30 Juni 2014, 14.000.000.000 saham pada tanggal 31 Desember 2013, 4.000.000.000 saham pada tanggal 31 Desember 2012 dan 200.000 saham pada tanggal 31 Desember 2011						Authorized - 23,000,000,000 shares as of June 30, 2014, 14,000,000,000 shares as of December 31, 2013, 4,000,000,000 shares as of December 31, 2012 and 200,000 shares as of December 31, 2011
Modal ditempatkan dan disetor penuh - 6.000.000.000 saham pada tanggal 30 Juni 2014, 3.572.081.001 saham pada tanggal 31 Desember 2013, 1.072.081.001 saham pada tanggal 31 Desember 2012 dan 50.050 saham pada tanggal 31 Desember 2011	23	57.064.356	36.831.698	11.494.716	5.567.297	Issued and fully paid - 6,000,000,000 shares as of June 30, 2014, 3,572,081,001 shares as of December 31, 2013, 1,072,081,001 shares as of December 31, 2012 and 50,050 shares as of December 31, 2011
Tambahan modal disetor	2c,4	65.141.276	65.112.248	-	-	Additional paid-in capital
Proforma ekuitas dari transaksi restrukturisasi entitas sepengendali	2c	-	-	-	23.097.110	Proforma equity arising from restructuring transactions of entities under common control
Selisih nilai transaksi restrukturisasi entitas sepengendali	2c,4	-	-	65.110.210	21.615.527	Difference in value from restructuring transactions of entities under common control
Saldo laba						Retained earnings
Dicadangkan	23	7.284.280	-	-	-	Appropriated
Belum dicadangkan		44.727.195	36.421.401	6.202.071	3.450.487	Unappropriated
<b>Total Ekuitas Yang Dapat Diatribusikan Kepada Pemilik Entitas Induk Kepentingan Nonpengendali</b>	<b>2b,25</b>	<b>174.217.107</b> <b>147.109</b>	<b>138.365.347</b> <b>151.991</b>	<b>82.806.997</b> <b>118.700</b>	<b>53.730.421</b> <b>12.251.120</b>	<b>Total Equity Attributable to Owners of The Parent Entity</b> <b>Non-controlling Interests</b>
<b>TOTAL EKUITAS</b>		<b>174.364.216</b>	<b>138.517.338</b>	<b>82.925.697</b>	<b>65.981.541</b>	<b>TOTAL EQUITY</b>
<b>TOTAL LIABILITAS DAN EKUITAS</b>		<b>377.238.527</b>	<b>374.647.116</b>	<b>295.031.905</b>	<b>235.326.194</b>	<b>TOTAL LIABILITIES AND EQUITY</b>

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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**PT SOECHI LINES TBK DAN ENTITAS ANAK**  
**LAPORAN LABA RUGI KOMPREHENSIF**  
**KONSOLIDASIAN**  
**Periode Enam Bulan yang Berakhir pada Tanggal-**  
**tanggal 30 Juni 2014 dan 2013**  
**dan Tahun yang Berakhir pada Tanggal-tanggal**  
**31 Desember 2013, 2012 dan 2011**  
**(Disajikan Dalam Dolar AS, kecuali Dinyatakan Lain)**

**PT SOECHI LINES TBK AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF**  
**COMPREHENSIVE INCOME**  
**Six-Month Periods Ended**  
**June 30, 2014 and 2013**  
**and Years Ended**  
**December 31, 2013, 2012 and 2011**  
**(Expressed in US Dollar, unless Otherwise Stated)**

	Catatan/ Notes	30 Juni/June 30,		31 Desember/December 31,			
		2014	2013	2013	2012	2011	
<b>PENDAPATAN NETO</b>	2n,2f,20,26	54.771.034	46.282.422	106.404.574	71.391.473	65.131.767	<b>NET REVENUES</b>
<b>BEBAN POKOK PENDAPATAN</b>	2n,2f,20,27	29.429.386	30.305.560	70.533.203	48.262.552	43.349.412	<b>COST OF REVENUES</b>
<b>LABA BRUTO</b>		<b>25.341.648</b>	<b>15.976.862</b>	<b>35.871.371</b>	<b>23.128.921</b>	<b>21.782.355</b>	<b>GROSS PROFIT</b>
<b>BEBAN USAHA</b>	2n,2f,20,28	2.525.370	2.607.678	6.692.605	5.520.708	5.058.722	<b>OPERATING EXPENSES</b>
<b>LABA USAHA</b>		<b>22.816.278</b>	<b>13.369.184</b>	<b>29.178.766</b>	<b>17.608.213</b>	<b>16.723.633</b>	<b>INCOME FROM OPERATIONS</b>
<b>PENGHASILAN (BEBAN) LAIN-LAIN</b>	2n						<b>OTHER INCOME (EXPENSES)</b>
Pendapatan keuangan	29	2.707	5.168	11.101	18.601	11.713	Finance income
Beban keuangan		(5.163.678)	(3.864.873)	(9.606.422)	(8.895.041)	(8.569.059)	Finance costs
Laba (rugi) selisih kurs - neto		(1.102.167)	1.494.696	14.585.266	3.480.129	2.321.612	Gain (loss) of foreign exchange - net
Rugi pelepasan aset tetap dan penurunan nilai aset tidak lancar yang dimiliki untuk dijual		-	(160.279)	(4.161.654)	(743.659)	(2.198.835)	Loss on disposal of fixed assets and impairment of non-current asset held for sale
Lain-lain - neto	11,12	(37.406)	(30.630)	249.714	(167.555)	(10.943)	Others - net
<b>PENGHASILAN (BEBAN) LAIN-LAIN - NETO</b>		<b>(6.300.544)</b>	<b>(2.555.918)</b>	<b>1.078.005</b>	<b>(6.307.525)</b>	<b>(8.445.512)</b>	<b>OTHER INCOME (EXPENSES) - NET</b>
<b>LABA SEBELUM MANFAAT (BEBAN) PAJAK PENGHASILAN</b>		<b>16.515.734</b>	<b>10.813.266</b>	<b>30.256.771</b>	<b>11.300.688</b>	<b>8.278.121</b>	<b>INCOME BEFORE INCOME TAX BENEFIT (EXPENSE)</b>
<b>MANFAAT (BEBAN) PAJAK PENGHASILAN</b>	2q,3,18						<b>INCOME TAX BENEFIT (EXPENSE)</b>
Final		(562.326)	(514.704)	(1.082.557)	(855.090)	(792.864)	Final
Kini		(18.599)	(130.037)	(9.586)	(7.855)	-	Current
Tangguhan		(320.589)	38.622	1.089.582	87.633	266.996	Deferred
Beban Pajak Penghasilan - Neto		(901.514)	(606.119)	(2.561)	(775.312)	(525.868)	Income Tax Expense - Net
<b>LABA SEBELUM PENYESUAIAN LABA PROFORMA YANG TERJADI DARI TRANSAKSI RESTRUKTURISASI ENTITAS SEPENGENDALI</b>		<b>15.614.220</b>	<b>10.207.147</b>	<b>30.254.210</b>	<b>10.525.376</b>	<b>7.752.253</b>	<b>INCOME BEFORE PROFORMA INCOME ADJUSTMENTS ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL</b>
<b>LABA PROFORMA YANG TERJADI DARI TRANSAKSI RESTRUKTURISASI ENTITAS SEPENGENDALI</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(6.867.063)</b>	<b>(3.006.067)</b>	<b>PROFORMA INCOME ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL</b>
<b>LABA PERIODE/TAHUN BERJALAN</b>		<b>15.614.220</b>	<b>10.207.147</b>	<b>30.254.210</b>	<b>3.658.313</b>	<b>4.746.186</b>	<b>INCOME FOR THE PERIOD/YEAR</b>
<b>PENDAPATAN KOMPREHENSIF LAIN</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>OTHER COMPREHENSIVE INCOME</b>
<b>TOTAL LABA KOMPREHENSIF PERIODE/TAHUN BERJALAN</b>		<b>15.614.220</b>	<b>10.207.147</b>	<b>30.254.210</b>	<b>3.658.313</b>	<b>4.746.186</b>	<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR</b>

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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**PT SOECHI LINES TBK DAN ENTITAS ANAK**  
**LAPORAN LABA RUGI KOMPREHENSIF**  
**KONSOLIDASIAN (lanjutan)**  
**Periode Enam Bulan yang Berakhir pada Tanggal-**  
**tanggal 30 Juni 2014 dan 2013**  
**dan Tahun yang Berakhir pada Tanggal-tanggal**  
**31 Desember 2013, 2012 dan 2011**  
**(Disajikan Dalam Dolar AS, kecuali Dinyatakan Lain)**

**PT SOECHI LINES TBK AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF**  
**COMPREHENSIVE INCOME**  
**Six-Month Periods Ended**  
**June 30, 2014 and 2013**  
**and Years Ended**  
**December 31, 2013, 2012 and 2011**  
**(Expressed in US Dollar, unless Otherwise Stated)**

	Catatan/ Notes	30 Juni/June 30,		31 Desember/December 31,			
		2014	2013	2013	2012	2011	
<b>LABA PERIODE/TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:</b>							<b>INCOME FOR THE PERIOD/YEAR ATTRIBUTABLE TO:</b>
Pemilik entitas induk		15.590.074	10.194.948	30.219.330	2.751.584	3.390.119	Owners of the parent entity
Kepentingan nonpengendali		24.146	12.199	34.880	906.729	1.356.067	Non-controlling interests
<b>TOTAL</b>		<b>15.614.220</b>	<b>10.207.147</b>	<b>30.254.210</b>	<b>3.658.313</b>	<b>4.746.186</b>	<b>TOTAL</b>
<b>TOTAL LABA KOMPREHENSIF PERIODE/TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:</b>							<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR ATTRIBUTABLE TO:</b>
Pemilik entitas induk		15.590.074	10.194.948	30.219.330	2.751.584	3.390.119	Owners of the parent entity
Kepentingan nonpengendali		24.146	12.199	34.880	906.729	1.356.067	Non-controlling interests
<b>TOTAL</b>		<b>15.614.220</b>	<b>10.207.147</b>	<b>30.254.210</b>	<b>3.658.313</b>	<b>4.746.186</b>	<b>TOTAL</b>
<b>LABA PER SAHAM DASAR YANG DIATRIBUSIKAN KEPADA PEMILIK ENTITAS INDUK</b>	2u,24	<b>0,0044</b>	<b>0,0095</b>	<b>0,0130</b>	<b>0,0050</b>	<b>0,0068</b>	<b>BASIC EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT ENTITY</b>

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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**PT SOECHI LINES TBK AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
*Six-Month Periods Ended June 30, 2014 and 2013*  
*and Years Ended December 31, 2013, 2012 and 2011*  
*(Expressed in US Dollar, unless Otherwise Stated)*

**PT SOECHI LINES TBK DAN ENTITAS ANAK**  
**LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN**  
*Periode Enam Bulan yang Berakhir pada Tanggal-tanggal 30 Juni 2014 dan 2013*  
*dan Tahun yang Berakhir pada Tanggal-tanggal 31 Desember 2013, 2012 dan 2011*  
*(Disajikan Dalam Dolar AS, kecuali Dinyatakan Lain)*

		Ekuitas yang Dapat Diatribusikan kepada Pemilik Entitas Induk/Equity Attributable to Owners of the Parent Entity							
Catatan/ Notes	Modal ditempatkan dan disetor penuh/Share capital-issued and fully paid	Tambahan modal disetor/Additional paid-in capital	Proforma ekuitas dari transaksi restrukturisasi entitas sepengendali/Proforma equity arising from restructuring transactions of entities under common control	Selisih nilai transaksi restrukturisasi entitas sepengendali/Difference in value from restructuring transactions of entities under common control	Saldo laba/Retained earnings	Total/Total	Kepentingan nonpengendali/Non-controlling interests	Total ekuitas/ Total equity	
Saldo 1 Januari 2011	5.567.297	-	20.011.077	21.615.527	60.368	47.254.269	10.895.053	58.149.322	Balance as of January 1, 2011
Laba tahun berjalan	-	-	-	-	3.390.119	3.390.119	1.356.067	4.746.186	Total comprehensive income for the year
Penyesuaian proforma dari transaksi restrukturisasi entitas sepengendali	-	-	3.086.033	-	-	3.086.033	-	3.086.033	Proforma adjustments arising from restructuring transactions of entities under common control
<b>Saldo 31 Desember 2011</b>	<b>5.567.297</b>	<b>-</b>	<b>23.097.110</b>	<b>21.615.527</b>	<b>3.450.487</b>	<b>53.730.421</b>	<b>12.251.120</b>	<b>65.981.541</b>	<b>Balance as of December 31, 2011</b>
Peningkatan modal disetor	5.927.419	-	-	-	-	5.927.419	-	5.927.419	Increase in share capital
Total laba komprehensif tahun berjalan	-	-	-	-	2.751.584	2.751.584	906.729	3.658.313	Total comprehensive income for the year
Dividen kas	-	-	-	-	-	-	(600.565)	(600.565)	Cash dividend
Pembalikan atas proforma ekuitas dari transaksi restrukturisasi entitas sepengendali	-	-	(23.097.110)	-	-	(23.097.110)	-	(23.097.110)	Reversal of proforma equity arising from restructuring transactions of entities under common control
Selisih nilai transaksi restrukturisasi entitas sepengendali	-	-	-	43.494.683	-	43.494.683	(15.141.231)	28.353.452	Difference in value from restructuring transactions of entities under common control
Kepentingan nonpengendali dari akuisisi Entitas Anak	-	-	-	-	-	-	2.702.647	2.702.647	Non-controlling interest arising from acquisitions of Subsidiaries
<b>Saldo 31 Desember 2012</b>	<b>11.494.716</b>	<b>-</b>	<b>-</b>	<b>65.110.210</b>	<b>6.202.071</b>	<b>82.806.997</b>	<b>118.700</b>	<b>82.925.697</b>	<b>Balance as of December 31, 2012</b>

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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**PT SOECHI LINES TBK DAN ENTITAS ANAK**  
**LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN (lanjutan)**  
**Periode Enam Bulan yang Berakhir pada Tanggal-tanggal 30 Juni 2014 dan 2013**  
**dan Tahun yang Berakhir pada Tanggal-tanggal 31 Desember 2013, 2012 dan 2011**  
**(Disajikan Dalam Dolar AS, kecuali Dinyatakan Lain)**

**PT SOECHI LINES TBK AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (continued)**  
**Six-Month Periods Ended June 30, 2014 and 2013**  
**and Years Ended December 31, 2013, 2012 and 2011**  
**(Expressed in US Dollar, unless Otherwise Stated)**

		Ekuitas yang Dapat Diatribusikan kepada Pemilik Entitas Induk/Equity Attributable to Owners of the Parent Entity						
Catatan/ Notes	Modal ditempatkan dan disetor penuh/Share capital-issued and fully paid	Tambah modal disetor/ Additional paid-in capital	Proforma ekuitas dari transaksi restrukturisasi entitas sependandi/ Proforma equity arising from restructuring transactions of entities under common control	Selisih nilai transaksi restrukturisasi entitas sependandi/ Difference in value from restructuring transactions of entities under common control	Saldo laba/ Retained earnings	Kepentingan nonpendandi/ Non-controlling interests	Total/ Total	Total ekuitas/ Total equity
Saldo 1 Januari 2013	11.494.716	-	-	65.110.210	6.202.071	118.700	82.806.997	82.925.697
Peningkatan modal disetor	25.336.982	-	-	-	-	-	25.336.982	25.336.982
Total laba komprehensif periode berjalan	-	-	-	-	10.194.948	12.199	10.194.948	10.207.147
Reklasifikasi atas selisih nilai transaksi restrukturisasi entitas sependandi	-	-	-	(65.110.210)	-	-	-	-
Selisih nilai transaksi restrukturisasi entitas sependandi	-	2.038	-	-	-	(1.692)	2.038	346
Kepentingan nonpendandi dari akuisisi Entitas Anak	-	-	-	-	-	103	-	103
<b>Saldo 30 Juni 2013</b>	<b>36.831.698</b>	<b>65.112.248</b>	<b>-</b>	<b>-</b>	<b>16.397.019</b>	<b>129.310</b>	<b>118.340.965</b>	<b>118.470.275</b>

Balance as of January 1, 2013

Increase in share capital

Total comprehensive  
income for the period

Reclassification of  
differences in value  
arising from restructuring  
transactions of entities  
under common control

Difference in value from  
restructuring transactions  
of entities under  
common control

Non-controlling interest arising  
from acquisitions of  
Subsidiaries

Balance as of  
June 30, 2013

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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**PT SOECHI LINES TBK AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (continued)**  
**Six-Month Periods Ended June 30, 2014 and 2013**  
**and Years Ended December 31, 2013, 2012 and 2011**  
**(Expressed in US Dollar, unless Otherwise Stated)**

**PT SOECHI LINES TBK DAN ENTITAS ANAK**  
**LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN (lanjutan)**  
**Periode Enam Bulan yang Berakhir pada Tanggal-tanggal 30 Juni 2014 dan 2013**  
**dan Tahun yang Berakhir pada Tanggal-tanggal 31 Desember 2013, 2012 dan 2011**  
**(Disajikan Dalam Dolar AS, kecuali Dinyatakan Lain)**

		Ekuitas yang Dapat Diatribusikan kepada Pemilik Entitas Induk/Equity Attributable to Owners of the Parent Entity							
Catatan/ Notes	Modal ditempatkan dan disetor penuh/Share capital-issued and fully paid	Tambahhan modal disetor/ Additional paid-in capital	Proforma ekuitas dari transaksi restrukturisasi entitas sepengendali/ Proforma equity arising from restructuring transactions of entities under common control	Selisih nilai transaksi restrukturisasi entitas sepengendali/ Difference in value from restructuring transactions of entities under common control	Saldo laba/ Retained earnings	Total/ Total	Kepentingan nonpengendali/ Non-controlling interests	Total ekuitas/ Total equity	
Saldo 1 Januari 2013	11.494.716	-	-	65.110.210	6.202.071	82.806.997	118.700	82.925.697	Balance as of January 1, 2013
Peningkatan modal disetor	25.336.982	-	-	-	-	25.336.982	-	25.336.982	Additional share capital
Total laba komprehensif tahun berjalan	-	-	-	-	30.219.330	30.219.330	34.860	30.254.210	Total comprehensive income for the year
Reklasifikasi atas selisih nilai transaksi restrukturisasi entitas sepengendali	-	65.110.210	-	(65.110.210)	-	-	-	-	Reclassification of differences in value arising from restructuring transactions of entities under common control
Selisih nilai transaksi restrukturisasi entitas sepengendali	-	2.038	-	-	-	2.038	(1.692)	346	Difference in value from restructuring transactions of entities under common control
Kepentingan nonpengendali dari akuisisi Entitas Anak	-	-	-	-	-	-	103	103	Non-controlling interest arising from acquisitions of Subsidiaries
<b>Saldo 31 Desember 2013</b>	<b>36.831.698</b>	<b>65.112.248</b>	<b>-</b>	<b>-</b>	<b>36.421.401</b>	<b>138.365.347</b>	<b>151.991</b>	<b>138.517.338</b>	<b>Balance as of December 31, 2013</b>

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

The original consolidated financial statements included herein are in Indonesian language.

**PT SOECHI LINES TBK DAN ENTITAS ANAK**  
**LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN (lanjutan)**  
**Periode Enam Bulan yang Berakhir pada Tanggal-tanggal 30 Juni 2014 dan 2013**  
**dan Tahun yang Berakhir pada Tanggal-tanggal 31 Desember 2013, 2012 dan 2011**  
**(Disajikan Dalam Dolar AS, kecuali Dinyatakan Lain)**

**PT SOECHI LINES TBK AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (continued)**  
**Six-Month Periods Ended June 30, 2014 and 2013**  
**and Years Ended December 31, 2013, 2012 and 2011**  
**(Expressed in US Dollar, unless Otherwise Stated)**

Ekuitas yang Dapat Diatribusikan kepada Pemilik Entitas Induk/Equity Attributable to Owners of the Parent Entity

Catatan/ Notes	Modal ditempatkan dan disetor perusahaan/ Share capital-issued and fully paid	Tambahkan modal disetor/ Additional paid-in capital	Proforma ekuitas dari transaksi restrukturisasi entitas sepengendali/ Proforma equity arising from restructuring transactions of entities under common control		Selisih nilai transaksi restrukturisasi entitas sepengendali/ Difference in value from restructuring transactions of entities under common control		Saldo laba/Retained earnings		Kepentingan nonpengendali/ Non-controlling interests	Total ekuitas/ Total equity	Balance as of January 1, 2014
			Dicadangkan/ Unappropriated	Dicadangkan/ Unappropriated	Dicadangkan/ Unappropriated	Dicadangkan/ Unappropriated	Total/ Total	Total/ Total			
Saldo 1 Januari 2014	36.831.698	65.112.248	-	-	-	-	36.421.401	138.365.347	151.991	138.517.338	Balance as of January 1, 2014
Peningkatan modal disetor	20.232.658	-	-	-	-	-	-	20.232.658	-	20.232.658	Additional share capital
Total laba komprehensif periode berjalan	-	-	-	-	-	-	15.590.074	15.590.074	24.146	15.614.220	Total comprehensive income for the period
Cadangan saldo laba	-	-	-	-	-	-	(7.284.280)	-	-	-	Appropriate retained earnings
Selisih nilai transaksi restrukturisasi entitas sepengendali	-	29.028	-	-	-	-	-	29.028	(29.028)	-	Difference in value from restructuring transactions of entities under common control
<b>Saldo 30 Juni 2014</b>	<b>57.064.356</b>	<b>65.141.276</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44.727.195</b>	<b>174.217.107</b>	<b>147.109</b>	<b>174.364.216</b>	<b>Balance as of June 30, 2014</b>

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

The original consolidated financial statements included herein are in Indonesian language.

**PT SOECHI LINES TBK DAN ENTITAS ANAK**  
**LAPORAN ARUS KAS KONSOLIDASIAN**  
**Periode Enam Bulan yang Berakhir pada Tanggal-**  
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**dan Tahun yang Berakhir pada Tanggal-tanggal**  
**31 Desember 2013, 2012 dan 2011**  
**(Disajikan Dalam Dolar AS, kecuali Dinyatakan Lain)**

**PT SOECHI LINES TBK AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF**  
**CASH FLOWS**  
**Six-Month Periods Ended**  
**June 30, 2014 and 2013**  
**and Years Ended**  
**December 31, 2013, 2012 and 2011**  
**(Expressed in US Dollar, unless Otherwise Stated)**

	Catatan/ Notes	30 Juni/June 30,		31 Desember/December 31,			
		2014	2013	2013	2012	2011	
<b>ARUS KAS DARI</b>							<b>CASH FLOWS FROM</b>
<b>AKTIVITAS OPERASI</b>							<b>OPERATING ACTIVITIES</b>
Penerimaan dari pelanggan		65.254.764	43.358.119	95.498.527	67.717.419	66.320.473	Receipts from customers
Pembayaran kepada karyawan		(4.210.341)	(4.571.097)	(10.471.227)	(6.842.622)	(5.360.436)	Payments to employees
Pembayaran kepada pemasok dan lainnya		(25.755.710)	(23.941.447)	(50.773.399)	(41.584.965)	(33.888.030)	Payments to suppliers and others
Penerimaan dari pendapatan keuangan		2.707	5.168	11.101	18.601	11.713	Receipts of financing income
Pembayaran untuk: Beban keuangan		(7.550.227)	(6.093.945)	(14.028.864)	(11.211.896)	(7.769.603)	Payment for: Financing costs
Pajak penghasilan		(2.019)	(1.813)	(11.605)	(2.482)	-	Income taxes
<b>Kas neto yang diperoleh dari aktivitas operasi</b>		<b>27.739.174</b>	<b>8.754.985</b>	<b>20.224.533</b>	<b>8.094.055</b>	<b>19.314.117</b>	<b>Net cash provided by operating activities</b>
<b>ARUS KAS DARI</b>							<b>CASH FLOWS FROM</b>
<b>AKTIVITAS INVESTASI</b>							<b>INVESTING ACTIVITIES</b>
Perolehan aset tetap		(5.325.875)	(28.142.606)	(75.908.951)	(53.299.171)	(61.755.448)	Acquisitions of fixed assets
Hasil pelepasan aset tetap	12	-	-	21.456	833.219	4.107.254	Proceeds from disposal of fixed assets
Perolehan aset takberwujud		-	(156.802)	(160.762)	(39.963)	-	Additions of intangible asset
<b>Kas neto yang digunakan untuk aktivitas investasi</b>		<b>(5.325.875)</b>	<b>(28.299.408)</b>	<b>(76.048.257)</b>	<b>(52.505.915)</b>	<b>(57.648.194)</b>	<b>Net cash used in investing activities</b>
<b>ARUS KAS DARI</b>							<b>CASH FLOWS FROM</b>
<b>AKTIVITAS PENDANAAN</b>							<b>FINANCING ACTIVITIES</b>
Penerimaan pinjaman bank		11.165.717	25.719.193	58.047.700	64.635.258	50.844.269	Proceeds from loan borrowings
Pembayaran pinjaman bank		(19.547.988)	(14.857.386)	(28.691.863)	(24.478.476)	(22.472.692)	Payment of bank loans
Penerimaan (pembayaran) pinjaman pihak-pihak berelasi - neto		(4.456.084)	(18.738.439)	828.702	(491.215)	9.068.084	Receipt (payment) of related parties loans - net
Pembayaran utang sewa pembiayaan dan pembiayaan konsumen		(162.468)	(260.642)	(569.864)	(452.308)	(282.768)	Payments of finance lease and consumer financing payables
Peningkatan modal saham Akuisisi entitas anak - neto	23	-	25.336.982	25.336.982	5.927.419	-	Increase in additional share capital
Pembayaran dividen kas kepada kepentingan nonpengendali - neto		-	(48.710)	(48.710)	(1.232.811)	-	Acquisition of subsidiary - net Payment of cash dividend to non-controlling interests - net
Setoran modal entitas anak		-	-	-	(70.508)	-	Share capital of a subsidiary
<b>Kas neto yang diperoleh dari (digunakan untuk) aktivitas pendanaan</b>		<b>(13.000.823)</b>	<b>17.150.998</b>	<b>54.902.947</b>	<b>43.837.359</b>	<b>37.212.597</b>	<b>Net cash provided by (used in) financing activities</b>
<b>KENAIKAN (PENURUNAN) NETO KAS DAN SETARA KAS</b>		<b>9.412.476</b>	<b>(2.393.425)</b>	<b>(920.777)</b>	<b>(574.501)</b>	<b>(1.121.480)</b>	<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>
<b>KAS DAN SETARA KAS PADA AWAL PERIODE/TAHUN</b>		<b>936.542</b>	<b>1.857.319</b>	<b>1.857.319</b>	<b>2.431.820</b>	<b>3.553.300</b>	<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD/YEAR</b>
<b>KAS DAN SETARA KAS PADA AKHIR PERIODE/TAHUN</b>		<b>10.349.018</b>	<b>(536.106)</b>	<b>936.542</b>	<b>1.857.319</b>	<b>2.431.820</b>	<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD/YEAR</b>
<b>Kas dan setara kas terdiri dari:</b>							<b>Cash and cash equivalents consist of:</b>
Kas dan setara kas	5	10.334.038	1.853.563	2.972.951	3.957.591	3.528.067	Cash and cash equivalents
Kas yang dibatasi penggunaannya	6	14.980	188.887	74.228	202.506	105.515	Restricted cash
Cerukan	15	-	(2.578.556)	(2.110.637)	(2.302.778)	(1.201.762)	Bank overdrafts
<b>Total</b>		<b>10.349.018</b>	<b>(536.106)</b>	<b>936.542</b>	<b>1.857.319</b>	<b>2.431.820</b>	<b>Total</b>

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

**PT SOECHI LINES TBK DAN ENTITAS ANAK  
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**PT SOECHI LINES TBK AND SUBSIDIARIES  
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**1. UMUM**

**a. Pendirian Perusahaan dan Informasi Umum**

PT Soechi Lines Tbk ("Perusahaan") didirikan di Jakarta berdasarkan Akta Notaris Meissie Pholuan, S.H., No. 16 tanggal 13 Agustus 2010. Akta Pendirian ini telah mendapat pengesahan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-44960.AH.01.01.Tahun 2010 tanggal 22 September 2010 dan telah diumumkan dalam Berita Negara Republik Indonesia No. 16 tanggal 24 Februari 2012, Tambahan No. 3923.

Anggaran Dasar Perusahaan telah mengalami beberapa kali perubahan, yang terakhir dengan Akta Notaris Doddy Natadihardja S.H., M.Kn., No. 16, tanggal 30 Juni 2014. Perubahan tersebut telah mendapat persetujuan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-04800.40.20.2014 tanggal 1 Juli 2014.

Perusahaan berdomisili di Gedung Sudirman Plaza, Plaza Marein Lt 21 Unit A, Jl. Jend. Sudirman Kav. 76-78, Jakarta Selatan.

Sesuai dengan pasal 3 Anggaran Dasar Perusahaan, ruang lingkup kegiatan Perusahaan adalah bergerak dalam bidang perdagangan impor dan ekspor, jasa konsultasi, pembangunan, transportasi, percetakan, pertanian, perbengkelan dan industri lainnya. Saat ini, Perusahaan bergerak di bidang jasa konsultasi manajemen sedangkan Entitas Anak bergerak di bidang pelayaran dan pembangunan kapal.

Perusahaan memulai usaha komersial pada Januari 2012. Perusahaan tergabung dalam Grup Soechi dan entitas induk terakhir adalah PT Soechi Group.

**b. Dewan Komisaris, Direksi dan Karyawan**

Susunan anggota Dewan Komisaris dan Direksi Perusahaan pada tanggal 30 Juni 2014 dan 31 Desember 2013, adalah sebagai berikut:

**Dewan Komisaris**

Komisaris Utama	:	Paulus Utomo	:
Komisaris	:	Johanes Utomo	:

**Direksi**

Direktur Utama	:	Go Darmadi	:
Direktur	:	Hartono Utomo	:
Direktur	:	Pieters Adyana Utomo	:
Direktur	:	Paula Marlina	:

**1. GENERAL**

**a. The Company's Establishment and General Information**

PT Soechi Lines Tbk (the "Company") was established in Jakarta based on the Notarial Deed No. 16 of Meissie Pholuan, S.H., dated August 13, 2010. The deed of establishment was approved by the Ministry of Law and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-44960.AH.01.01.Tahun 2010 dated September 22, 2010 and was published in State Gazette Republic of Indonesia No. 16 dated February 24, 2012 Supplement No. 3923.

The Company's Articles of Association have been amended several times, most recently by Notarial Deed No. 16 of Doddy Natadihardja, S.H., M.Kn., dated June 30, 2014. The amendment has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-04800.40.20.2014 dated July 1, 2014.

The Company is domiciled at Sudirman Plaza Building, Plaza Marein 21th Floor Unit A, Jl. Jend. Sudirman Kav. 76-78, South Jakarta.

In accordance with article 3 of the Company's Articles of Association, the Company engages in import and export trading, consulting service, construction, transportation, workshop, printing, agriculture, workshop and other industries. Currently, the Company is engaged in consulting services whereas the Subsidiaries are engaged in shipping and ship building.

The Company commenced its commercial operations in January 2012. The Company is part of Soechi Group and the ultimate parent entity is PT Soechi Group.

**b. Boards of Commissioners, Directors and Employees**

The composition of the Boards of Commissioners and Directors of the Company as of June 30, 2014 and December 31, 2013 was as follows:

**Board of Commissioners**  
President Commissioner  
Commissioner

**Board of Directors**  
President Director  
Director  
Director  
Director

**PT SOECHI LINES TBK DAN ENTITAS ANAK  
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**PT SOECHI LINES TBK AND SUBSIDIARIES  
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**1. UMUM (lanjutan)**

**b. Dewan Komisaris, Direksi dan Karyawan (lanjutan)**

Susunan anggota Komisaris dan Direktur Perusahaan pada tanggal 31 Desember 2012 dan 2011 adalah sebagai berikut:

Komisaris	:	Paulus Utomo	:	Commissioner
Direktur	:	Go Darmadi	:	Director

Komite Audit Perusahaan diketuai oleh Edy Sugito, Komisaris Independen Perusahaan, dengan anggota yang akan ditentukan kemudian oleh ketua Komite Audit.

Pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011, Grup memiliki masing-masing sejumlah 161, 170, 499 dan 251 karyawan tetap (tidak diaudit).

Jumlah beban remunerasi bagi manajemen kunci yang terdiri dari Dewan Komisaris dan Direksi Perusahaan masing-masing sebesar AS\$113.327, AS\$304.483, AS\$14.343 dan nihil untuk periode/tahun yang berakhir pada tanggal-tanggal 30 Juni 2014, 31 Desember 2013, 2012 and 2011.

**c. Struktur Perusahaan dan Entitas Anak**

Pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011, Perusahaan mempunyai kepemilikan langsung maupun tidak langsung pada Entitas Anak sebagai berikut:

Entitas Anak/ Subsidiaries	Ruang Lingkup Usaha/Scope of Activities	Kedudukan, Tanggal Pendirian/ Domicile, Date of Establishment	Tahun Usaha Komersial Dimulai/ Commencement of Commercial Operations	Persentase Kepemilikan/ Percentage of Ownership				Total Aset Sebelum Jurnal Eliminasi (dalam ribuan Dolar AS)/ Total Assets Before Elimination Entries (in thousands US Dollar)			
				30 Juni/ June 30, 2014	31 Desember/December 31, 2013	2012	2011	30 Juni/ June 30, 2014	31 Desember/December 31, 2013	2012	2011
<b>Kepemilikan langsung/ Direct ownership</b>											
PT Sukses Osean Khatulistiwa Line (SOKL)	Transportasi Domestik & Internasional/ Domestic & International Transportation	Jakarta, 14 April 1999/ April 14, 1999	1999	99,80%	99,80%	99,80%	71,43%	124.396	132.435	104.253	102.662
PT Armada Bumi Pratiwi Lines (ABPL)	Transportasi Domestik & Internasional/ Domestic & International Transportation	Jakarta, 3 Nov. 1980/ Nov. 3, 1980	1981	99,91%	99,91%	99,91%	-	36.972	36.868	34.215	-

**1. GENERAL (continued)**

**b. Board of Commissioners, Directors and Employees (continued)**

The composition of the Commissioner and Director of the Company as of December 31, 2012 and 2011 is as follows:

Commissioner	:	Paulus Utomo	:	Commissioner
Director	:	Go Darmadi	:	Director

The Company's audit Committee is headed by Edy Sugito, an Independent Commissioner, whereas its members will be determined on later date by the chairman of the Audit Committee.

As of June 30, 2014, December 31, 2013, 2012 and 2011, the Group had a total of 161, 170, 499 and 251 permanent employees, respectively (unaudited).

Total remuneration expense for key management personnel which consist of Board of Commissioners and Directors of the Company amounted to USD113,327, USD304,483, USD14,343 and nil for the period/years ended June 30, 2014, December 31, 2013, 2012 and 2011, respectively.

**c. The Structure of the Company and Subsidiaries**

As of June 30, 2014, December 31, 2013, 2012 and 2011, the Company has direct and indirect ownership in the following Subsidiaries:

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**PT SOECHI LINES TBK DAN ENTITAS ANAK  
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**PT SOECHI LINES TBK AND SUBSIDIARIES  
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**1. UMUM (lanjutan)**

**1. GENERAL (continued)**

**c. Struktur Perusahaan dan Entitas Anak  
(lanjutan)**

**c. The Structure of the Company and  
Subsidiaries (continued)**

Entitas Anak/ Subsidiaries	Ruang Lingkup Usaha/Scope of Activities	Kedudukan, Tanggal Pendirian/ Domicile, Date of Establishment	Tahun Usaha Komersial Dimulai/ Commencement of Commercial Operations	Persentase Kepemilikan/ Percentage of Ownership				Total Aset Sebelum Jurnal Eliminasi (dalam ribuan Dolar AS)/ Total Assets Before Elimination Entries (in thousands US Dollar)			
				30 Juni/ June 30, 2014	31 Desember/December 31, 2013 2012		2011	30 Juni/ June 30, 2014	31 Desember/December 31, 2013 2012		2011
PT Inti Energi Line (IEL)	Transportasi Domestik & Internasional/ Domestic & International Transportation	Jakarta, 21 Juni 2006/ June 21, 2006	2008	99,93%	99,86%	99,86%	66,40%	29.213	29.738	34.120	33.834
PT Putra Utama Line (PUL)	Transportasi Domestik & Internasional/ Domestic & International Transportation	Jakarta, 21 Juni 2006/ June 21, 2006	2010	99,99%	99,93%	99,93%	-	40.970	42.614	49.955	-
PT Armada Maritime Offshore (AMO)	Transportasi Domestik/ Domestic Transportation	Jakarta, 3 Januari 2011/ January 3, 2011	2011	99,98%	99,80%	99,80%	-	17.406	16.539	6.423	-
PT Multi Ocean Shipyards (MOS)	Galangan kapal/ Shipyards	Jakarta, 2 Nov 2007/ Nov. 2, 2007	2012	99,99%	99,99%	99,94%	-	132.607	123.362	89.622	-
Success International Marine Pte. Ltd. (SIM)	Pelayaran/ Shipping	Singapura/ Singapore, 1 Juni 2012/ June 1, 2012	2012	99,99%	99,99%	99,99%	-	18.043	30.775	9.484	-
PT Sukses Maritime Line (SML)	Transportasi Domestik & Internasional/ Domestic & International Transportation	Jakarta, 21 Januari 2011/ January 21, 2011	2013	99,99%	99,80%	-	-	9.246	9.285	-	-
<b>Kepemilikan tidak langsung/ Indirect ownership</b>											
<u>Melalui SIM/through SIM</u>											
Success Marlina XXXIII S.A (SM)	Pelayaran/ Shipping	Panama, 14 Agustus 2012/ August 14, 2012	2012	99,99%	99,99%	99,99%	-	8.933	8.973	11.038	-
Success Pegasus XXXVI S.A (SP)	Pelayaran/ Shipping	Panama, 7 Desember 2012/ December 7, 2012	2012	-	99,99%	99,99%	-	-	295	10	-
Success Marlina Pte. Ltd.	Pelayaran/ Shipping	Singapura/ Singapore 1 Agustus 2013/ August 1, 2013	-*	99,99%	99,99%	-	-	10	10	-	-

\*) Belum beroperasi komersial/Not yet started commercial operations

**d. Penyelesaian Laporan Keuangan  
Konsolidasian**

**d. Completion of the Consolidated Financial  
Statements**

Manajemen Perusahaan dan Entitas Anak ("Grup") bertanggung jawab atas penyusunan dan penyajian laporan keuangan konsolidasian yang telah diselesaikan dan disetujui untuk diterbitkan pada tanggal 9 Oktober 2014.

The management of the Company and Subsidiaries ("Group") is responsible for the preparation and presentation of these consolidated financial statements that were completed and authorized for issue on October 9, 2014.

**PT SOECHI LINES TBK DAN ENTITAS ANAK  
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**PT SOECHI LINES TBK AND SUBSIDIARIES  
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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN**

**a. Dasar Penyusunan Laporan Keuangan Konsolidasian**

Laporan keuangan konsolidasian telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia ("SAK"), yang mencakup Pernyataan dan Interpretasi yang dikeluarkan oleh Dewan Standar Akuntansi Keuangan Ikatan Akuntan Indonesia ("DSAK") dan Peraturan-peraturan serta Pedoman Penyajian dan Pengungkapan laporan keuangan yang diterbitkan oleh Otoritas Jasa Keuangan (OJK), dahulu Badan Pengawas Pasar Modal dan Lembaga Keuangan (BAPEPAM-LK).

Laporan keuangan konsolidasian untuk periode enam bulan yang berakhir pada tanggal 30 Juni 2014 disusun sesuai dengan PSAK No. 3 (Revisi 2010), "Laporan Keuangan Interim" dan PSAK No. 1 (Revisi 2009), "Penyajian Laporan Keuangan".

Grup memilih menyajikan laporan laba rugi komprehensif konsolidasian dalam satu laporan dan menyajikan tambahan pengungkapan sumber estimasi ketidakpastian pada Catatan 3 serta pengelolaan permodalan pada Catatan 30.

Kebijakan akuntansi yang diterapkan dalam penyusunan laporan keuangan konsolidasian selaras dengan kebijakan akuntansi yang diterapkan dalam penyusunan laporan keuangan konsolidasian Grup untuk tahun yang berakhir pada tanggal 31 Desember 2013, kecuali bagi penerapan SAK yang telah direvisi efektif sejak tanggal 1 Januari 2014 seperti yang telah diungkapkan pada Catatan ini.

Laporan keuangan konsolidasian, kecuali untuk laporan arus kas konsolidasian, disusun berdasarkan dasar akrual dengan menggunakan konsep biaya historis, kecuali untuk beberapa akun tertentu yang diukur berdasarkan pengukuran sebagaimana diuraikan dalam kebijakan akuntansi masing-masing akun tersebut.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**a. Basis of Preparation of Consolidated Financial Statements**

The consolidated financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards ("SAK"), which comprise the Statements and Interpretations issued by the Financial Accounting Standards Board of the Indonesian Institute of Accountants ("DSAK") and the Regulations and the Guidelines on Financial Statement Presentation and Disclosures issued by Otoritas Jasa Keuangan (OJK), formerly Capital Market and Financial Institution Supervisory Board (BAPEPAM-LK).

The consolidated financial statements for the six-month period ended June 30, 2014 have been prepared in accordance with PSAK No. 3 (Revised 2010), "Interim Financial Reporting" and PSAK No. 1 (Revised 2009), "Presentation of Financial Statements".

The Group elected to present one single consolidated statement of comprehensive income and disclosed source of estimation uncertainty in Note 3 and capital management in Note 30.

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those made in the preparation of the Group's consolidated financial statements for the year ended December 31, 2013, except for the adoption of several amended SAKs effective January 1, 2014 as disclosed in this Note.

The consolidated financial statements, except for the consolidated statements of cash flows, have been prepared on the accrual basis using the historical cost concept of accounting, except for certain accounts which are measured on the basis described in the related accounting policies of each account.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)**

**a. Dasar Penyusunan Laporan Keuangan Konsolidasian (lanjutan)**

Laporan arus kas konsolidasian yang disusun dengan menggunakan metode langsung, menyajikan penerimaan dan pengeluaran kas yang diklasifikasikan dalam aktivitas operasi, investasi dan pendanaan.

Mata uang pelaporan yang digunakan dalam penyusunan laporan keuangan konsolidasian adalah Dolar AS (AS\$), yang juga merupakan mata uang fungsional Perusahaan dan Entitas-entitas Anak.

**b. Prinsip-prinsip Konsolidasi**

Laporan keuangan konsolidasian meliputi akun-akun Grup yang dimiliki secara langsung atau tidak langsung dengan persentase kepemilikan lebih dari 50% seperti disebutkan pada Catatan 1c.

Seluruh saldo akun dan transaksi yang signifikan antara Perusahaan dengan Entitas Anak telah dieliminasi.

Entitas-entitas Anak dikonsolidasi secara penuh sejak tanggal akuisisi, yaitu tanggal Perusahaan memperoleh pengendalian, sampai dengan tanggal entitas induk kehilangan pengendalian. Pengendalian dianggap ada ketika Perusahaan memiliki secara langsung atau tidak langsung melalui Entitas-entitas Anak, lebih dari setengah suara dalam rapat umum pemegang saham entitas anak.

Pengendalian juga ada ketika entitas induk memiliki setengah atau kurang kekuasaan suara suatu entitas jika terdapat:

- a) kekuasaan yang melebihi setengah hak suara sesuai perjanjian dengan investor lain;
- b) kekuasaan yang mengatur kebijakan keuangan dan operasional entitas berdasarkan anggaran dasar atau perjanjian;

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**a. Basis of Preparation of Consolidated Financial Statements (continued)**

*The consolidated statements of cash flows, which have been prepared using the direct method, present cash receipts and payments classified into operating, investing and financing activities.*

*The reporting currency used in the preparation of the consolidated financial statements is US Dollar (USD), which is also the functional currency of the Company and Subsidiaries.*

**b. Principles of Consolidation**

*The consolidated financial statements include the accounts of the Group which is directly or indirectly owned with ownership percentage of more than 50%, as described in Note 1c.*

*All significant intercompany accounts and transactions between the Company and Subsidiaries have been eliminated.*

*Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtained control, and continue to be consolidated until the date such control ceases. Control is presumed to exist if the Company owns, directly or indirectly through Subsidiaries, more than half of the voting power in the shareholders' meeting of an entity.*

*Control also exists when the parent owns half or less than half of the voting power when there is:*

- a) *power over more than half of the voting rights by virtue of an agreement with other investors;*
- b) *power to govern the financial and operating policies of the entity under article of association or an agreement;*

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)**

**b. Prinsip-prinsip Konsolidasi (lanjutan)**

- c) kekuasaan untuk menunjuk atau mengganti sebagian besar dewan komisaris dan direksi atau organ pengatur setara dan mengendalikan entitas melalui dewan atau organ tersebut; atau
- d) kekuasaan untuk memberikan suara mayoritas pada rapat dewan direksi atau organ pengatur setara dan mengendalikan entitas melalui direksi atau organ tersebut.

Rugi Entitas Anak yang tidak dimiliki secara penuh diatribusikan pada Kepentingan Non-Pengendali (KNP) bahkan jika hal ini mengakibatkan KNP mempunyai saldo defisit.

Jika kehilangan pengendalian atas suatu entitas anak, maka Grup:

- menghentikan pengakuan aset (termasuk setiap *goodwill*) dan liabilitas entitas anak;
- menghentikan pengakuan jumlah tercatat setiap KNP;
- menghentikan pengakuan akumulasi selisih penjabaran, yang dicatat di ekuitas, jika ada;
- mengakui nilai wajar pembayaran yang diterima;
- mengakui setiap sisa investasi pada nilai wajarnya;
- mengakui setiap perbedaan yang dihasilkan sebagai keuntungan atau kerugian dalam laporan laba rugi; dan
- mereklasifikasi bagian induk atas komponen yang sebelumnya diakui sebagai pendapatan komprehensif ke laporan laba rugi komprehensif konsolidasian, atau mengalihkan secara langsung ke saldo laba.

KNP mencerminkan bagian atas laba atau rugi dan aset neto dari Entitas-entitas Anak yang tidak dapat diatribusikan secara langsung maupun tidak langsung oleh Perusahaan, yang masing-masing disajikan dalam laporan laba rugi komprehensif konsolidasian dan dalam ekuitas pada laporan posisi keuangan konsolidasian, terpisah dari bagian yang dapat diatribusikan kepada pemilik entitas induk.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**b. Principles of Consolidation (continued)**

- c) power to appoint or remove the majority of the members of the boards of commissioners and directors or equivalent governing body and control of the entity is by that board or body; or
- d) power to cast the majority of votes at meetings of the board of directors or equivalent governing body and control of the entity is by that board or body.

Losses of a non-wholly owned subsidiary are attributed to the Non-Controlling Interest (NCI) even if that NCI results in a deficit balance.

In case of loss of control over a subsidiary, the Group:

- derecognizes the assets (including *goodwill*) and liabilities of the subsidiary;
- derecognizes the carrying amount of any NCI;
- derecognizes the cumulative translation differences, recorded in equity, if any;
- recognizes the fair value of the consideration received;
- recognizes the fair value of any investment retained;
- recognizes any surplus or deficit in profit or loss; and
- reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate.

NCI represents the portion of the profit or loss and net assets of the Subsidiaries not attributable, directly or indirectly, to the Company, which are presented in the consolidated statements of comprehensive income and under the equity section of the consolidated statements of financial position, respectively, separately from the corresponding portion attributable to the owners of the parent entity.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**c. Akuntansi Kombinasi Bisnis Entitas  
Sepengendali**

**c. Accounting for Business Combinations of  
Entities Under Common Control**

Sebelum tanggal 1 Januari 2013, akuisisi Entitas Anak yang memenuhi kriteria sebagai transaksi restrukturisasi entitas sepengendali dicatat berdasarkan PSAK No. 38 (Revisi 2004), "Akuntansi Restrukturisasi Entitas Sepengendali". Berdasarkan standar ini, akuisisi Entitas Anak dicatat berdasarkan penyatuan kepemilikan (*pooling of interest*) dimana aset dan liabilitas Entitas Anak dicatat sesuai dengan nilai bukunya. Selisih antara harga penyerahan dan bagian Grup atas nilai buku Entitas Anak, jika ada, dicatat sebagai "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali" dan disajikan sebagai komponen terpisah pada ekuitas Grup.

*Prior to January 1, 2013, acquisitions of Subsidiaries that represent a restructuring transaction of entities under common control are accounted for in accordance with PSAK No.38 (Revised 2004), "Accounting for Restructuring of Entities Under Common Control." Based on this standard, acquisition of a Subsidiary is accounted for based on the pooling of interest, wherein assets and liabilities of a Subsidiary are recorded at their book values. The difference between the transfer price and the Group's interest in a Subsidiary's book values, if any, is recorded as "Difference in Value from Restructuring Transactions of Entities Under Common Control" and presented as a separate component in the Group's equity.*

Dalam menerapkan metode penyatuan kepemilikan, unsur-unsur laporan keuangan dari entitas yang direstrukturisasi untuk periode terjadinya restrukturisasi tersebut dan untuk periode perbandingan yang disajikan, harus disajikan sedemikian rupa seolah-olah entitas tersebut telah bergabung sejak permulaan periode yang disajikan tersebut.

*In applying the pooling of interests method, the elements of the financial statements of the restructured entities for the period of restructuring and for the comparative periods presented, should be presented in such a way as if the entities had been combined from the beginning of the earliest period presented.*

Efektif tanggal 1 Januari 2013, Perusahaan menerapkan Pernyataan Standar Akuntansi Keuangan (PSAK) No. 38 (Revisi 2012), "Kombinasi Bisnis Entitas Sepengendali". Perusahaan menyajikan saldo Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali berdasarkan PSAK No. 38 (Revisi 2004), "Akuntansi Restrukturisasi Entitas Sepengendali" sebesar AS\$65.110.210 sebagai bagian dari pos tambahan modal disetor pada tanggal awal penerapan standar ini.

*Effective on January 1, 2013, the Company adopted Statement of Financial Accounting Standards (PSAK) No. 38 (Revised 2012), "Business Combinations of Entities Under Common Control". The Company reclassified the Difference in Value Arising from Restructuring Transactions of Entities under Common Control under PSAK No. 38 (Revised 2004), "Accounting for Restructuring of Entities Under Common Control" amounting to USD65,110,210 as part of additional paid-in capital on the initial application of this standard.*

**d. Aset dan Liabilitas Keuangan**

**d. Financial Assets and Liabilities**

Grup menerapkan PSAK No. 50 (Revisi 2010), "Instrumen Keuangan: Penyajian", PSAK No. 55 (Revisi 2011), "Instrumen Keuangan: Pengakuan dan Pengukuran" dan PSAK No. 60, "Instrumen Keuangan: Pengungkapan".

*The Group applied PSAK No. 50 (Revised 2010), "Financial Instruments: Presentation", PSAK No. 55 (Revised 2011), "Financial Instruments: Recognition and Measurement" and PSAK No. 60, "Financial Instruments: Disclosures".*

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**d. Aset dan Liabilitas Keuangan (lanjutan)**

PSAK No. 50 (Revisi 2010) berisi persyaratan penyajian dari instrumen keuangan dan mengidentifikasi informasi yang harus diungkapkan. Persyaratan pengungkapan berlaku terhadap klasifikasi instrumen keuangan, dari perspektif penerbit, dalam aset keuangan, liabilitas keuangan dan instrumen ekuitas; pengklasifikasian yang terkait dengan suku bunga, dividen, kerugian dan keuntungan; dan keadaan dimana aset keuangan dan liabilitas keuangan akan saling hapus.

PSAK ini mensyaratkan pengungkapan, antara lain, informasi mengenai faktor yang mempengaruhi jumlah, waktu dan tingkat kepastian arus kas masa datang suatu entitas yang terkait dengan instrumen keuangan dan kebijakan akuntansi yang diterapkan untuk instrumen tersebut.

PSAK No. 55 (Revisi 2011) mengatur prinsip-prinsip pengakuan dan pengukuran aset keuangan, liabilitas keuangan dan beberapa kontrak pembelian atau penjualan item non-keuangan. PSAK ini, antara lain, menyediakan definisi dan karakteristik derivatif, kategori instrumen keuangan, pengakuan dan pengukuran, akuntansi lindung nilai dan penetapan hubungan lindung nilai.

PSAK No. 60 mensyaratkan pengungkapan tambahan atas pengukuran nilai wajar dan risiko likuiditas. Pengukuran nilai wajar terkait pos yang dicatat pada nilai wajar disajikan berdasarkan sumber input dengan menggunakan tiga tingkatan hirarki nilai wajar untuk setiap kelas instrumen keuangan yang diukur pada nilai wajar.

Sebagai tambahan, PSAK ini mewajibkan rekonsiliasi antara saldo awal dan akhir untuk pengukuran nilai wajar tingkat 3, demikian pula pengungkapan transfer antar tingkatan dalam hirarki nilai wajar. PSAK ini juga menjelaskan lebih lanjut persyaratan pengungkapan risiko likuiditas transaksi derivatif dan aset yang digunakan untuk pengelolaan likuiditas. Pengungkapan pengukuran nilai wajar diungkapkan pada Catatan 31. Pengungkapan risiko likuiditas tidak terpengaruh secara signifikan oleh PSAK ini dan diungkapkan pada Catatan 30.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**d. Financial Assets and Liabilities (continued)**

PSAK No. 50 (Revised 2010) contains the requirements for the presentation of financial instruments and identifies the information that should be disclosed. The presentation requirements apply to the classification of financial instruments, from the perspective of the issuer, into financial assets, financial liabilities and equity instruments; the classification of related interest, dividends, losses and gains; and the circumstances in which financial assets and financial liabilities should be offset.

This PSAK requires the disclosures of, among others, information about factors that affect the amount, timing and certainty of an entity's future cash flows relating to financial instruments and the accounting policies applied to those instruments.

PSAK No. 55 (Revised 2011) establishes the principles for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This PSAK provides the definitions and characteristics of derivatives, the categories of financial instruments, recognition and measurement, hedge accounting and determination of hedging relationships, among others.

PSAK No. 60 requires additional disclosures about fair value measurement and liquidity risk. Fair value measurements related to items recorded at fair value are to be disclosed by source of inputs using the three level fair value hierarchy, by class, for all financial instruments recognized at fair value.

In addition, a reconciliation between the beginning and ending balance for level 3 fair value measurements is now required, as well as significant transfers between levels in the fair value hierarchy. The PSAK also clarifies the requirements for liquidity risk disclosures with respect to the derivative transactions and assets used for liquidity management. The fair value measurement disclosures are presented in Note 31. The liquidity risk disclosures has no significant impact in relation to the PSAK and are presented in Note 30.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
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**d. Aset dan Liabilitas Keuangan (lanjutan)**

Grup menerapkan PSAK No. 60 (Revisi 2012), "Instrumen Keuangan: Pengungkapan". Revisi PSAK ini mengatur penyesuaian atas PSAK No. 60, terutama terkait dengan pengungkapan atas aset keuangan, termasuk pencabutan atas ketentuan penyajian untuk:

- i. Nilai wajar atas agunan yang digunakan sebagai jaminan atas aset keuangan yang lewat jatuh tempo tetapi tidak mengalami penurunan nilai dan mengalami penurunan nilai; dan
- ii. Nilai tercatat atas aset keuangan yang belum jatuh tempo dan tidak mengalami penurunan nilai yang telah dinegosiasi ulang.

Penerapan PSAK revisi ini tidak memiliki dampak yang signifikan terhadap laporan keuangan konsolidasian.

**(i) Aset Keuangan**

**Pengakuan dan pengukuran awal**

Aset keuangan dalam ruang lingkup PSAK No. 55 (Revisi 2011) diklasifikasikan sebagai salah satu dari aset keuangan yang diukur pada nilai wajar melalui laporan laba rugi, pinjaman yang diberikan dan piutang, investasi dimiliki hingga jatuh tempo atau aset keuangan tersedia untuk dijual. Grup menetapkan klasifikasi aset keuangan setelah pengakuan awal dan, jika diperbolehkan dan sesuai, akan melakukan evaluasi pada setiap akhir periode keuangan.

Grup mengklasifikasikan aset keuangannya menjadi pinjaman yang diberikan dan piutang. Pinjaman yang diberikan dan piutang Grup terdiri dari kas dan setara kas, kas yang dibatasi penggunaannya, piutang usaha, piutang lain-lain, pendapatan yang masih harus ditagih dan piutang dari pihak-pihak berelasi.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**d. Financial Assets and Liabilities (continued)**

The Group adopted PSAK No. 60 (Revised 2012), "Financial Instruments: Disclosures". This revised PSAK prescribes the enhancements to the PSAK No. 60, mainly relates to the disclosure of financial assets, including the withdrawal of requirements to disclose:

- i. Fair value of collateral held as security for financial assets both "past due but not yet impaired" and "impaired"; and,
- ii. Carrying amount of financial asset that are neither past due nor impaired whose terms have been renegotiated.

The adoption of the revised PSAK has no significant impact on the consolidated financial statements.

**(i) Financial Assets**

**Initial recognition and measurement**

Financial assets within the scope of PSAK No. 55 (Revised 2011) are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year-end.

The Group's classifies its financial assets as loans and receivables. The Group's loans and receivables consist of cash and cash equivalents, restricted cash, trade receivables, other receivables, unbilled revenues and due from related parties.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**d. Aset dan Liabilitas Keuangan (lanjutan)**

**(i) Aset Keuangan (lanjutan)**

**Pengakuan dan pengukuran awal  
(lanjutan)**

Pada saat pengakuan awalnya, aset keuangan diukur pada nilai wajar, dan dalam hal aset keuangan yang tidak diukur pada nilai wajar melalui laba rugi, nilai wajar tersebut ditambah dengan biaya transaksi yang dapat diatribusikan secara langsung dengan perolehan aset keuangan tersebut.

**Pengukuran setelah pengakuan awal**

Pinjaman yang diberikan dan piutang adalah aset keuangan non derivatif dengan pembayaran tetap atau telah ditentukan, yang tidak mempunyai kuota di pasar aktif. Setelah pengakuan awal, aset keuangan tersebut dicatat pada biaya perolehan diamortisasi dengan menggunakan metode Suku Bunga Efektif (SBE), dan keuntungan dan kerugian terkait diakui pada laporan laba rugi komprehensif konsolidasian ketika pinjaman yang diberikan dan piutang dihentikan pengakuannya atau mengalami penurunan nilai, serta melalui proses amortisasi.

Cadangan atas jumlah yang tidak tertagih dicatat bila ada bukti yang objektif bahwa Grup tidak akan dapat menagih utang tersebut. Piutang tidak tertagih dihapuskan pada saat diidentifikasi. Rincian lebih lanjut tentang kebijakan akuntansi untuk penurunan nilai aset keuangan diungkapkan dalam Catatan di bawah ini.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**d. Financial Assets and Liabilities (continued)**

**(i) Financial Assets (continued)**

**Initial recognition and measurement  
(continued)**

*When financial assets are recognized initially, they are measured at fair value, and in the case of financial assets that are not recorded at fair value through profit or loss, the fair value plus directly attributable transaction costs.*

**Subsequent measurement**

*Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are carried at amortized cost using the Effective Interest Rate (EIR) method, and the related gains and losses are recognized in the consolidated statements of comprehensive income when the loans and receivables are derecognized or impaired, as well as through the amortization process.*

*An allowance is made for uncollectible amounts when there is objective evidence that the Group will not be able to collect the debt. Bad debts are written-off when identified. Further details on the accounting policy for impairment of financial assets are disclosed below in this Note.*

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**d. Aset dan Liabilitas Keuangan (lanjutan)**

**(i) Aset Keuangan (lanjutan)**

**Penghentian pengakuan aset  
keuangan**

Aset keuangan, atau bila dapat diterapkan, untuk bagian dari aset keuangan atau bagian dari kelompok aset keuangan sejenis, akan dihentikan pengakuannya apabila:

- i. hak kontraktual atas arus kas yang berasal dari aset keuangan tersebut berakhir; atau
- ii. Grup mentransfer hak kontraktual untuk menerima arus kas yang berasal dari aset keuangan atau menanggung kewajiban untuk membayar arus kas yang diterima tanpa penundaan yang signifikan kepada pihak ketiga melalui suatu kesepakatan penyerahan dan (a) secara substansial mentransfer seluruh risiko dan manfaat atas kepemilikan aset keuangan tersebut, atau (b) secara substansial tidak mentransfer dan tidak memiliki seluruh risiko dan manfaat atas kepemilikan aset keuangan tersebut, namun telah mentransfer pengendalian atas aset keuangan tersebut.

Apabila Grup mentransfer hak untuk menerima arus kas yang berasal dari aset keuangan atau mengadakan kesepakatan penyerahan dan tidak mentransfer maupun tidak memiliki secara substansial seluruh risiko dan manfaat atas aset keuangan tersebut dan juga tidak mentransfer pengendalian atas aset keuangan tersebut, maka suatu aset baru diakui oleh Grup sebesar keterlibatan berkelanjutan dengan aset tersebut.

Keterlibatan berkelanjutan berbentuk pemberian jaminan atas aset yang ditransfer, diukur sebesar jumlah terendah antara nilai aset yang ditransfer dan nilai maksimal dari pembayaran yang diterima yang mungkin harus dibayar kembali oleh Grup.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**d. Financial Assets and Liabilities (continued)**

**(i) Financial Assets (continued)**

**Derecognition of financial asset**

A financial asset, or where applicable a part of a financial asset or part of a group of similar financial assets, is derecognized when:

- i. the contractual rights to receive cash flows from the financial asset have expired; or
- ii. the Group has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement and either (a) has transferred substantially all the risks and rewards of the financial asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the financial asset, but has transferred control of the financial asset.

Where the Group has transferred its rights to receive cash flows from the financial asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all the risks and rewards of the financial asset nor transferred control of the financial asset, the asset is recognized to the extent of the Group's continuing involvement in the asset.

Continuing involvement that takes the form of a guarantee over the transferred asset, is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

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**d. Aset dan Liabilitas Keuangan (lanjutan)**

**(i) Aset Keuangan (lanjutan)**

**Penghentian pengakuan aset keuangan (lanjutan)**

Dalam hal ini, Grup juga mengakui liabilitas terkait. Aset yang ditransfer dan liabilitas terkait diukur dengan basis yang merefleksikan hak dan kewajiban yang tetap dimiliki Grup.

Pada saat penghentian pengakuan atas aset keuangan secara keseluruhan, maka selisih antara nilai tercatat dan jumlah dari (i) pembayaran yang diterima, termasuk setiap aset baru yang diperoleh dikurangi setiap liabilitas baru yang harus ditanggung; dan (ii) setiap keuntungan atau kerugian kumulatif yang telah diakui secara langsung dalam ekuitas harus diakui pada laporan laba rugi komprehensif konsolidasian.

**Penurunan nilai**

Pada setiap tanggal pelaporan, Grup mengevaluasi apakah terdapat bukti yang objektif bahwa aset keuangan atau kelompok aset keuangan mengalami penurunan nilai. Penurunan nilai atas aset keuangan atau kelompok aset keuangan dianggap telah terjadi jika, dan hanya jika, terdapat bukti yang objektif mengenai penurunan nilai sebagai akibat dari satu atau lebih peristiwa yang terjadi setelah pengakuan awal aset tersebut ("peristiwa yang merugikan"), dan peristiwa yang merugikan tersebut berdampak pada estimasi arus kas masa depan atas aset keuangan atau kelompok aset keuangan yang dapat diestimasi secara handal.

Bukti penurunan nilai dapat meliputi indikasi pihak peminjam atau kelompok pihak peminjam mengalami kesulitan keuangan signifikan, wanprestasi atau tunggakan pembayaran bunga atau pokok, terdapat kemungkinan bahwa pihak peminjam akan dinyatakan pailit atau melakukan reorganisasi keuangan lainnya dan pada saat data yang dapat diobservasi mengindikasikan adanya penurunan yang dapat diukur atas estimasi arus kas masa datang, seperti meningkatnya tunggakan atau kondisi ekonomi yang berkorelasi dengan wanprestasi.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**d. Financial Assets and Liabilities (continued)**

**(i) Financial Assets (continued)**

**Derecognition of financial asset (continued)**

*In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.*

*On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of (i) the consideration received, including any new asset obtained less any new liability assumed; and (ii) any cumulative gain or loss that has been recognized directly in equity is recognized in the consolidated statements of comprehensive income.*

**Impairment**

*The Group assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred "loss event"), and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.*

*Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and when observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.*

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
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**d. Aset dan Liabilitas Keuangan (lanjutan)**

**d. Financial Assets and Liabilities (continued)**

**(i) Aset Keuangan (lanjutan)**

**(i) Financial Assets (continued)**

**Penurunan nilai (lanjutan)**

**Impairment (continued)**

Aset Keuangan yang Dicatat pada Biaya  
Perolehan Diamortisasi

Financial Assets Carried at Amortized Cost

Untuk pinjaman yang diberikan dan piutang yang dicatat pada biaya perolehan diamortisasi, Grup pertama kali menentukan secara individual apakah terdapat bukti objektif mengenai penurunan nilai atas aset keuangan yang signifikan secara individual, atau secara kolektif untuk aset keuangan yang tidak signifikan secara individual.

For loans and receivables carried at amortized cost, the Group first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant.

Jika Grup menentukan tidak terdapat bukti objektif mengenai penurunan nilai atas aset keuangan yang dinilai secara individual, terlepas aset keuangan tersebut signifikan atau tidak, maka Grup memasukkan aset tersebut ke dalam kelompok aset keuangan yang memiliki karakteristik risiko kredit yang sejenis dan menilai penurunan nilai kelompok tersebut secara kolektif. Aset yang penurunan nilainya dinilai secara individual dan untuk itu kerugian penurunan nilai diakui atau terus diakui, tidak termasuk dalam penilaian penurunan nilai secara kolektif.

If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized, are not included in a collective assessment or impairment.

Jika terdapat bukti objektif bahwa kerugian penurunan nilai telah terjadi, jumlah kerugian tersebut diukur sebagai selisih antara nilai tercatat aset dengan nilai kini estimasi arus kas masa datang (tidak termasuk kerugian kredit di masa mendatang yang belum terjadi).

When there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred).

Nilai kini atas estimasi arus kas masa datang didiskonto dengan menggunakan SBE awal dari aset keuangan tersebut. Jika pinjaman yang diberikan memiliki suku bunga variabel, maka tingkat diskonto yang digunakan untuk mengukur setiap kerugian penurunan nilai adalah SBE yang berlaku.

The present value of the estimated future cash flows is discounted at the financial assets' original EIR. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current EIR.

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**(i) Aset Keuangan (lanjutan)**

**Penurunan nilai (lanjutan)**

Aset Keuangan yang Dicatat pada Biaya  
Perolehan Diamortisasi (lanjutan)

Nilai tercatat atas aset keuangan dikurangi melalui penggunaan akun cadangan penurunan nilai dan jumlah kerugian tersebut diakui secara langsung dalam laporan laba rugi komprehensif konsolidasian. Pendapatan bunga terus diakui atas nilai tercatat yang telah dikurangi tersebut berdasarkan suku bunga yang digunakan untuk mendiskontokan arus kas masa depan dengan tujuan untuk mengukur kerugian penurunan nilai. Pinjaman yang diberikan dan piutang, beserta dengan penyisihan terkait, dihapuskan jika tidak terdapat kemungkinan yang realistis atas pemulihan di masa mendatang dan seluruh agunan, jika ada, sudah direalisasi atau ditransfer kepada Grup.

Jika, dalam tahun berikutnya, nilai estimasi kerugian penurunan nilai aset keuangan bertambah atau berkurang yang dikarenakan peristiwa yang terjadi setelah penurunan nilai diakui, maka kerugian penurunan nilai yang sebelumnya diakui ditambahkan atau dikurangi (dipulihkan) dengan menyesuaikan akun cadangan penurunan nilai. Pemulihan tersebut tidak boleh mengakibatkan nilai tercatat aset keuangan melebihi biaya perolehan diamortisasi yang seharusnya jika penurunan nilai tidak diakui pada tanggal pemulihan dilakukan. Jumlah pemulihan aset keuangan diakui pada laporan laba rugi komprehensif konsolidasian.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**d. Financial Assets and Liabilities (continued)**

**(i) Financial Assets (continued)**

**Impairment (continued)**

Financial Assets Carried at Amortized Cost  
(continued)

The carrying amount of the asset is reduced through the use of an allowance for impairment account and the amount of the loss is directly recognized in the consolidated statements of comprehensive income. Interest income continues to be accrued on the reduced carrying amount based on the rate of interest used to discount future cash flows for the purpose of measuring impairment loss. Loans and receivables, together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral, if any, has been realized or has been transferred to the Group.

If, in the subsequent year, the amount of the estimated impairment loss increases or decreases because of event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced (recovered) by adjusting the allowance for impairment account. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortized cost would have been had the impairment not been recognized at the date the impairment is reversed. The recovery of financial assets is recognized in the consolidated statements of comprehensive income.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**d. Aset dan Liabilitas Keuangan (lanjutan)**

**d. Financial Assets and Liabilities (continued)**

**(ii) Liabilitas Keuangan**

**(ii) Financial Liabilities**

**Pengakuan awal dan pengukuran**

**Initial recognition and measurement**

Liabilitas keuangan dalam ruang lingkup PSAK No. 55 (Revisi 2011) diklasifikasikan sebagai liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba rugi atau utang dan pinjaman. Grup menetapkan klasifikasi atas liabilitas keuangan pada saat pengakuan awal.

Financial liabilities within the scope of PSAK No. 55 (Revised 2011) are classified as financial liabilities at fair value through profit or loss or loans and borrowings. The Group determines the classification of its financial liabilities at initial recognition.

Pengakuan awal liabilitas keuangan dicatat pada nilai wajar dan, dalam hal utang dan pinjaman, termasuk biaya transaksi yang dapat diatribusikan secara langsung.

Financial liabilities are initially recognized at their fair values and, in case of loans and borrowings, inclusive of directly attributable transaction costs.

Liabilitas keuangan Grup meliputi utang usaha, utang lain-lain, beban yang masih harus dibayar, pinjaman bank jangka pendek, utang kepada pihak-pihak berelasi dan pinjaman jangka panjang.

The Group's financial liabilities include trade payables, other payables, accrued expenses, short-term bank loans, due to related parties and long-term loans.

**Pengukuran setelah pengakuan awal**

**Subsequent measurement**

Setelah pengakuan awal, utang dan pinjaman diukur dengan biaya yang diamortisasi dengan menggunakan metode SBE. Keuntungan dan kerugian diakui dalam laporan laba rugi komprehensif ketika liabilitas dihentikan pengakuannya serta melalui proses amortisasi menggunakan metode SBE.

Subsequent to initial recognition, loans and borrowings are measured at amortized costs using EIR method. Gains and losses are recognized in the statements of comprehensive income when the liabilities are derecognized as well as through amortization process using the EIR method.

Biaya perolehan diamortisasi dihitung dengan mempertimbangkan setiap diskonto atau premi atas perolehan dan komisi atau biaya yang merupakan bagian tidak terpisahkan dari SBE. Amortisasi SBE dicatat sebagai bagian dari "Beban Keuangan" dalam laporan laba rugi komprehensif konsolidasian.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included under "Finance Costs" account in the consolidated statements of comprehensive income.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
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**d. Aset dan Liabilitas Keuangan (lanjutan)**

**d. Financial Assets and Liabilities (continued)**

**(ii) Liabilitas Keuangan (lanjutan)**

**(ii) Financial Liabilities (continued)**

**Penghentian pengakuan**

**Derecognition**

Sebuah liabilitas keuangan dihentikan pengakuannya pada saat kewajiban yang ditetapkan dalam kontrak tersebut dihentikan atau dibatalkan atau kadaluwarsa.

*A financial liability is derecognized when the obligation specified in the contract is discharged or cancelled or expired.*

Ketika sebuah liabilitas keuangan ditukar dengan liabilitas keuangan lain dari pemberi pinjaman yang sama atas persyaratan yang secara substansial berbeda, atau bila persyaratan dari liabilitas keuangan tersebut secara substansial dimodifikasi, pertukaran atau modifikasi persyaratan tersebut dicatat sebagai penghentian pengakuan liabilitas keuangan awal dan pengakuan liabilitas keuangan baru, dan selisih antara nilai tercatat masing-masing liabilitas keuangan tersebut diakui dalam laporan laba rugi komprehensif konsolidasian.

*When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing financial liability are substantially modified, such an exchange or modification is treated as derecognition of the original financial liability and recognition of a new financial liability, and the difference in the respective carrying amounts is recognized in the consolidated statements of comprehensive income.*

**(iii) Saling Hapus Instrumen Keuangan**

**(iii) Offsetting Financial Instrument**

Aset keuangan dan liabilitas keuangan disalinghapuskan dan nilai netonya disajikan dalam laporan posisi keuangan konsolidasian jika, dan hanya jika, terdapat hak yang berkekuatan hukum untuk melakukan saling hapus atas jumlah tercatat dari aset keuangan dan liabilitas keuangan tersebut dan terdapat intensi untuk menyelesaikan secara neto, atau untuk merealisasikan aset dan menyelesaikan liabilitas secara bersamaan. Pada tanggal pelaporan, Grup tidak memiliki liabilitas keuangan lainnya selain yang diklasifikasikan sebagai pinjaman dan utang.

*Financial assets and financial liabilities are offset and the net amount reported in the consolidated statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. As at the reporting dates, the Group has no other financial liabilities other than those classified as loans and borrowings.*

**(iv) Nilai Wajar Instrumen Keuangan**

**(iv) Fair Value of Financial Instruments**

Nilai wajar instrumen keuangan yang diperdagangkan di pasar aktif pada setiap tanggal pelaporan ditentukan dengan mengacu pada kuotasi harga pasar pada akhir periode pelaporan, tanpa pengurangan untuk biaya transaksi.

*The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices at the end of the reporting period, without any deduction for transaction costs.*

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**d. Aset dan Liabilitas Keuangan (lanjutan)**

**(iv) Nilai Wajar Instrumen Keuangan  
(lanjutan)**

Untuk instrumen keuangan yang tidak memiliki pasar aktif, nilai wajar ditentukan dengan menggunakan teknik penilaian yang diizinkan oleh PSAK No. 55 (Revisi 2011) seperti dengan mengacu pada transaksi pasar terkini yang dilakukan secara wajar (*arm's length transaction*); mengacu kepada nilai wajar terkini instrumen lain yang secara substansial sama; analisa arus kas yang didiskonto atau model penilaian lainnya.

**e. Kas dan Setara Kas dan Kas yang Dibatasi  
Penggunaannya**

Kas dan setara kas terdiri dari saldo kas dan bank, serta deposito berjangka yang jatuh tempo dalam waktu tiga bulan atau kurang dan tidak digunakan sebagai jaminan atau dibatasi penggunaannya dan dapat segera dijadikan kas tanpa terjadi perubahan nilai yang signifikan.

Rekening bank yang dibatasi penggunaannya sehubungan dengan persyaratan perjanjian pinjaman disajikan sebagai "Kas yang Dibatasi Penggunaannya" pada laporan posisi keuangan konsolidasian (Catatan 6).

Untuk laporan arus kas, kas dan setara kas terdiri dari kas dan setara kas, kas yang dibatasi penggunaannya dan cerukan.

**f. Transaksi dengan Pihak-pihak Berelasi**

Suatu pihak dianggap berelasi dengan Grup jika:

- i. langsung, atau tidak langsung yang melalui satu atau lebih perantara, suatu pihak (1) mengendalikan, atau dikendalikan oleh, atau berada di bawah pengendalian bersama, dengan Grup; (2) memiliki kepentingan dalam Grup yang memberikan pengaruh signifikan atas Grup; atau (3) memiliki pengendalian bersama atas Grup;

**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**d. Financial Assets and Liabilities (continued)**

**(iv) Fair Value of Financial Instruments  
(continued)**

For financial instruments where there is no active market, the fair value is determined using appropriate valuation techniques permitted by PSAK No. 55 (Revised 2011) such as using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

**e. Cash and Cash Equivalents and Restricted  
Cash**

Cash and cash equivalents consist of cash on hand and in banks, and time deposits with maturities within three months or less and not pledged as collateral or restricted in use and readily convertible to cash without significant changes in value.

Cash in banks which is restricted for use as stipulated under the terms of the loan agreement is presented as "Restricted Cash" in the consolidated statements of financial position (Note 6).

For statements of cashflows, cash and cash equivalent consist of cash and cash equivalents, restricted cash and bank overdrafts.

**f. Transactions with Related Parties**

A party is considered to be related to the Group if:

- i. directly, or indirectly through one or more intermediaries, the party (1) controls, is controlled by, or is under common control with, the Group; (2) has an interest in the Group that gives it significant influence over the Group; or, (3) has joint control over the Group;

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**f. Transaksi dengan Pihak-pihak Berelasi  
(lanjutan)**

- ii. suatu pihak adalah entitas asosiasi Grup;
- iii. suatu pihak adalah ventura bersama di mana Grup sebagai *venturer*;
- iv. suatu pihak adalah anggota dari personil manajemen kunci Grup atau induk;
- v. suatu pihak adalah anggota keluarga dekat dari individu yang diuraikan dalam butir (i) atau (iv);
- vi. suatu pihak adalah entitas yang dikendalikan, dikendalikan bersama atau dipengaruhi signifikan oleh atau di mana hak suara signifikan dimiliki oleh, langsung maupun tidak langsung, individu seperti diuraikan dalam butir (iv) atau (v); atau
- vii. suatu pihak adalah suatu program imbalan pasca kerja untuk imbalan kerja dari Grup atau entitas yang terkait dengan Grup.

Seluruh transaksi dan saldo yang signifikan dengan pihak-pihak berelasi diungkapkan dalam catatan atas laporan keuangan konsolidasian yang relevan.

**g. Cadangan Penurunan Nilai Piutang**

Grup melakukan pencadangan penurunan nilai berdasarkan PSAK No. 55 (Revisi 2011).

Piutang Grup dihapuskan dalam tahun dimana piutang tersebut dipastikan tidak dapat tertagih.

**h. Persediaan**

Persediaan diukur berdasarkan biaya atau nilai realisasi neto, mana yang lebih rendah. Biaya perolehan ditentukan dengan menggunakan metode rata-rata tertimbang. Penyisihan untuk penurunan nilai persediaan ditetapkan untuk mengurangi nilai tercatat persediaan ke nilai realisasi neto.

Nilai realisasi neto adalah estimasi harga jual dalam kegiatan usaha biasa setelah dikurangi dengan estimasi biaya penyelesaian dan estimasi biaya yang timbul untuk penjualan.

Penyisihan persediaan usang dilakukan atas dasar hasil penelaahan secara periodik terhadap kondisi persediaan.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**f. Transactions with Related Parties  
(continued)**

- ii. the party is an associate of the Group;
- iii. the party has a joint venture in which the Group is a *venturer*;
- iv. the party is a member of the key management personnel of the Group or its parent;
- v. the party is a close member of the family of any individual referred to in (i) or (iv);
- vi. the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or,
- vii. the party has a post-employment benefit plan for the benefit of employees of the Group, or of any entity that is a related party of the Group.

All significant transactions and balances with related parties are disclosed in the relevant notes to the consolidated financial statements.

**g. Allowance for Impairment of Receivables**

The Group provides allowance for impairment in accordance with the provision of PSAK No. 55 (Revised 2011).

The Group's accounts receivables are written-off in the year in which those receivables are determined to be uncollectible.

**h. Inventory**

Inventory is measured at the lower of cost or net realizable value. Cost is determined using the weighted-average method. Allowance for decline in the value of the inventory is provided to reduce the carrying value of inventory to its net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated cost necessary to make the sale.

Allowance for inventory obsolescence is provided based on the periodic review of the condition of inventory.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**i. Beban Dibayar Dimuka**

Beban dibayar dimuka diamortisasi sesuai masa manfaat dengan menggunakan metode garis lurus.

Biaya pemugaran (*docking*) kapal dikapitalisasi pada saat terjadinya dan diamortisasi dengan metode garis lurus sampai dengan biaya pemugaran kapal berikutnya atas kapal tersebut, dan disajikan sebagai bagian dari "Aset tidak lancar lainnya" pada laporan posisi keuangan konsolidasian.

**j. Aset Tidak Lancar yang Dimiliki untuk Dijual**

Aset tidak lancar (atau kelompok lepasan) diklasifikasikan sebagai aset dimiliki untuk dijual ketika jumlah tercatat dipulihkan terutama melalui transaksi penjualan daripada pemakaian berlanjut, dan kemungkinan penjualan dianggap sangat mungkin terjadi. Aset tersebut diukur sebesar nilai terendah antara jumlah tercatat dan nilai wajar dikurangi biaya penjualan.

Kerugian penurunan nilai awal atau selanjutnya diakui atas penurunan nilai aset (atau kelompok lepasan) ke nilai wajar dikurangi dengan biaya untuk menjual aset. Keuntungan diakui atas peningkatan nilai wajar dikurangi biaya untuk menjual aset (atau kelompok lepasan), tetapi tidak boleh melebihi akumulasi rugi penurunan nilai yang telah diakui sebelumnya. Keuntungan atau kerugian yang sebelumnya tidak diakui pada tanggal penjualan aset tidak lancar (atau kelompok lepasan) diakui pada tanggal penghentian pengakuan.

Aset tidak lancar (termasuk yang merupakan bagian dari kelompok lepasan) tidak boleh disusutkan selama diklasifikasikan sebagai dimiliki untuk dijual. Bunga dan beban lainnya yang dapat diatribusikan pada liabilitas dari kelompok lepasan yang diklasifikasikan sebagai dimiliki untuk dijual tetap diakui.

**k. Aset Tetap**

Grup memilih model biaya sebagai kebijakan akuntansi pengukuran aset tetap.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**i. Prepaid Expenses**

Prepaid expenses are amortized over their beneficial periods using the straight-line method.

Vessel dry docking costs are capitalized when incurred and are amortized on a straight-line method over the period to the next dry docking, and is shown as part of "Other non-current assets" in the consolidated statements of financial position.

**j. Non-Current Assets Held for Sale**

Non-Current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction rather than through continuing use, and a sale is considered highly probable. They are measured at the lower of carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the noncurrent asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

**k. Fixed Assets**

The Group has chosen the cost model as a measurement of its fixed assets accounting policy.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)**

**k. Aset Tetap (lanjutan)**

Aset tetap dinyatakan sebesar harga perolehan dikurangi akumulasi penyusutan dan rugi penurunan nilai, jika ada. Biaya perolehan termasuk biaya penggantian bagian aset tetap saat biaya tersebut terjadi, jika memenuhi kriteria pengakuan. Selanjutnya, pada saat inspeksi yang signifikan dilakukan, biaya inspeksi itu diakui ke dalam jumlah nilai tercatat ("carrying amount") aset tetap sebagai suatu penggantian jika memenuhi kriteria pengakuan. Semua biaya pemeliharaan dan perbaikan yang tidak memenuhi kriteria pengakuan dibebankan langsung pada laporan laba rugi komprehensif konsolidasian pada saat terjadinya.

Penyusutan dihitung dengan menggunakan metode garis lurus (*straight-line method*) berdasarkan estimasi masa manfaat ekonomis aset tetap sebagai berikut:

	Tahun/Years
Bangunan	20
Kapal	5-30
Perlengkapan kapal	4-10
Mesin	4
Kendaraan	4-8
Peralatan kantor dan galangan	4
Peralatan bengkel	8

Penyusutan untuk kapal dihitung menggunakan nilai residu. Estimasi nilai residu merupakan estimasi terbaik manajemen berdasarkan data historis atas laba penjualan kapal yang dimiliki oleh Grup, setelah memperhitungkan biaya-biaya yang dikeluarkan agar kapal tersebut dapat dijual, untuk lebih mencerminkan periode pengakuan pendapatan dan biaya yang lebih baik.

Nilai residu, masa manfaat dan metode penyusutan aset ditelaah dan disesuaikan secara prospektif, apabila diperlukan, pada setiap akhir tahun buku.

Jumlah tercatat aset tetap dihentikan pengakuannya pada saat dilepaskan atau saat tidak ada manfaat ekonomis masa depan yang diharapkan dari penggunaan atau pelepasannya. Laba atau rugi yang timbul dari penghentian pengakuan aset (dihitung sebagai defisit antara jumlah neto hasil pelepasan dan nilai tercatat dari aset) dimasukkan dalam laporan laba rugi komprehensif konsolidasian pada tahun aset tersebut dihentikan pengakuannya.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**k. Fixed Assets (continued)**

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Such cost includes the cost of replacing part of the fixed assets when that cost is incurred, if the recognition criteria are met. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs that do not meet the recognition criteria are charged directly in the consolidated statements of comprehensive income as incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

	Tahun/Years
Bangunan	20
Kapal	5-30
Perlengkapan kapal	4-10
Mesin	4
Kendaraan	4-8
Peralatan kantor dan galangan	4
Peralatan bengkel	8

Depreciation of vessels is computed using residual value of its original acquisition cost. The estimated residual value of the original acquisition cost is based on management's best estimate of the historical data related to gain on sale of vessels owned by the Group, after taking into account the costs incurred in order for the vessels to be ready for sale, to properly reflect the period of recognition of revenues and expenses.

The residual values, useful lives and methods of depreciation are reviewed and adjusted prospectively, if appropriate, at each financial year end.

An item of fixed assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statements of comprehensive income in the year the asset is derecognized.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**k. Aset Tetap (lanjutan)**

Tanah dinyatakan sebesar biaya perolehan dan tidak diamortisasi.

Aset dalam penyelesaian dinyatakan sebesar biaya perolehan dan disajikan sebagai bagian dari "Aset Tetap" dalam laporan posisi keuangan konsolidasian. Akumulasi biaya perolehan untuk aset dalam penyelesaian akan dipindahkan ke masing-masing aset tetap yang bersangkutan pada saat aset tersebut selesai dikerjakan dan siap digunakan sesuai dengan tujuannya. Penyusutan dimulai pada saat aset tersebut siap untuk digunakan sesuai dengan tujuan yang diinginkan manajemen.

**l. Aset Takberwujud**

Aset takberwujud yang diperoleh secara terpisah diukur pada saat pengakuan awal sebesar biaya perolehan. Setelah pengakuan awal, aset takberwujud dinyatakan berdasarkan biaya perolehan dikurangi akumulasi amortisasi dan akumulasi kerugian penurunan nilai, jika ada.

Masa manfaat aset takberwujud dinilai baik terbatas atau tidak terbatas.

Lisensi *Oracle* adalah aset takberwujud yang diperoleh dengan masa manfaat yang terbatas, yang merupakan biaya Grup, yang berhubungan dengan penggunaan lisensi *Oracle* untuk sistem akuntansi. Biaya ini diamortisasi dengan menggunakan metode garis lurus selama taksiran masa manfaat ekonomis 4 (empat) tahun.

Periode amortisasi dan metode amortisasi ditelaah minimum setiap akhir tahun buku. Perubahan masa manfaat yang diharapkan atau pola yang diharapkan dari konsumsi manfaat ekonomi masa depan dari aset dicatat dengan mengubah periode amortisasi atau metode, yang sesuai, dan diperlakukan sebagai perubahan estimasi akuntansi. Beban amortisasi aset takberwujud dengan masa manfaat terbatas diakui dalam laporan laba rugi komprehensif konsolidasian dalam kategori biaya sesuai dengan fungsi dari aset takberwujud.

Laba atau rugi yang timbul dari penghentian pengakuan aset takberwujud diukur sebagai perbedaan antara jumlah neto hasil pelepasan dan nilai tercatat aset dan diakui dalam laporan laba rugi komprehensif konsolidasian pada saat aset tersebut dihentikan pengakuannya.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**k. Fixed Assets (continued)**

*Land is stated at cost and not amortized.*

*Construction in progress is stated at cost and presented as part of "Fixed Assets" in the consolidated statements of financial position. The accumulated costs will be reclassified to the appropriate fixed asset accounts when the construction is substantially completed and the constructed asset is ready for its intended use. Depreciation is charge from the date the assets are ready for use in the manner intended by management.*

**l. Intangible Asset**

*Intangible asset acquired separately are measured on initial recognition at cost. Following initial recognition, intangible asset are carried at cost less any accumulated amortization and any accumulated impairment losses, if any.*

*The useful lives of intangible asset are assessed as either finite or infinite.*

*Oracle license is an intangible asset acquired with a finite useful life, which represents the cost of the Group, related to the using of the Oracle license for accounting system. These costs are amortized using the straight-line method over the estimated useful lives of 4 (four) years.*

*The amortization period and the amortization method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as change in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the consolidated statement of comprehensive income in the expense category consistent with the function of the intangible assets.*

*Gain or loss arising from derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the consolidated statements of comprehensive income when the asset is derecognized.*

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SIGNIFIKAN (lanjutan)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**m. Sewa**

Berdasarkan PSAK No. 30 (Revisi 2011) "Sewa", penentuan apakah suatu perjanjian merupakan perjanjian sewa atau perjanjian yang mengandung sewa didasarkan atas substansi perjanjian pada tanggal awal sewa dan apakah pemenuhan perjanjian tergantung pada penggunaan suatu aset dan perjanjian tersebut memberikan suatu hak untuk menggunakan aset tersebut. Menurut PSAK No. 30 (Revisi 2011), sewa yang mengalihkan secara substansial seluruh risiko dan manfaat yang terkait dengan kepemilikan aset, diklasifikasikan sebagai sewa pembiayaan. Selanjutnya, suatu sewa diklasifikasikan sebagai sewa operasi, jika sewa tidak mengalihkan secara substansial seluruh risiko dan manfaat yang terkait dengan kepemilikan aset.

**Sewa Pembiayaan - sebagai Lessee**

Berdasarkan PSAK No. 30 (Revisi 2011), dalam sewa pembiayaan, Grup mengakui aset dan liabilitas dalam laporan posisi keuangan konsolidasian pada awal masa sewa, sebesar nilai wajar aset sewaan atau sebesar nilai kini dari pembayaran sewa minimum, jika nilai kini lebih rendah dari nilai wajar. Pembayaran sewa minimum dipisahkan antara bagian yang merupakan beban keuangan dan bagian yang merupakan pelunasan liabilitas sewa. Beban keuangan dialokasikan pada setiap periode selama masa sewa, sehingga menghasilkan tingkat suku bunga periodik yang konstan atas saldo liabilitas.

**Sewa Operasi - sebagai Lessee**

Dalam sewa operasi, Grup mengakui pembayaran sewa sebagai beban dengan dasar garis lurus (*straight-line basis*) selama masa sewa.

**Sewa Operasi - sebagai Lessor**

Dalam sewa menyewa biasa, Grup mengakui aset untuk sewa operasi di laporan posisi keuangan konsolidasian sesuai sifat aset tersebut. Pendapatan sewa operasi diakui sebagai pendapatan atas dasar garis lurus selama masa sewa.

**m. Leases**

Based on PSAK No. 30 (Revised 2011) "Lease", the determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and whether the fulfillment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset. Under PSAK No. 30 (Revised 2011), leases that transfer substantially to the lessee all the risks and rewards incidental to ownership of the leased item are classified as finance leases. Moreover, leases which do not transfer substantially all the risks and rewards incidental to ownership of the leased item are classified as operating leases.

**Finance Lease - as Lessee**

Based on PSAK No. 30 (Revised 2011), under a finance lease, the Group shall recognize assets and liabilities in its consolidated statements of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. Minimum lease payments shall be apportioned between the finance charge and the reduction of the outstanding liability. The finance charge shall be allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

**Operating Lease - as Lessee**

Under an operating lease, the Group recognized lease payments as an expense on a straight-line basis over the lease term.

**Operating Lease - as Lessor**

Under an operating lease, the Group shall present assets subject to operating leases in its consolidated statements of financial position according to the nature of the asset. Lease income from operating leases shall be recognized as income on a straight-line basis over the lease term.

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**n. Pengakuan Pendapatan dan Beban**

Pendapatan diakui bila besar kemungkinan manfaat ekonomi akan diperoleh oleh Grup dan jumlahnya dapat diukur secara handal. Pendapatan diukur pada nilai wajar imbalan yang diterima.

Pendapatan dari jasa pelayaran/angkutan laut diakui berdasarkan kesepakatan bersama antara Grup dan penyewa kapal sebagai berikut:

1. Pendapatan sewa berdasarkan kontrak waktu (*time charter*) diakui secara proporsional sesuai dengan periode yang dicakup dalam kontrak *charter* tersebut.
2. Pendapatan dari jasa pengangkutan berdasarkan spot diakui pada saat penyerahan jasa kepada pelanggan.

Pendapatan dari kegiatan jasa perbaikan kapal laut diakui pada saat penyerahan jasa kepada pelanggan.

Pada tanggal pelaporan, pendapatan yang sudah diakui namun belum ditagihkan dicatat sebagai "Pendapatan yang Masih Harus Ditagih" pada laporan posisi keuangan konsolidasian.

Beban diakui pada saat terjadinya.

**o. Kontrak Konstruksi**

Pendapatan kontrak konstruksi diakui dengan menggunakan metode persentase penyelesaian yang diukur dari tahap penyelesaian kontrak pada laporan posisi keuangan oleh *engineer* dan disetujui oleh pemilik proyek. Pada tanggal pelaporan, selisih lebih estimasi pendapatan di atas tagihan kemajuan kontrak disajikan sebagai aset lancar, sedangkan selisih lebih tagihan kemajuan kontrak di atas estimasi pendapatan disajikan sebagai liabilitas jangka pendek.

Bila hasil kontrak konstruksi tidak dapat diestimasi secara andal, maka pendapatan kontrak diakui hanya sebesar biaya yang terjadi sepanjang biaya tersebut diperkirakan dapat dipulihkan. Biaya kontrak diakui sebagai beban dalam periode terjadinya.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**n. Revenues and Expenses Recognition**

*Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received.*

*Revenues from shipping/marine transportation are recognized based on agreement between the Group and customers are as follow:*

1. *Time charter revenue is recognized proportionally over the period covered in accordance with the contract.*
2. *Revenues from freight operations based on spot are recognized when the service are rendered to customers.*

*Revenues from marine ship repair services are recognized when the services are rendered to customers.*

*As of reporting dates, revenue earned however not yet billed to customer are recorded as "Unbilled Revenues" in the consolidated statements of financial position .*

*Expenses are recognized when incurred.*

**o. Construction Contract**

*Revenue from construction contract, is recognized using the percentage-of-completion method, measured by percentage of work completed to date as estimated by engineers and approved by the project owner. At reporting dates, earnings in excess of billings on construction contracts are presented as current assets, while billings in excess of estimated earnings are presented as current liability.*

*Where the outcome of a construction contract cannot be reliably estimated, contract revenue is recognized to the extent of contract costs incurred that is probable to be recoverable. Contract costs are recognized as expenses in the period they are incurred.*

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG  
SIGNIFIKAN (lanjutan)**

**o. Kontrak Konstruksi (lanjutan)**

Bila besar kemungkinan bahwa jumlah biaya kontrak konstruksi melebihi jumlah pendapatan kontrak, maka taksiran kerugian segera diakui sebagai beban. Biaya kontrak meliputi seluruh biaya material, tenaga kerja dan biaya tidak langsung yang berhubungan dengan kontrak.

**p. Imbalan Kerja**

Grup mengaplikasikan PSAK No. 24 (Revisi 2010), "Imbalan Kerja", untuk mencatat kewajiban imbalan kerja yang tidak didanai berdasarkan Undang-undang No. 13/2003 tanggal 25 Maret 2003 (Undang-undang).

Menurut PSAK No. 24 (Revisi 2010), beban imbalan kerja berdasarkan Undang-undang ditentukan dengan metode penilaian aktuarial "Projected Unit Credit". Keuntungan atau kerugian aktuarial diakui sebagai penghasilan atau beban apabila akumulasi keuntungan atau kerugian aktuarial bersih yang belum diakui pada akhir tahun pelaporan sebelumnya melebihi 10% dari nilai kini kewajiban imbalan pasti pada tanggal tersebut. Kelebihan yang timbul diakui sebagai keuntungan atau kerugian aktuarial diakui dengan menggunakan metode garis lurus sepanjang rata-rata sisa masa kerja yang diperkirakan dari para pekerja. Selanjutnya, biaya jasa lalu yang timbul saat pengenalan program imbalan pasti atau saat perubahan imbalan terutang pada program imbalan pasti yang ada harus diamortisasi selama periode sampai dengan imbalan tersebut menjadi hak pekerja.

Keuntungan atau kerugian atas kurtailmen atau penyelesaian suatu program imbalan pasti diakui ketika kurtailmen atau penyelesaian terjadi.

**q. Pajak Penghasilan**

Beban pajak penghasilan merupakan jumlah dari pajak penghasilan badan yang terutang saat ini dan pajak tangguhan.

Pajak kini

Aset dan liabilitas pajak kini untuk periode berjalan diukur sebesar jumlah yang diharapkan dapat direstitusi dari atau dibayarkan kepada otoritas perpajakan. Tarif pajak dan peraturan pajak yang digunakan untuk menghitung jumlah tersebut adalah yang telah berlaku atau secara substansial telah berlaku pada tanggal pelaporan.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**o. Construction Contract (continued)**

When it is probable that the total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately. Cost of contracts include all direct materials, labor and other indirect costs related to the performance of the contracts.

**p. Employee Benefits**

The Group applied PSAK No. 24 (Revised 2010), "Employee Benefits", to recognize an unfunded employee benefits liabilities in accordance with Labor Law No. 13/2003 dated March 25, 2003 (the Law).

Under PSAK No. 24 (Revised 2010), the cost of providing employee benefits under the Law is determined using the "Projected Unit Credit" valuation method. Actuarial gains or losses are recognized as income or expense when the net cumulative unrecognized actuarial gains or losses at the end of the previous reporting year exceeded 10% of the present value of defined benefit obligation at that date. These gains or losses are recognized using the straight-line basis over the expected average remaining working lives of the employees. Further, past service costs arising from the introduction of a defined benefit plan or changes in the benefits payable of an existing plan are required to be amortized over the period until the benefits concerned become vested.

Gains or losses on the curtailment or settlement of a defined benefit plan are recognized when the curtailment or settlement occurs.

**q. Income Tax**

Income tax expense represents the sum of the corporate income tax currently payable and deferred tax.

Current tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the tax authority. The tax rates and tax laws used as a basis for computation are those that have been enacted or substantively enacted as at the reporting dates.

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SIGNIFIKAN (lanjutan)**

**q. Pajak Penghasilan (lanjutan)**

Pajak kini (lanjutan)

Koreksi terhadap liabilitas perpajakan dicatat saat surat ketetapan pajak diterima atau apabila dilakukan banding, ketika hasil banding sudah diputuskan.

Pajak tangguhan

Pajak tangguhan diakui dengan menggunakan metode liabilitas atas perbedaan temporer pada tanggal pelaporan antara dasar pengenaan pajak aset dan liabilitas dan jumlah tercatatnya untuk tujuan pelaporan keuangan pada tanggal pelaporan.

Liabilitas pajak tangguhan diakui untuk semua perbedaan temporer kena pajak dan aset pajak tangguhan diakui untuk perbedaan temporer yang boleh dikurangkan dan akumulasi rugi fiskal, sepanjang besar kemungkinan besar laba kena pajak akan tersedia sehingga perbedaan temporer yang boleh dikurangkan dan akumulasi rugi fiskal tersebut dapat dimanfaatkan.

Aset dan liabilitas pajak tangguhan diakui atas perbedaan temporer kena pajak terkait dengan investasi pada entitas anak dan asosiasi, kecuali yang waktu pembalikannya dapat dikendalikan dan besar kemungkinan perbedaan temporer tersebut tidak akan dibalik di masa depan yang diperkirakan.

Jumlah tercatat aset pajak tangguhan ditelaah pada setiap tanggal pelaporan dan nilai tercatatnya disesuaikan berdasarkan ketersediaan laba kena pajak di masa mendatang.

Aset dan liabilitas pajak tangguhan diukur dengan menggunakan tarif pajak yang diharapkan akan berlaku pada tahun saat aset dipulihkan atau liabilitas diselesaikan berdasarkan tarif pajak dan peraturan pajak yang berlaku atau yang telah secara substansial berlaku pada tanggal pelaporan. Perubahan nilai tercatat aset dan liabilitas pajak tangguhan yang disebabkan perubahan tarif pajak dibebankan pada tahun berjalan, kecuali untuk transaksi-transaksi yang sebelumnya telah langsung dibebankan atau dikreditkan ke ekuitas.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**q. Income Tax (continued)**

Current tax (continued)

Amendments to taxation obligations are recorded when an assessment is received or if appealed against, when the results of the appeal are determined.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting dates between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences and accumulated fiscal losses to the extent that it is probable that taxable income will be available in future years against which the deductible temporary differences and accumulated fiscal losses can be utilized.

Deferred tax assets and liabilities are recognized in respect of taxable temporary differences associated with investments in subsidiaries and associates, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

The carrying amount of deferred tax asset is reviewed at each reporting date and adjusted based on availability of future taxable income.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted as at the reporting date. Changes in the carrying amount of deferred tax assets and liabilities due to a change in tax rates are charged to current year operations, except to the extent that they relate to items previously charged or credited to equity.

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SIGNIFIKAN (lanjutan)**

**q. Pajak Penghasilan (lanjutan)**

Pajak penghasilan pasal 15 (final)

Berdasarkan Surat Keputusan Menteri Keuangan Republik Indonesia No. 416/KMK.04/1996 tanggal 14 Juni 1996 dan Surat Edaran Direktorat Jenderal Pajak No. 29/PJ.4/1996 tanggal 13 Agustus 1996, pendapatan dari jasa pengangkutan dan sewa kapal yang diterima Wajib Pajak Dalam Negeri dikenakan pajak bersifat final sebesar 1,2% dari pendapatan yang diterima Wajib Pajak Dalam Negeri, serta biaya sehubungan dengan kegiatan di atas tidak dapat dikurangkan untuk tujuan perhitungan pajak penghasilan.

Beban pajak penghasilan tahun berjalan sehubungan dengan penghasilan yang dikenakan pajak penghasilan final diakui secara proporsional dengan total pendapatan yang diakui pada tahun berjalan untuk tujuan akuntansi.

Selisih antara jumlah pajak penghasilan final yang telah dibayar dengan jumlah yang dibebankan sebagai beban pajak penghasilan final pada laporan laba rugi komprehensif konsolidasian diakui sebagai pajak dibayar dimuka atau utang pajak.

**r. Segmen Operasi**

Segmen operasi adalah suatu komponen dari Grup yang terlibat dalam aktivitas bisnis yang mana memperoleh pendapatan dan menimbulkan beban; hasil operasinya dikaji ulang secara reguler oleh pengambil keputusan operasional Grup untuk membuat keputusan tentang sumber daya yang dialokasikan pada segmen tersebut dan menilai kinerjanya; dan tersedia informasi keuangan yang dapat dipisahkan.

Jumlah setiap unsur segmen dilaporkan merupakan ukuran yang dilaporkan kepada pengambil keputusan operasional untuk tujuan pengambilan keputusan untuk mengalokasikan sumber daya kepada segmen dan menilai kinerjanya.

Pendapatan, beban, hasil, aset dan liabilitas segmen termasuk item-item yang dapat diatribusikan langsung kepada suatu segmen serta hal-hal yang dapat dialokasikan dengan dasar yang sesuai terhadap segmen tersebut. Segmen ditentukan sebelum saldo dan transaksi antar Grup dieliminasi sebagai bagian dari proses konsolidasi.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**q. Income Tax (continued)**

Income tax article 15 (final)

Based on the Decision Letters No. 416/KMK.04/1996 dated June 14, 1996 of the Ministry of Finance of the Republic of Indonesia and Circular Letter No. 29/PJ.4/1996 dated August 13, 1996 of the Directorate General of Taxes, revenues from freight operations and charter of vessels are subject to final income tax computed at 1.2% of the revenues for domestic companies, and the related costs and expenses are considered non-deductible for income tax purposes.

Current tax expense related to income subject to final income tax is recognized in proportion to total income recognized during the current year for accounting purposes.

The difference between the final income tax paid and the amount charged as final income tax expense in the consolidated statements of comprehensive income is recognized as prepaid tax or tax payable.

**r. Operating Segment**

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses; whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

The amount of each segment item reported shall be the measure reported to the chief operating decision maker for the purposes of making decisions about allocating resources to the segment and assessing its performance.

Segment revenue, expenses, result, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. They are determined before intra-group balances and intra-group transactions are eliminated in the consolidation process.

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SIGNIFIKAN (lanjutan)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**s. Penurunan Nilai Aset Non-keuangan**

Pada setiap akhir periode pelaporan, Grup menilai apakah terdapat indikasi suatu aset mengalami penurunan nilai. Jika terdapat indikasi tersebut atau pada saat pengujian penurunan nilai diperlukan, maka Grup membuat estimasi formal jumlah terpulihkan aset tersebut.

**s. Impairment of Non-financial Assets**

*The Group assesses at each annual reporting period whether there is an indication that an asset may be impaired. If any such indication exists or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.*

**t. Kapitalisasi Biaya Pinjaman**

Bunga, biaya komitmen dan biaya pinjaman lainnya yang dapat diatribusikan langsung dengan perolehan, pengembangan dan konstruksi proyek-proyek dikapitalisasi sebagai bagian dari biaya perolehan aset dalam penyelesaian. Kapitalisasi biaya pinjaman akan dihentikan apabila konstruksi sudah selesai dan aset siap untuk digunakan sesuai dengan tujuannya.

**t. Capitalization of Borrowing Costs**

*Interests, commitment fees and other borrowing costs which directly attributable to the acquisition, development and construction of projects are capitalized as part of the cost of the asset under construction. Capitalization of borrowing costs ceases when the construction is completed and the asset is ready for its intended use.*

**u. Laba per Saham Dasar**

Laba per saham dasar dihitung dengan membagi total laba tahun berjalan yang dapat diatribusikan kepada pemilik entitas induk dengan jumlah rata-rata tertimbang saham biasa yang beredar pada tahun yang bersangkutan.

**u. Basic Earning per Share**

*Basic earning per share amounts are computed by dividing the total income for the year attributable to owners of the parent entity by the weighted average number of ordinary shares outstanding during the year.*

Perusahaan tidak mempunyai efek berpotensi saham biasa yang bersifat dilutif pada tanggal 30 Juni 2014 dan 31 Desember 2013, 2012 dan 2011, dan oleh karenanya, laba per saham dilusian tidak dihitung dan disajikan pada laporan laba rugi komprehensif konsolidasian.

*The Company has no outstanding dilutive potential ordinary shares as of June 30, 2014 and December 31, 2013, 2012 and 2011, and accordingly, no diluted earnings per share is calculated and presented in the consolidated statements of comprehensive income.*

**v. Dividen**

Pembagian dividen diakui sebagai liabilitas ketika dividen tersebut disetujui dalam Rapat Umum Pemegang Saham (RUPS).

**v. Dividend**

*Dividend distributions are recognized as a liability when the dividends are approved in General Meetings of the Shareholders.*

**w. Transaksi dan Saldo dalam Mata Uang Asing**

Transaksi dalam mata uang asing dicatat dalam Dolar AS berdasarkan kurs tengah yang berlaku pada saat transaksi dilakukan. Pada tanggal laporan posisi keuangan, aset dan liabilitas moneter dalam mata uang asing dijabarkan ke dalam mata uang Dolar AS berdasarkan kurs pada tanggal tersebut. Laba atau rugi kurs yang terjadi, dikreditkan atau dibebankan pada usaha tahun berjalan.

**w. Foreign Currency Transactions and Balances**

*Transaction involving foreign currencies are recorded in US Dollar at the middle rates of exchange prevailing at the time the transactions are made. At statements of financial position date, monetary assets and liabilities denominated in foreign currencies are adjusted to US Dollar based on the exchange rates at such date. The resulting gain or losses are credited or charged to current operations.*

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SIGNIFIKAN (lanjutan)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**w. Transaksi dan Saldo dalam Mata Uang  
Asing (lanjutan)**

**w. Foreign Currency Transactions and  
Balances (continued)**

Nilai tukar yang digunakan adalah sebagai berikut:

The rates of exchanges used were as follows:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
1 Rupiah Indonesia (Rp)/AS\$1	0,00008355	0,00008204	0,00010341	0,00011028	Indonesian Rupiah 1 (Rp)/USD1
1 Dolar Singapura (SGD)/AS\$1	0,80062035	0,78990237	0,81770372	0,76912550	Singapore Dollar 1 (SGD)/USD1
1 Yen Jepang (JPY)/AS\$1	0,00987120	0,00953068	0,01157887	0,01288102	Japanese Yen 1 (JPY)/USD1
1 Euro Eropa (EUR)/AS\$1	1,36460398	1,38005620	1,32471044	1,29455834	European Euro 1 (EUR)/USD1
1 Yuan Cina (CNY)/AS\$1	0,16253	0,16379	0,15839	0,15708	Chinese Yuan 1 (CNY)/USD1
1 Franc Swiss (CHF)/AS\$1	1,12247097	1,127	1,095	1,063	Swiss Franc 1 (CHF)/USD1
1 Poundsterling Inggris (GBP)/ AS\$1	1,70271	1,64876	1,61106	1,54051	Great Britain Poundsterling 1 (GBP)/USD1
1 Krona Norwegia (NOK)/AS\$1	0,163	0,165	0,180	0,167	Norwegian Kroner 1 (NOK)/USD1
1 Baht Thailand (THB)/AS\$1	0,03083	0,03043	0,03265	0,03150	Thailand Baht 1 (THB)/USD1
1 Riyal Arab Saudi (SAR)/AS\$1	0,26664	0,26663	0,27229	0,27221	Saudi Arabian Riyal 1 (SAR)/USD1
1 Dolar Hongkong (HKD)/AS\$1	0,12902	0,12896	0,12901	0,12872	Hongkong Dollar 1 (HKD)/USD1

**x. Standar Akuntansi Baru**

**x. New Accounting Standards**

Ikatan Akuntan Indonesia (IAI) telah menerbitkan revisi atas beberapa standar akuntansi yang mungkin berdampak pada laporan keuangan konsolidasian.

The Indonesian Institute of Accountants (IAI) has released revisions to several accounting standards that may have certain impacts on the consolidated financial statements.

Standar berikut ini berlaku untuk laporan keuangan yang periodenya dimulai pada atau setelah 1 Januari 2015:

The following standards are effective for financial statements for the period commencing from on or after January 1, 2015:

- PSAK No. 1 (2013), "Penyajian Laporan Keuangan";
- PSAK No. 4 (2013), "Laporan Keuangan Tersendiri";
- PSAK No. 15 (2013), "Investasi pada Entitas Asosiasi dan Ventura Bersama";
- PSAK No. 24 (2013), "Imbalan Kerja";
- PSAK No. 46 (2014), "Pajak Penghasilan";
- PSAK No. 48 (2014), "Penurunan Nilai Aset";
- PSAK No. 50 (2014), "Instrumen Keuangan: Penyajian";
- PSAK No. 55 (2014), "Instrumen Keuangan: Pengakuan dan Pengukuran";
- PSAK No. 60 (2014), "Instrumen Keuangan: Pengungkapan";
- ISAK No. 26 (2014), "Penilaian Kembali Derivatif Melekat";
- PSAK No. 65, "Laporan Keuangan Konsolidasian";
- PSAK No. 66, "Pengaturan Bersama";
- PSAK No. 67, "Pengungkapan Kepentingan dalam Entitas Lain" dan
- PSAK No. 68, "Pengukuran Nilai Wajar".

- PSAK No. 1 (2013), "Presentation of Financial Statements";
- PSAK No. 4 (2013), "Separate Financial Statements";
- PSAK No. 15 (2013), "Investments in Associates and Joint Ventures";
- PSAK No. 24 (2013), "Employee Benefits";
- PSAK No. 46 (2014), "Income Tax";
- PSAK No. 48 (2014), "Impairment of Assets";
- PSAK No. 50 (2014), "Financial Instruments: Presentation";
- PSAK No. 55 (2014), "Financial Instruments: Recognition and Measurement";
- PSAK No. 60 (2014), "Financial Instruments: Disclosures";
- ISAK No. 26 (2014), "Reassessment of Embedded Derivatives";
- PSAK No. 65, "Consolidated Financial Statements";
- PSAK No. 66, "Joint Arrangements";
- PSAK No. 67, "Disclosure of Interests in Other Entities" and
- PSAK No. 68, "Fair Value Measurement".

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**x. Standar Akuntansi Baru (lanjutan)**

Pencabutan standar berikut ini penerapannya disyaratkan untuk tahun buku yang dimulai 1 Januari 2015:

- ISAK 7 - "Entitas Bertujuan Khusus" dan
- ISAK 12 - "Pengendalian Bersama Entitas - Kontribusi Aset Nonmoneter oleh Venturer".

Grup sedang mengevaluasi dampak potensial dari penerapan standar akuntansi revisi/baru tersebut di atas terhadap laporan keuangan konsolidasian Grup.

**3. SUMBER ESTIMASI KETIDAKPASTIAN**

**Pertimbangan**

Penyusunan laporan keuangan konsolidasian Grup mengharuskan manajemen untuk membuat pertimbangan, estimasi dan asumsi yang mempengaruhi jumlah yang dilaporkan dari pendapatan, beban, aset dan liabilitas, dan pengungkapan atas liabilitas kontinjensi, pada akhir periode pelaporan. Ketidakpastian mengenai asumsi dan estimasi tersebut dapat mengakibatkan penyesuaian material terhadap nilai tercatat pada aset dan liabilitas dalam periode pelaporan berikutnya.

Pertimbangan berikut ini dibuat oleh manajemen dalam rangka penerapan kebijakan akuntansi Grup yang memiliki pengaruh paling signifikan atas jumlah yang diakui dalam laporan keuangan konsolidasian:

Klasifikasi Aset dan Liabilitas Keuangan

Grup menetapkan klasifikasi atas aset dan liabilitas tertentu sebagai aset keuangan dan liabilitas keuangan dengan mempertimbangkan definisi yang ditetapkan dalam PSAK No. 55 (Revisi 2011) dipenuhi. Dengan demikian, aset keuangan dan liabilitas keuangan diakui sesuai dengan kebijakan akuntansi Grup seperti diungkapkan pada Catatan 2d.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**x. New Accounting Standards (continued)**

Revocation of the following standard is mandatory for the financial year beginning January 1, 2015:

- ISAK 7 - "Special Purpose Entities" and
- ISAK 12 - "Jointly Controlled Entities: Non-Monetary Contributions by Venturers".

The Group is evaluating the potential impact of these revised/ new accounting standards to the Group's consolidated financial statements.

**3. SOURCE OF ESTIMATION UNCERTAINTY**

**Judgments**

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting dates. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset and liability affected in future periods.

The following judgments are made by management in the process of applying the Group's accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements:

Classification of Financial Assets and Liabilities

The Group determines the classifications of certain assets and liabilities as financial assets and financial liabilities by judging if they meet the definition set forth in PSAK No. 55 (Revised 2011). Accordingly, the financial assets and financial liabilities are accounted for in accordance with the Group's accounting policies disclosed in Note 2d.

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**3. SUMBER ESTIMASI KETIDAKPASTIAN  
(lanjutan)**

**Pertimbangan (lanjutan)**

Penentuan Mata Uang Fungsional

Mata uang fungsional adalah mata uang dari lingkungan ekonomi primer dimana Grup beroperasi. Manajemen mempertimbangkan mata uang yang paling mempengaruhi pendapatan dan beban dari jasa yang diberikan serta mempertimbangkan indikator lainnya dalam menentukan mata uang yang paling tepat menggambarkan pengaruh ekonomi dari transaksi, kejadian dan kondisi yang mendasari.

**Estimasi dan Asumsi**

Asumsi utama masa depan dan sumber utama estimasi ketidakpastian lain pada tanggal pelaporan yang memiliki risiko signifikan bagi penyesuaian yang material terhadap nilai tercatat aset dan liabilitas untuk tahun berikutnya diungkapkan di bawah ini. Grup mendasarkan asumsi dan estimasi pada parameter yang tersedia pada saat laporan keuangan konsolidasian disusun.

Asumsi dan situasi mengenai perkembangan masa depan mungkin berubah akibat perubahan pasar atau situasi di luar kendali Grup. Perubahan tersebut dicerminkan dalam asumsi terkait pada saat terjadinya.

Cadangan Penurunan Nilai Piutang

Grup mengevaluasi akun tertentu jika terdapat informasi bahwa pelanggan yang bersangkutan tidak dapat memenuhi kewajiban keuangannya. Dalam hal tersebut, Grup mempertimbangkan, berdasarkan fakta dan situasi yang tersedia, termasuk namun tidak terbatas pada, jangka waktu hubungan dengan pelanggan dan pihak berelasi dan status kredit berdasarkan catatan kredit dari pihak ketiga dan pihak berelasi dan faktor pasar serta keadaan keuangan yang telah diketahui, untuk mencatat provisi yang spesifik atas jumlah piutang pelanggan dan pihak berelasi guna mengurangi jumlah piutang yang diharapkan dapat diterima oleh Grup. Provisi yang spesifik ini dievaluasi kembali dan disesuaikan jika tambahan informasi yang diterima mempengaruhi jumlah penyisihan untuk penurunan nilai piutang usaha, piutang lain-lain dan piutang dari pihak-pihak berelasi. Penjelasan lebih rinci diungkapkan dalam Catatan 7 dan 20.

**3. SOURCE OF ESTIMATION UNCERTAINTY  
(continued)**

**Judgments (continued)**

Determination of Functional Currency

The functional currency is the currency of the primary economic environment in which the Group operates. The management considered the currency that mainly influences the revenue and cost of rendering services and other indicators in determining the currency that most faithfully represent the economic effects of the underlying transactions, events and conditions.

**Estimates and Assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared.

Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Allowance for Impairment on Receivables

The Group evaluates specific accounts where it has information that certain customers are unable to meet their financial obligations. In these cases, the Group uses judgment, based on the best available facts and circumstances, including but not limited to, the length of its relationship with the customer and related party and current credit status based on third party and related party's credit reports and known market factors and financial condition, to record specific provisions for customers against amounts due to reduce its receivable amounts that the Group expects to collect. These specific provisions are re-evaluated and adjusted as additional information received affects the amounts of allowance for impairment of trade receivables, other receivables and due from related parties. Further details are disclosed in Notes 7 and 20.

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**3. SUMBER ESTIMASI KETIDAKPASTIAN  
(lanjutan)**

**Estimasi dan Asumsi (lanjutan)**

Penyisihan Penurunan Nilai Pasar dan Keusangan  
Persediaan

Penyisihan penurunan nilai realisasi neto dan keusangan persediaan diestimasi berdasarkan fakta dan situasi yang tersedia, termasuk namun tidak terbatas kepada, kondisi fisik persediaan yang dimiliki, harga jual pasar, estimasi biaya penyelesaian dan estimasi biaya yang timbul untuk penjualan. Penyisihan dievaluasi kembali dan disesuaikan jika terdapat tambahan informasi yang mempengaruhi jumlah yang diestimasi. Nilai tercatat persediaan Grup diungkapkan dalam Catatan 8.

Imbalan Kerja

Penentuan kewajiban dan biaya liabilitas imbalan kerja Grup bergantung pada pemilihan asumsi yang digunakan oleh aktuaris independen dalam menghitung jumlah tersebut. Asumsi tersebut termasuk antara lain, tingkat diskonto, tingkat kenaikan gaji tahunan, tingkat pengunduran diri karyawan tahunan, tingkat kecacatan, umur pensiun dan tingkat kematian. Hasil aktual yang berbeda dari asumsi yang ditetapkan Grup langsung diakui dalam laba atau rugi pada saat terjadinya. Sementara Grup berkeyakinan bahwa asumsi tersebut adalah wajar dan sesuai, perbedaan signifikan pada hasil aktual atau perubahan signifikan dalam asumsi yang ditetapkan Grup dapat mempengaruhi secara material liabilitas diestimasi atas pensiun dan imbalan kerja dan beban imbalan kerja neto. Penjelasan lebih rinci diungkapkan dalam Catatan 22.

Penyusutan Aset Tetap

Biaya perolehan aset tetap disusutkan dengan menggunakan metode garis lurus berdasarkan taksiran masa manfaat ekonomisnya. Manajemen mengestimasi masa manfaat ekonomis aset tetap antara 4 sampai dengan 30 tahun. Ini merupakan masa manfaat ekonomis yang secara umum diharapkan dalam industri dimana Grup menjalankan bisnisnya. Perubahan tingkat pemakaian dan perkembangan teknologi dapat mempengaruhi masa manfaat ekonomis dan nilai sisa aset, dan karenanya biaya penyusutan masa depan mungkin direvisi. Penjelasan lebih rinci diungkapkan dalam Catatan 2k dan 12.

**3. SOURCE OF ESTIMATION UNCERTAINTY  
(continued)**

**Estimates and Assumptions (continued)**

Allowance for Decline in Market Values and  
Obsolescence of Inventory

Allowance for decline in net realizable value and obsolescence of inventory is estimated based on the best available facts and circumstances, including but not limited to, the inventory own physical conditions, their market selling prices, estimated costs of completion and estimated costs to be incurred for their sales. The allowance is re-evaluated and adjusted as additional information received affects the amount estimated. The carrying amounts of the Group's inventories are disclosed in Note 8.

Employee Benefits

The determination of the Group's obligations and cost for employee benefits liabilities is dependent on its selection of certain assumptions used by the independent actuaries in calculating such amounts. Those assumptions include among others, discount rates, future annual salary increase, annual employee turn-over rate, disability rate, retirement age and mortality rate. Actual results that differ from the Group's assumptions are recognized immediately in the profit or loss as and when they occurred. While the Group believes that its assumptions are reasonable and appropriate, significant differences in the Group's actual experiences or significant changes in the Group's assumptions may materially affect its estimated liabilities for pension and employees' benefits and net employee benefits expense. Further details are disclosed in Note 22.

Depreciation of Fixed Assets

The costs of fixed assets are depreciated on a straight-line method over their estimated useful lives. Management estimates the useful lives of these fixed assets to be within 4 to 30 years. These are common life expectancies applied in the industries where the Group conducts its businesses. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, and therefore future depreciation charges could be revised. Further details are disclosed in Notes 2k and 12.

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**3. SUMBER ESTIMASI KETIDAKPASTIAN  
(lanjutan)**

**Estimasi dan Asumsi (lanjutan)**

Aset dan Liabilitas Keuangan

Ketika nilai aset dan liabilitas keuangan tidak dapat diperoleh dari pasar aktif, maka nilai wajarnya ditentukan dengan menggunakan bukti objektif yang dapat diverifikasi. Jumlah perubahan nilai wajar dapat berbeda bila Grup menggunakan metodologi penilaian yang berbeda. Perubahan nilai wajar aset dan liabilitas keuangan tersebut dapat mempengaruhi secara langsung laba atau rugi komprehensif konsolidasian Grup. Penjelasan lebih rinci diungkapkan dalam Catatan 31.

Pajak Penghasilan

Pertimbangan signifikan dilakukan dalam menentukan provisi atas pajak penghasilan badan. Terdapat transaksi dan perhitungan tertentu yang penentuan pajak akhirnya adalah tidak pasti sepanjang kegiatan usaha normal. Grup mengakui liabilitas atas pajak penghasilan badan berdasarkan estimasi apakah akan terdapat tambahan pajak penghasilan badan.

Realisasi dari Aset Pajak Tangguhan

Aset pajak tangguhan diakui atas seluruh rugi fiskal yang belum digunakan sepanjang besar kemungkinannya bahwa penghasilan kena pajak akan tersedia sehingga rugi fiskal tersebut dapat digunakan. Estimasi signifikan oleh manajemen disyaratkan dalam menentukan jumlah aset pajak tangguhan yang dapat diakui, berdasarkan saat penggunaan dan tingkat penghasilan kena pajak dan strategi perencanaan pajak masa depan.

Menilai Kontrak Konstruksi Berdasarkan Metode Persentase Penyelesaian

Penentuan persentase penyelesaian suatu kontrak konstruksi dalam tahap penyelesaian tergantung pada pertimbangan dan estimasi *engineer*. Walaupun asumsi Grup dianggap tepat dan wajar, namun perubahan signifikan pada kenyataannya atau perubahan signifikan dalam asumsi yang digunakan dapat berpengaruh secara signifikan terhadap pengakuan pendapatan Grup.

Akun laporan keuangan konsolidasian yang terkait dengan kontrak konstruksi telah diungkapkan dalam Catatan 33.

**3. SOURCE OF ESTIMATION UNCERTAINTY  
(continued)**

**Estimates and Assumptions (continued)**

Financial Assets and Liabilities

When the fair value of financial assets and liabilities cannot be derived from active markets, their fair value are determined using verifiable objective evidences. The amount of changes in fair values would differ if the Group utilized different valuation methodology. Any changes in fair values of these financial assets and liabilities would affect directly the Group's consolidated comprehensive income. Further details are disclosed in Note 31.

Income Tax

Significant judgment is involved in determining the provision for corporate income tax. There are certain transactions and computation for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognizes liabilities for expected corporate income tax issues based on estimates of whether additional corporate income tax will be due.

Realizability of Deferred Income Tax Assets

Deferred tax assets are recognized for all unused tax losses to the extent that is probable that taxable income will be available against which the losses can be utilized. Significant management estimates are required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable income together with future tax planning strategies.

Measuring Construction Contracts in Progress Measured at Percentage-of-Completion

The determination of percentage of completion of construction contracts in progress is dependent on the judgment and estimations of the engineers. While it is believed that the Group's assumptions are reasonable and appropriate, significant differences in actual experience or significant change in assumptions may materially affect the Group's revenue recognition.

The consolidated financial statement items related to construction contracts are disclosed in Note 33.

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**4. PENDIRIAN DAN AKUISISI ENTITAS ANAK**

**PT Sukses Osean Khatulistiwa Line (SOKL)**

Berdasarkan Akta Notaris Meissie Pholuan, S.H., No. 20 tanggal 15 Desember 2010, PT Sukses Osean Khatulistiwa Line, Entitas Anak, meningkatkan modal dasarnya dari Rp25.000.000.000 menjadi Rp200.000.000.000 serta meningkatkan modal ditempatkan dan disetor dari Rp20.000.000.000 menjadi Rp70.000.000.000. Peningkatan modal ditempatkan dan disetor sebesar Rp50.000.000.000 dilakukan dengan setoran tunai dari Perusahaan, sehingga kepemilikan Perusahaan di SOKL menjadi sebesar 71,43%. Perubahan Anggaran Dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia dalam Surat Keputusan No. AHU-02617.AH.01.02 Tahun 2011 tanggal 18 Januari 2011.

Sehubungan dengan akuisisi SOKL pada tahun 2010, transaksi akuisisi ini dicatat sebagai transaksi restrukturisasi entitas sepengendali. Dengan demikian, sesuai dengan PSAK No. 38 (Revisi 2004), "Akuntansi Restrukturisasi Entitas Sepengendali", akuisisi ini diperlakukan dengan metode penyatuan kepemilikan dan selisih antara harga perolehan dengan porsi nilai aset bersih SOKL yang diperoleh sebesar AS\$21.615.527 dicatat sebagai bagian dari akun "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali" dan disajikan sebagai bagian dari ekuitas pada laporan posisi keuangan konsolidasian.

Berdasarkan Akta Notaris Yulia, S.H., No. 93 tanggal 18 Desember 2012, SOKL meningkatkan modal dasarnya dari Rp200.000.000.000 menjadi Rp680.000.000.000 serta meningkatkan modal ditempatkan dan disetor dari Rp70.000.000.000 menjadi Rp170.000.000.000. Peningkatan modal ditempatkan dan disetor sebesar Rp100.000.000.000 dilakukan dengan setoran tunai dari Perusahaan, sehingga kepemilikan Perusahaan di SOKL menjadi sebesar 99,80%. Perubahan Anggaran Dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia dalam Surat Keputusan No. AHU-65365.AH.01.02 Tahun 2012 tanggal 20 Desember 2012.

**4. ESTABLISHMENTS AND ACQUISITIONS OF SUBSIDIARIES**

**PT Sukses Osean Khatulistiwa Line (SOKL)**

Based on Notarial Deed No. 20 of Meissie Pholuan, S.H., dated December 15, 2010, PT Sukses Osean Khatulistiwa Line, a Subsidiary, increased its authorized capital from Rp25,000,000,000 to Rp200,000,000,000 and increased its issued and fully paid capital from Rp20,000,000,000 to Rp70,000,000,000. The increase in issued and fully paid capital of Rp50,000,000,000 was made through cash payment from the Company, therefore, the Company's ownership in SOKL increased to 71.43%. The amendment to the Articles of Association was approved by the Ministry of Law and Human Rights of the Republic of Indonesia as stated in Decree No. AHU-02617.AH.01.02 Tahun 2011 dated January 18, 2011.

In relation to the acquisition of SOKL in 2010, the acquisition transaction was considered as restructuring transaction between entities under common control. In accordance with PSAK No. 38 (Revised 2004), "Accounting for Restructuring Transactions of Entities Under Common Control", the acquisition was treated under the pooling of interest method and the difference between the purchase price and the portion of SOKL's net asset value acquired amounting to USD21,615,527 was recorded as part of "Difference in Value from Restructuring Transactions of Entities Under Common Control" account and presented as part of the equity in the consolidated statements of financial position.

Based on Notarial Deed No. 93 of Yulia, S.H., dated December 18, 2012 SOKL increased its authorized capital from Rp200,000,000,000 to Rp680,000,000,000 and increased its issued and fully paid capital from Rp70,000,000,000 to Rp170,000,000,000. The increase in issued and fully paid capital of Rp100,000,000,000 was made through cash payment from the Company, therefore, the Company's ownership in SOKL increased to 99.80%. The amendment to the Articles of Association was approved by the Ministry of Law and Human Rights of the Republic of Indonesia as stated in Decree No. AHU-65365.AH.01.02 Tahun 2012 dated December 20, 2012.

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**4. PENDIRIAN DAN AKUISISI ENTITAS ANAK  
(lanjutan)**

**PT Sukses Osean Khatulistiwa Line (SOKL)  
(lanjutan)**

Sehubungan dengan akuisisi SOKL pada tahun 2012, transaksi akuisisi ini dicatat sebagai transaksi restrukturisasi entitas sepengendali. Dengan demikian, sesuai dengan PSAK No. 38 (Revisi 2004), "Akuntansi Restrukturisasi Entitas Sepengendali", akuisisi ini diperlakukan dengan metode penyatuan kepemilikan dan selisih keuntungan antara harga perolehan dengan porsi nilai aset bersih SOKL sebesar AS\$13.045.788 dicatat sebagai bagian dari akun "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali" dan disajikan sebagai bagian dari ekuitas pada laporan posisi keuangan konsolidasian tahun 2012.

Pada tanggal 1 Januari 2013, Group mereklasifikasi saldo Selisih Nilai Transaksi Entitas Sepengendali sebesar AS\$34.661.315 ke tambahan modal disetor sehubungan dengan penerapan PSAK No. 38 (Revisi 2012) "Kombinasi Bisnis Entitas Sepengendali".

**PT Inti Energi Line (IEL)**

Berdasarkan Akta Notaris Yulia, S.H., No. 92 tanggal 18 Desember 2012, PT Inti Energi Line, Entitas Anak, meningkatkan modal dasarnya dari Rp15.000.000.000 menjadi Rp120.000.000.000 serta meningkatkan modal ditempatkan dan disetor dari Rp14.200.000.000 menjadi Rp32.200.000.000. Peningkatan modal ditempatkan dan disetor sebesar Rp18.000.000.000 dilakukan dengan setoran tunai dari Perusahaan, sehingga kepemilikan Perusahaan di IEL menjadi sebesar 55,90% dan kepemilikan SOKL dan pemegang saham lainnya masing-masing turun menjadi 40,99% dan 3,11%.

Berdasarkan Akta Notaris Yulia, S.H., No. 155 tanggal 26 Desember 2012, Perusahaan membeli 14.155 saham IEL atau 43,96% dari jumlah seluruh saham IEL, yang dimiliki oleh PT Sukses Osean Khatulistiwa Line (Entitas Anak), Bari Hasan, Johannes Utomo, Pieters Adyana Utomo, Handara Adyana Utomo, dan Linawaty dengan harga masing-masing sebesar Rp18.975.000.000, Rp409.687.500, Rp409.687.500, Rp409.687.500, Rp71.875.000 dan Rp71.875.000.

**4. ESTABLISHMENTS AND ACQUISITIONS OF  
SUBSIDIARIES (continued)**

**PT Sukses Osean Khatulistiwa Line (SOKL)  
(continued)**

*In relation to the acquisition of SOKL in 2012, the acquisition transaction was considered as restructuring transaction between entities under common control. In accordance with PSAK No. 38 (Revised 2004), "Accounting for Restructuring Transactions of Entities Under Common Control", the acquisition was treated under the pooling of interest method and the difference between the cost and the portion of SOKL's net asset value acquired resulted to a gain amounting to USD13,045,788 and was recorded as part of "Difference in Value from Restructuring Transactions of Entities Under Common Control" account and presented as part of the equity in the 2012 consolidated statements of financial position.*

*Effective on January 1, 2013, the Group reclassified the balance of Difference in Value from Restructuring of Entities Under Common Control amounting to USD34,661,315 to additional paid-in capital in relation with the adoption of PSAK No. 38 (Revised 2012) "Business Combination of Entities Under Common Control".*

**PT Inti Energi Line (IEL)**

*Based on Notarial Deed No. 92 of Yulia, S.H., dated December 18, 2012, PT Inti Energi Line, a Subsidiary, increased its authorized capital from Rp15,000,000,000 to Rp120,000,000,000 and increased its issued and fully paid capital from Rp14,200,000,000 to Rp32,200,000,000. The increase in issued and fully paid capital of Rp18,000,000,000 was made through cash payment from the Company, therefore, the Company's ownership in IEL increased to 55.90% and SOKL's ownership and other shareholders becomes 40.99% and 3.11%, respectively.*

*Based on Notarial Deed No. 155 of Yulia, S.H. dated December 26, 2012, the Company acquired 14,155 of IEL shares or 43.96% of total IEL shares which were owned by PT Sukses Osean Khatulistiwa Line (Subsidiary), Bari Hasan, Johannes Utomo, Pieters Adyana Utomo, Handara Adyana Utomo, and Linawaty amounting to Rp18,975,000,000, Rp409,687,500, Rp409,687,500, Rp409,687,500, Rp71,875,000 and Rp71,875,000, respectively.*

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(lanjutan)**

**PT Inti Energi Line (IEL) (lanjutan)**

Sehubungan dengan pelepasan saham IEL yang dimiliki oleh SOKL dan pemegang saham lainnya ke Perusahaan, transaksi ini dicatat oleh Perusahaan sebagai transaksi restrukturisasi entitas sepengendali. Dengan demikian, sesuai dengan PSAK No. 38 (Revisi 2004), "Akuntansi Restrukturisasi Entitas Sepengendali", transaksi ini diperlakukan dengan metode penyatuan kepemilikan dan selisih keuntungan antara harga beli yang dibayarkan kepada pihak sepengendali dengan porsi nilai aset bersih IEL yang dilepaskan pada tanggal akuisisi sebesar AS\$1.433.113 yang terdiri dari AS\$1.388.410 atas selisih transaksi dengan SOKL dan AS\$44.703 atas selisih transaksi dengan pemegang saham lainnya. Transaksi ini juga menyebabkan SOKL mencatat selisih kerugian antara nilai buku investasi dari IEL dengan harga penjualan sebesar AS\$1.388.410. Selisih keuntungan neto atas transaksi diatas sebesar AS\$44.703 dicatat sebagai bagian dari akun "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali" dan disajikan sebagai bagian dari ekuitas pada laporan posisi keuangan konsolidasian tahun 2012.

Setelah transaksi akuisisi dan pelepasan di atas, kepemilikan Perusahaan dalam IEL menjadi sebesar 99,86%.

Pada tanggal 1 Januari 2013, Group mereklasifikasi saldo Selisih Nilai Transaksi Entitas Sepengendali sebesar AS\$44.703 ke tambahan modal disetor sehubungan dengan penerapan PSAK No. 38 (Revisi 2012) "Kombinasi Bisnis Entitas Sepengendali".

Berdasarkan Akta Notaris Doddy Natadihardja, SH., M.Kn., No 17 tanggal 30 Juni 2014, IEL meningkatkan modal dasarnya dari Rp120.000.000.000 menjadi Rp248.000.000.000 serta meningkatkan modal ditempatkan dan disetor dari Rp32.200.000.000 menjadi Rp62.200.000.000. Peningkatan modal ditempatkan dan disetor sebesar Rp30.000.000.000 seluruhnya dilakukan dengan konversi utang IEL kepada Perusahaan, sehingga kepemilikan Perusahaan di IEL menjadi sebesar 99,93% dan kepemilikan pemegang saham lainnya turun menjadi 0,07%. Transaksi ini juga menyebabkan selisih keuntungan sebesar AS\$3.938 yang diperlakukan sebagai "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali" dan dicatat sebagai bagian dari "Tambahan modal disetor" dalam laporan posisi keuangan konsolidasian periode 2014.

**4. ESTABLISHMENTS AND ACQUISITIONS OF  
SUBSIDIARIES (continued)**

**PT Inti Energi Line (IEL) (continued)**

*In relation to the disposal of IEL shares owned by SOKL and other shareholders to the Company, the transactions were considered by the Company as restructuring transactions between entities under common control. In accordance with PSAK No. 38 (Revised 2004), "Accounting for Restructuring Transactions of Entities Under Common Control", the acquisition was treated under the pooling of interest method and the difference between the purchase price paid and the portion of IEL's net asset value on acquisition date resulted to a gain amounting to USD1,433,113 which consists of USD1,388,410 from SOKL and USD44,703 from other shareholders. Consequently, SOKL recorded the loss amounting to USD1,388,410. The net gain from this transactions amounting to USD44,703 was recorded as part of "Difference in Value from Restructuring Transactions of Entities Under Common Control" account account and presented as part of the equity in the 2012 consolidated statements of financial position.*

*After the above acquisition and disposal transactions, the Company's percentage of ownership in IEL increased to 99.86%.*

*Effective on January 1, 2013, the Group reclassified the balance of Difference in Value from Restructuring of Entities Under Common Control amounting to USD44,703 to additional paid-in capital in relation with adoption of PSAK No. 38 (Revised 2012) "Business Combination of Entities Under Common Control".*

*Based on Notarial Deed No. 17 of Doddy Natadihardja, SH., M.Kn., dated June 30, 2014, IEL increased its authorized capital from Rp120,000,000,000 to Rp248,000,000,000 and increased its issued and fully paid capital from Rp32,200,000,000 to Rp62,200,000,000. The increase in issued and fully paid capital of Rp30,000,000,000 was made through conversion of IEL's payable to the Company, therefore, the Company's ownership in IEL increased to 99.93% and other shareholders becomes 0.07%. This transaction also resulted to a gain amounting to USD3,938 which recognized as "Difference in Value from Restructuring Transactions of Entities Under Common Control" and recorded as part of "Additional paid-in capital" in the 2014 consolidated statements of financial position.*

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**4. PENDIRIAN DAN AKUISISI ENTITAS ANAK  
(lanjutan)**

**PT Armada Bumi Pratiwi Lines (ABPL)**

Berdasarkan Akta Notaris Yulia, S.H., No. 104 tanggal 19 Desember 2012, PT Armada Bumi Pratiwi Lines, Entitas Anak, meningkatkan modal dasarnya dari Rp25.000.000.000 menjadi Rp125.000.000.000 serta meningkatkan modal ditempatkan dan disetor dari Rp21.950.000.000 menjadi Rp31.950.000.000. Peningkatan modal ditempatkan dan disetor sebesar Rp10.000.000.000 dilakukan dengan setoran tunai dari Perusahaan, sehingga kepemilikan Perusahaan di ABPL menjadi sebesar 99,91%. Perubahan Anggaran Dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia dalam Surat Keputusan No. AHU-65633.AH.01.02 Tahun 2012 tanggal 21 Desember 2012.

Transaksi akuisisi ini dicatat sebagai transaksi restrukturisasi entitas sepengendali. Dengan demikian, sesuai dengan PSAK No. 38 (Revisi 2004), "Akuntansi Restrukturisasi Entitas Sepengendali", akuisisi ini diperlakukan dengan metode penyatuan kepemilikan dan selisih keuntungan antara harga beli dengan porsi nilai aset bersih ABPL yang diperoleh sebesar AS\$20.067.784 dicatat sebagai bagian dari akun "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali" dan disajikan sebagai bagian dari ekuitas pada laporan posisi keuangan konsolidasian tahun 2012.

Pada tanggal 1 Januari 2013, Group mereklasifikasi saldo Selisih Nilai Transaksi Entitas Sepengendali sebesar AS\$20.067.784 ke tambahan modal disetor sehubungan dengan penerapan PSAK No. 38 (Revisi 2012) "Kombinasi Bisnis Entitas Sepengendali".

**PT Putra Utama Line (PUL)**

Berdasarkan Akta Notaris Yulia, S.H., No. 95 tanggal 18 Desember 2012, PT Putra Utama Line, Entitas Anak, meningkatkan modal dasarnya dari Rp2.000.000.000 menjadi Rp64.000.000.000 serta meningkatkan modal ditempatkan dan disetor dari Rp1.000.000.000 menjadi Rp16.000.000.000. Peningkatan modal ditempatkan dan disetor sebesar Rp15.000.000.000 dilakukan dengan setoran tunai dari Perusahaan, sehingga kepemilikan Perusahaan di PUL menjadi sebesar 99,93%.

**4. ESTABLISHMENTS AND ACQUISITIONS OF  
SUBSIDIARIES (continued)**

**PT Armada Bumi Pratiwi Lines (ABPL)**

Based on Notarial Deed No. 104 of Yulia, S.H., dated December 19, 2012, PT Armada Bumi Pratiwi Lines, a Subsidiary, increased its authorized capital from Rp25,000,000,000 to Rp125,000,000,000 and increased its issued and fully paid capital from Rp21,950,000,000 to Rp31,950,000,000. The increase in issued and fully paid capital of Rp10,000,000,000 was made through cash payment from the Company, which resulted to 99.91% ownership. The amendment to the Articles of Association was approved by the Ministry of Law and Human Rights of the Republic of Indonesia as stated in Decree No. AHU-65633.AH.01.02 Tahun 2012 dated December 21, 2012.

The acquisition transaction was considered as restructuring transaction between entities under common control. In accordance with PSAK No. 38 (Revised 2004), "Accounting for Restructuring Transactions of Entities Under Common Control", the acquisition was treated under the pooling of interest method and the difference between the purchase price and the portion of ABPL's net asset value acquired resulted to a gain amounting to USD20,067,784 and was recorded as part of "Difference in Value from Restructuring Transactions of Entities Under Common Control" account which was presented as part of the equity in the 2012 consolidated statements of financial position.

Effective on January 1, 2013, the Group reclassified the balance of Difference in Value from Restructuring of Entities Under Common Control amounting to USD20,067,784 to additional paid-in capital in relation with the adoption of PSAK No. 38 (Revised 2012) "Business Combination of Entities Under Common Control".

**PT Putra Utama Line (PUL)**

Based on Notarial Deed No. 95 of Yulia, S.H., dated December 18, 2012, PT Putra Utama Line, a Subsidiary, increased its authorized capital from Rp2,000,000,000 to Rp64,000,000,000 and increased its issued and fully paid capital from Rp1,000,000,000 to Rp16,000,000,000. The increase in issued and fully paid capital of Rp15,000,000,000 was made through cash payment from the Company, resulting to 99.93% ownership.

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**4. PENDIRIAN DAN AKUISISI ENTITAS ANAK  
(lanjutan)**

**PT Putra Utama Line (PUL) (lanjutan)**

Transaksi akuisisi ini dicatat sebagai transaksi restrukturisasi entitas sepengendali. Dengan demikian, sesuai dengan PSAK No. 38 (Revisi 2004), "Akuntansi Restrukturisasi Entitas Sepengendali", akuisisi ini diperlakukan dengan metode penyatuan kepemilikan dan selisih keuntungan antara harga beli dengan porsi nilai aset bersih PUL yang diperoleh sebesar AS\$8.028.080 dicatat sebagai bagian dari akun "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali" dan disajikan sebagai bagian dari ekuitas pada laporan posisi keuangan konsolidasian tahun 2012.

Pada tanggal 1 Januari 2013, Group mereklasifikasi saldo Selisih Nilai Transaksi Entitas Sepengendali sebesar AS\$8.028.080 ke tambahan modal disetor sehubungan dengan penerapan PSAK No. 38 (Revisi 2012) "Kombinasi Bisnis Entitas Sepengendali".

Berdasarkan Akta Notaris Doddy Natadihardja, SH., M.Kn., No 20 tanggal 30 Juni 2014, PUL meningkatkan modal dasarnya dari Rp64.000.000.000 menjadi Rp304.000.000.000 serta meningkatkan modal ditempatkan dan disetor dari Rp16.000.000.000 menjadi Rp76.000.000.000. Peningkatan modal ditempatkan dan disetor sebesar Rp60.000.000.000 seluruhnya dilakukan dengan konversi utang PUL kepada Perusahaan, sehingga kepemilikan Perusahaan di PUL menjadi sebesar 99,99% dan kepemilikan pemegang saham lainnya turun menjadi 0,01%. Transaksi ini juga menyebabkan selisih keuntungan sebesar AS\$5.621 yang diperlakukan sebagai "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali" dan dicatat sebagai bagian dari "Tambahan modal disetor" dalam laporan posisi keuangan konsolidasian periode 2014.

**4. ESTABLISHMENTS AND ACQUISITIONS OF  
SUBSIDIARIES (continued)**

**PT Putra Utama Line (PUL) (continued)**

The acquisition transaction was considered as restructuring transaction between entities under common control. In accordance with PSAK No. 38 (Revised 2004), "Accounting for Restructuring Transactions of Entities Under Common Control", the acquisition was thus treated under the pooling of interest method and the difference between the purchase price and the portion of PUL's net asset value acquired resulted to a gain amounting to USD8,028,080 and recorded as part of "Difference in Value from Restructuring Transactions of Entities Under Common Control" account which was presented as part of the equity in the 2012 consolidated statements of financial position.

Effective as January 1, 2013, the Group reclassified the balance of Difference in Value from Restructuring of Entities Under Common Control amounting to USD8,028,080 to additional paid-in capital in relation with the adoption of PSAK No. 38 (Revised 2012) "Business Combination of Entities Under Common Control".

Based on Notarial Deed No. 20 of Doddy Natadihardja, SH., M.Kn., dated June 30, 2014, PUL increased its authorized capital from Rp64,000,000,000 to Rp304,000,000,000 and increased its issued and fully paid capital from Rp16,000,000,000 to Rp76,000,000,000. The increase in issued and fully paid capital of Rp60,000,000,000 was made through conversion of PUL's payable to the Company, therefore, the Company's ownership in PUL increased to 99.99% and other shareholders becomes 0.01%. This transaction also resulted to a gain amounting to USD5,621 which recognized as "Difference in Value from Restructuring Transactions of Entities Under Common Control" and recorded as part of "Additional paid-in capital" in the 2014 consolidated statements of financial position.

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**4. PENDIRIAN DAN AKUISISI ENTITAS ANAK  
(lanjutan)**

**PT Multi Ocean Shipyard (MOS)**

Berdasarkan Akta Notaris Yulia, S.H., No. 94 tanggal 18 Desember 2012, PT Multi Ocean Shipyard, Entitas Anak, meningkatkan modal dasarnya dari Rp20.000.000.000 menjadi Rp200.000.000.000 serta meningkatkan modal ditempatkan dan disetor dari Rp10.000.000.000 menjadi Rp50.000.000.000. Peningkatan modal ditempatkan dan disetor sebesar Rp40.000.000.000 dilakukan dengan setoran tunai dari Perusahaan.

Perusahaan juga membeli 9.970 saham MOS yang dimiliki oleh Go Darmadi, Hartono Utomo, Paulus Utomo dan Agus Utomo dengan harga masing-masing sebesar Rp2.990.000.000, Rp2.990.000.000, Rp2.990.000.000, dan Rp1.000.000.000.

Setelah transaksi akuisisi di atas, kepemilikan Perusahaan dalam MOS menjadi sebesar 99,94%.

Transaksi akuisisi ini dicatat sebagai transaksi restrukturisasi entitas sepengendali. Dengan demikian, sesuai dengan PSAK No. 38 (Revisi 2004), "Akuntansi Restrukturisasi Entitas Sepengendali", akuisisi ini diperlakukan dengan metode penyatuan kepemilikan dan selisih keuntungan antara harga beli dengan porsi nilai aset bersih MOS yang diperoleh sebesar AS\$1.765.088 dicatat sebagai bagian dari akun "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali" dan disajikan sebagai bagian dari ekuitas pada laporan posisi keuangan konsolidasian tahun 2012.

Pada tanggal 1 Januari 2013, Group mereklasifikasi saldo Selisih Nilai Transaksi Entitas Sepengendali sebesar AS\$1.765.088 ke tambahan modal disetor sehubungan dengan penerapan PSAK No. 38 (Revisi 2012) "Kombinasi Bisnis Entitas Sepengendali".

**4. ESTABLISHMENTS AND ACQUISITIONS OF  
SUBSIDIARIES (continued)**

**PT Multi Ocean Shipyard (MOS)**

Based on Notarial Deed No. 94 of Yulia, S.H., dated December 18, 2012, PT Multi Ocean Shipyard, a Subsidiary, increased its authorized capital from Rp20,000,000,000 to Rp200,000,000,000 and increased its issued and fully paid capital from Rp10,000,000,000 to Rp50,000,000,000. The increase in issued and fully paid capital of Rp40,000,000,000 was made through cash payment from the Company.

The Company also acquired 9,970 of MOS shares which were owned by Go Darmadi, Hartono Utomo, Paulus Utomo and Agus Utomo amounted to Rp2,990,000,000, Rp2,990,000,000, Rp2,990,000,000, and Rp1,000,000,000, respectively.

The above acquisition transactions resulted to 99.94% ownership in MOS.

The acquisition transaction was considered as restructuring transaction between entities under common control. In accordance with PSAK No. 38 (Revised 2004), "Accounting for Restructuring Transactions of Entities Under Common Control", the acquisition was treated under the pooling of interest method and the difference between the purchase price and the portion of MOS's net asset value acquired resulted to a gain amounting to USD1,765,088 and recorded as part of "Difference in Value from Restructuring Transactions of Entities Under Common Control" account which was presented as part of the equity in the 2012 consolidated statements of financial position.

Effective on January 1, 2013, the Group reclassified the balance of Difference in Value from Restructuring of Entities Under Common Control amounting to USD1,765,088 to additional paid-in capital in relation with adoption of PSAK No. 38 (Revised 2012) "Business Combination of Entities Under Common Control".

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**4. PENDIRIAN DAN AKUISISI ENTITAS ANAK  
(lanjutan)**

**PT Multi Ocean Shipyard (MOS) (lanjutan)**

Berdasarkan Akta Notaris Yulia, S.H., No. 223 tanggal 26 Juni 2013, MOS meningkatkan modal dasarnya dari Rp200.000.000.000 menjadi Rp1.200.000.000.000 serta meningkatkan modal ditempatkan dan disetor dari Rp50.000.000.000 menjadi Rp300.000.000.000. Peningkatan modal ditempatkan dan disetor sebesar Rp250.000.000.000 dilakukan dengan setoran tunai dari Perusahaan. Perubahan Anggaran Dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia dalam Surat Keputusan No. AHU-35099.AH.01.02 Tahun 2013 tanggal 28 Juni 2013.

Setelah transaksi akuisisi di atas, kepemilikan Perusahaan dalam MOS menjadi sebesar 99,99%.

Transaksi akuisisi ini dicatat sebagai transaksi restrukturisasi entitas sepengendali. Dengan demikian, sesuai dengan PSAK No. 38 (Revisi 2012), "Kombinasi Bisnis Entitas Sepengendali", akuisisi ini diperlakukan dengan metode penyatuan kepemilikan dan selisih keuntungan antara harga beli dengan porsi nilai aset bersih MOS yang diperoleh sebesar AS\$1.692 dicatat sebagai bagian dari akun "Tambahkan modal disetor" pada laporan posisi keuangan konsolidasian tahun 2013.

Berdasarkan Akta Notaris Doddy Natadihardja, SH., M.Kn., No 19 tanggal 30 Juni 2014, MOS meningkatkan modal dasarnya dari Rp1.200.000.000.000 menjadi Rp1.680.000.000.000 serta meningkatkan modal ditempatkan dan disetor dari Rp300.000.000.000 menjadi Rp420.000.000.000. Peningkatan modal ditempatkan dan disetor sebesar Rp120.000.000.000 seluruhnya dilakukan dengan konversi utang MOS kepada Perusahaan. Setelah peningkatan modal disetor tersebut, kepemilikan Perusahaan di MOS tetap sebesar 99,99%. Transaksi ini juga menyebabkan selisih keuntungan sebesar AS\$503 yang diperlakukan sebagai "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali" dan dicatat sebagai bagian dari "Tambahkan modal disetor" dalam laporan posisi keuangan konsolidasian periode 2014.

**4. ESTABLISHMENTS AND ACQUISITIONS OF  
SUBSIDIARIES (continued)**

**PT Multi Ocean Shipyard (MOS) (continued)**

Based on Notarial Deed No. 223 of Yulia, S.H., dated June 26, 2013, MOS increased its authorized capital from Rp200,000,000,000 to Rp1,200,000,000,000 and increased its issued and fully paid capital from Rp50,000,000,000 to Rp300,000,000,000. The increase in issued and fully paid capital of Rp250,000,000,000 was made through cash payment from the Company. The amendment to the Articles of Association was approved by the Ministry of Law and Human Rights of the Republic of Indonesia as stated in Decree No. AHU-35099.AH.01.02 Tahun 2013 dated June 28, 2013.

After the above acquisition transactions, the Company's percentage of ownership at MOS increased to 99.99%.

The acquisition transaction was considered as restructuring transaction between entities under common control. In accordance with PSAK No. 38 (Revised 2012), "Business Combinations of Entities Under Common Control", the acquisition was treated under the pooling of interest method and the difference between the purchase price and the portion of MOS's net asset value acquired resulted to a gain amounting to USD1,692 and was recorded as part of "Additional paid-in capital" account in the 2013 consolidated statements of financial position.

Based on Notarial Deed No. 19 of Doddy Natadihardja, SH., M.Kn., dated June 30, 2014, MOS increased its authorized capital from Rp1,200,000,000,000 to Rp1,680,000,000,000 and increased its issued and fully paid capital from Rp300,000,000,000 to Rp420,000,000,000. The increase in issued and fully paid capital of Rp120,000,000,000 was made through conversion of MOS's payable to the Company. After increasing of paid-in capital, the Company's ownership in MOS remained at 99.99%. This transaction also resulted to a gain amounting to USD503 which is recognized as "Difference in Value from Restructuring Transactions of Entities Under Common Control" and recorded as part of "Additional paid-in capital" in the 2014 consolidated statements of financial position.

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**4. PENDIRIAN DAN AKUISISI ENTITAS ANAK  
(lanjutan)**

**PT Armada Maritime Offshore (AMO)**

Berdasarkan Akta Notaris Yulia, S.H., No. 115 tanggal 20 Desember 2012, Perusahaan membeli 49.900 saham AMO atau 99,80% dari jumlah seluruh saham AMO, yang dimiliki oleh Barli Hasan, Handara Adyana Utomo, Pieters Adyana Utomo, dan Johannes Utomo dengan harga masing-masing sebesar Rp124.750.000. Perubahan Anggaran Dasar tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia dalam Surat Keputusan No. AHU-AH.01.10-45498 Tahun 2012 tanggal 21 Desember 2012.

Transaksi akuisisi ini dicatat sebagai transaksi restrukturisasi entitas sepengendali. Dengan demikian, sesuai dengan PSAK No. 38 (Revisi 2004), "Akuntansi Restrukturisasi Entitas Sepengendali", akuisisi ini diperlakukan dengan metode penyatuan kepemilikan dan selisih keuntungan antara harga beli dengan porsi nilai aset bersih AMO pada tanggal akuisisi sebesar AS\$543.240 dicatat sebagai bagian dari akun "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali" dan disajikan sebagai bagian dari ekuitas pada laporan posisi keuangan konsolidasian tahun 2012. Setelah transaksi akuisisi di atas, kepemilikan Perusahaan dalam AMO menjadi sebesar 99,80%.

Pada tanggal 1 Januari 2013, Group mereklasifikasi saldo Selisih Nilai Transaksi Entitas Sepengendali sebesar AS\$543.240 ke tambahan modal disetor sehubungan dengan penerapan PSAK No. 38 (Revisi 2012) "Kombinasi Bisnis Entitas Sepengendali".

Berdasarkan Akta Notaris Doddy Natadihardja, SH., M.Kn., No 18 tanggal 30 Juni 2014, AMO meningkatkan modal dasarnya dari Rp1.000.000.000 menjadi Rp26.000.000.000 serta meningkatkan modal ditempatkan dan disetor dari Rp500.000.000 menjadi Rp6.500.000.000. Peningkatan modal ditempatkan dan disetor sebesar Rp6.000.000.000 seluruhnya dilakukan dengan konversi utang AMO kepada Perusahaan, sehingga kepemilikan Perusahaan di PUL menjadi sebesar 99,98% dan kepemilikan pemegang saham lainnya turun menjadi 0,02%. Transaksi ini juga menyebabkan selisih keuntungan sebesar AS\$14.838 yang diperlakukan sebagai "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali" dan dicatat sebagai bagian dari "Tambahan modal disetor" dalam laporan posisi keuangan konsolidasian periode 2014.

**4. ESTABLISHMENTS AND ACQUISITIONS OF  
SUBSIDIARIES (continued)**

**PT Armada Maritime Offshore (AMO)**

Based on Notarial Deed No. 115 of Yulia, S.H. dated December 20, 2012, the Company acquired 49,900 of AMO shares or 99.80% of total AMO shares which were owned by Barli Hasan, Handara Adyana Utomo, Pieters Adyana Utomo and Johannes Utomo each amounted to Rp124,750,000. The amendment to the Articles of Association was approved by the Ministry of Law and Human Rights of the Republic of Indonesia as stated in Decree No. AHU- AH.01.10-45498 Tahun 2012 dated December 21, 2012.

The acquisition transaction was considered as restructuring transaction between entities under common control. In accordance with PSAK No. 38 (Revised 2004), "Accounting for Restructuring Transactions of Entities Under Common Control", the acquisition was treated under the pooling of interest method and the difference between the purchase price and the portion of AMO's net asset value on acquisition date resulted to a gain amounting to USD543,240 was recorded as part of "Difference in Value from Restructuring Transactions of Entities Under Common Control" account which was presented as part of the equity in the 2012 consolidated statements of financial position. The above acquisition transactions resulted to 99.80% in AMO.

Effective on January 1, 2013, the Group reclassified the balance of Difference in Value from Restructuring of Entities Under Common Control amounting to USD543,240 to additional paid-in capital in relation with adoption of PSAK No. 38 (Revised 2012) "Business Combination of Entities Under Common Control".

Based on Notarial Deed No. 18 of Doddy Natadihardja, SH., M.Kn., dated June 30, 2014, AMO increased its authorized capital from Rp1,000,000,000 to Rp26,000,000,000 and increased its issued and fully paid capital from Rp500,000,000 to Rp6,500,000,000. The increase in issued and fully paid capital of Rp6,000,000,000 was made through conversion of AMO's payable to the Company, therefore, the Company's ownership in AMO increased to 99.98% and other shareholders becomes 0.02%. This transaction also resulted to a gain amounting to USD14,838 which recognized as "Difference in Value from Restructuring Transactions of Entities Under Common Control" and recorded as part of "Additional paid-in capital" in the 2014 consolidated statements of financial position.

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**4. PENDIRIAN DAN AKUISISI ENTITAS ANAK  
(lanjutan)**

**Success International Marine Pte. Ltd. (SIM) dan  
Entitas Anak**

Pada tanggal 1 Juni 2012, Perusahaan dan Johannes Utomo, pihak berelasi, mendirikan Success International Marine Pte. Ltd. (SIM), sebuah kantor perwakilan pelayaran asing yang berkedudukan di negara Singapura. Kepemilikan Perusahaan pada SIM adalah sebesar 99,99% atau senilai AS\$500.000 dari total modal yang disetor penuh.

Pada tanggal 14 Agustus 2012 dan 7 Desember 2012, SIM mendirikan Success Marlina XXXIII S.A dan Success Pegasus XXXVI S.A, keduanya entitas anak yang dimiliki penuh oleh SIM dan berkedudukan di negara Panama.

Pada tanggal 1 Agustus 2013, SIM mendirikan Success Marlina Pte., Ltd., yang dimiliki penuh oleh SIM dan berkedudukan di Singapura.

Pada tanggal 18 Juni 2014, Success Pegasus XXXVI S.A dibubarkan.

**PT Sukses Maritime Line (SML)**

PT Sukses Maritime Line (SML) didirikan di Jakarta berdasarkan Akta Notaris Irma Bonita, S.H., No. 45 tanggal 21 Januari 2011. Akta Pendirian ini telah mendapat pengesahan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-10221.AH.01.01.Tahun 2011 tanggal 28 Februari 2011 dan telah diumumkan dalam Tambahan No. 30988 dari Lembaran Berita Negara No. 62 tanggal 3 Agustus 2012.

Berdasarkan Akta Notaris Yulia, S.H., No. 153 tanggal 16 Mei 2013, SML mengubah nilai nominal saham dari Rp1.000.000 per lembar saham menjadi Rp10.000 per lembar saham.

**4. ESTABLISHMENTS AND ACQUISITIONS OF  
SUBSIDIARIES (continued)**

**Success International Marine Pte. Ltd. (SIM) and  
Subsidiaries**

On June 1, 2012, the Company and Johannes Utomo, a related party, established Success International Marine Pte. Ltd. (SIM), a representative office of foreign shipping lines which was incorporated in Singapore. The Company's ownership in SIM amounted to USD500,000 or equivalent to 99.99%.

On August 14, 2012 and December 7, 2012, SIM established Success Marlina XXXIII S.A and Success Pegasus XXXVI S.A, both are wholly owned subsidiaries which were incorporated in Panama.

On August 1, 2013, SIM established Success Marlina Pte., Ltd., which was wholly owned by SIM and was incorporated in Singapore.

On June 18, 2014, Success Pegasus XXXVI S.A was dissolved.

**PT Sukses Maritime Line (SML)**

PT Sukses Maritime Line (SML) was established in Jakarta based on the Notarial Deed No. 45 of Irma Bonita, S.H., dated January 21, 2011. The Deed of Establishment was approved by the Ministry of Law and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-10221.AH.01.01.Tahun 2011, dated February 28, 2011 and was published in the Supplement No. 30988 of the State Gazette No. 62 dated August 3, 2012.

Based on Notarial Deed No. 153 of Yulia, S.H. dated May 16, 2013, SML changed nominal value per share from Rp1,000,000 per share to Rp10,000 per share.

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**4. PENDIRIAN DAN AKUISISI ENTITAS ANAK  
(lanjutan)**

**PT Sukses Maritime Line (SML) (lanjutan)**

Perusahaan membeli 49.900 saham SML yang dimiliki oleh Barli Hasan, Pieters Adyana Utomo, Johannes Utomo dan Handara Adyana Utomo dengan harga masing-masing sebesar Rp149.750.000, Rp149.750.000, Rp149.750.000, dan Rp49.750.000 (total ekuivalen AS\$51.279).

Setelah transaksi akuisisi di atas, kepemilikan Perusahaan dalam SML menjadi sebesar 99,80%.

Transaksi akuisisi ini dicatat sebagai transaksi restrukturisasi entitas sepengendali. Dengan demikian, sesuai dengan PSAK No. 38 (Revisi 2012), "Kombinasi Bisnis Entitas Sepengendali", akuisisi ini diperlakukan dengan metode penyatuan kepemilikan dan selisih keuntungan antara harga beli dengan porsi nilai aset bersih SML yang diperoleh sebesar AS\$346 dicatat sebagai bagian dari akun "Tambahkan modal disetor" pada laporan posisi keuangan konsolidasian tahun 2013.

Berdasarkan Akta Notaris Doddy Natadihardja, S.H., M.Kn., No 21 tanggal 30 Juni 2014, SML meningkatkan modal dasarnya dari Rp1.000.000.000 menjadi Rp98.000.000.000 serta meningkatkan modal ditempatkan dan disetor dari Rp500.000.000 menjadi Rp24.500.000.000. Peningkatan modal ditempatkan dan disetor sebesar Rp24.000.000.000 seluruhnya dilakukan dengan konversi utang SML kepada Perusahaan, sehingga kepemilikan Perusahaan di SML menjadi sebesar 99,99% dan kepemilikan pemegang saham lainnya turun menjadi 0,01%. Transaksi ini juga menyebabkan selisih keuntungan sebesar AS\$4.128 yang diperlakukan sebagai "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali" dan dicatat sebagai bagian dari "Tambahkan modal disetor" dalam laporan posisi keuangan konsolidasian periode 2014.

**4. ESTABLISHMENTS AND ACQUISITIONS OF  
SUBSIDIARIES (continued)**

**PT Sukses Maritime Line (SML) (continued)**

The Company acquired 49,900 of SML shares which were owned by Barli Hasan, Pieters Adyana Utomo, Johannes Utomo and Handara Adyana Utomo amounted to Rp149,750,000, Rp149,750,000, Rp149,750,000, and Rp49,750,000, respectively (equivalent to a total of USD51,279).

After the above acquisition transactions, the Company's percentage of ownership at SML becomes 99.80%.

The acquisition transaction was considered as restructuring transaction between entities under common control. In accordance with PSAK No. 38 (Revised 2012), "Business Combinations of Entities Under Common Control", the acquisition was thus treated under the pooling of interest method and the difference between the purchase price and the portion of SML's net asset value acquired resulted to a gain amounting to USD346 which was recorded as part of "Additional paid-in capital" account in the 2013 consolidated statements of financial position.

Based on Notarial Deed No. 21 of Doddy Natadihardja, S.H., M.Kn., dated June 30, 2014, SML increased its authorized capital from Rp1,000,000,000 to Rp98,000,000,000 and increased its issued and fully paid capital from Rp500,000,000 to Rp24,500,000,000. The increase in issued and fully paid capital of Rp24,000,000,000 was made through conversion of SML's payable to the Company, therefore, the Company's ownership in SML increased to 99.99% and other shareholders becomes 0.01%. This transaction also resulted to a gain amounting to USD4,128 which recognized as "Difference in Value from Restructuring Transactions of Entities Under Common Control" and recorded as part of "Additional paid-in capital" in the 2014 consolidated statements of financial position.

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**5. KAS DAN SETARA KAS**

**5. CASH AND CASH EQUIVALENTS**

Akun ini terdiri dari:

This account consists of:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
Kas	24.546	35.182	160.008	107.215	Cash on hand
Bank					Cash in banks
Pihak Ketiga					Third Parties
Rekening Dolar AS					US Dollar accounts
PT Bank Central Asia Tbk	1.948.870	546.888	200.344	730.473	PT Bank Central Asia Tbk
PT Bank Mandiri (Persero) Tbk	1.925.313	636.799	2.776.216	2.240.906	PT Bank Mandiri (Persero) Tbk
PT Bank OCBC NISP Tbk	1.163.160	362.439	390.991	73.230	PT Bank OCBC NISP Tbk
PT Bank Artha Graha Internasional Tbk	406.854	43.203	38.313	87.566	PT Bank Artha Graha Internasional Tbk
OCBC, Ltd, Singapura	347.371	589.064	-	-	OCBC, Ltd, Singapore
CIMB Bank, Singapura	289.904	89.428	-	-	CIMB Bank, Singapore
DBS Bank Ltd, Singapura	2.210	2.250	2.298	20.562	DBS Bank Ltd, Singapore
PT Bank ICB Bumiputera Tbk	1.429	1.434	1.439	1.543	PT Bank ICB Bumiputera Tbk
PT Bank Negara Indonesia (Persero) Tbk	-	2.650	2.679	2.708	PT Bank Negara Indonesia (Persero) Tbk
PT Bank Mega Tbk	-	-	-	1.602	PT Bank Mega Tbk
Rekening Rupiah					Rupiah accounts
PT Bank Mandiri (Persero) Tbk (2014: Rp44.470.843.438, 2013: Rp2.740.477.248, 2012: Rp599.569.010 dan 2011: Rp860.362.772)	3.715.502	224.832	62.003	94.879	PT Bank Mandiri (Persero) Tbk (2014: Rp44,470,843,438, 2013: Rp2,740,477,248, 2012: Rp599,569,010 and 2011: Rp860,362,772)
PT Bank Central Asia Tbk (2014: Rp2.069.104.968, 2013: Rp1.772.524.380, 2012: Rp1.144.966.680 dan 2011: Rp209.697.500)	172.872	145.420	118.404	23.125	PT Bank Central Asia Tbk (2014: Rp2,069,104,968, 2013: Rp1,772,524,380, 2012: Rp1,144,966,680 and 2011: Rp209,697,500)
PT Bank Artha Graha Internasional Tbk (2014: Rp315.095.894, 2013: Rp74.365.089, 2012: Rp191.804.450 dan 2011: Rp147.101.096)	26.326	6.101	19.835	16.222	PT Bank Artha Graha Internasional Tbk (2014: Rp315,095,894, 2013: Rp74,365,089, 2012: Rp191,804,450 and 2011: Rp147,101,096)
PT Bank OCBC NISP Tbk (2014: Rp94.016.495, 2013: Rp105.276.393, 2012: Rp5.212.130 dan 2011: Rp5.885.132)	7.855	8.637	539	649	PT Bank OCBC NISP Tbk (2014: Rp94,016,495, 2013: Rp105,276,393, 2012: Rp5,212,130 and 2011: Rp5,885,132)
PT Bank Jasa Jakarta (Rp 20.682.432)	1.728	-	-	-	PT Bank Jasa Jakarta (Rp 20,682,432)
PT Bank Negara Indonesia (Persero) Tbk (2014: Rp7.995.292, 2013: Rp60.506.196, 2012: Rp6.005.070 dan 2011: Rp2.439.292)	668	4.964	621	269	PT Bank Negara Indonesia (Persero) Tbk (2014: Rp7,995,292, 2013: Rp60,506,196, 2012: Rp6,005,070 and 2011: Rp2,439,292)
PT Bank ICB Bumiputera Tbk (2014: Rp5.685.275, 2013: Rp5.838.531, 2012: Rp6.159.790 dan 2011: Rp6.492.688)	475	479	637	716	PT Bank ICB Bumiputera Tbk (2014: Rp5,685,275, 2013: Rp5,838,531, 2012: Rp6,159,790 and 2011: Rp6,492,688)
PT Bank Rakyat Indonesia (Persero) Tbk (2014: Rp3.231.630, 2013: Rp3.607.944, 2012: Rp3.790.640 dan 2011: Rp4.996.468)	270	296	392	551	PT Bank Rakyat Indonesia (Persero) Tbk (2014: Rp3,231,630, 2013: Rp3,607,944, 2012: Rp3,790,640 and 2011: Rp4,996,468)
PT Bank Internasional Indonesia Tbk (2013: Rp1.109.199, 2012: Rp348.120 dan 2011: Rp807.052)	-	91	36	89	PT Bank Internasional Indonesia Tbk (2013: Rp1,109,199, 2012: Rp348,120 and 2011: Rp807,052)
PT Bank Mega Tbk (Rp661.964)	-	-	-	73	PT Bank Mega Tbk (Rp661,964)

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**5. KAS DAN SETARA KAS (lanjutan)**

**5. CASH AND CASH EQUIVALENTS (continued)**

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
<u>Rekening Dolar Singapura</u>					<u>Singapore Dollar accounts</u>
PT Bank Mandiri (Persero) Tbk (2014: SGD14.535 dan 2013: SGD16.565	11.637	13.085	-	-	PT Bank Mandiri (Persero) Tbk (2014: SGD14,535 and 2013: SGD16,565
OCBC, Ltd, Singapura (SGD6.471)	5.181	-	-	-	OCBC, Ltd, Singapore (SGD6,471)
<u>Rekening Yuan China</u>					<u>Chinese Yuan accounts</u>
PT Bank Mandiri (Persero) Tbk (2014: CNY2.812 dan 2013: CNY3.470	457	569	-	-	PT Bank Mandiri (Persero) Tbk (2014: CNY2,812 and 2013: CNY3,470
Sub-total	10.028.082	2.678.629	3.614.747	3.295.163	Sub-total
<b>Deposito berjangka</b>					<b>Time Deposits</b>
<u>Rekening Dolar AS</u>					<u>US Dollar accounts</u>
PT Bank Mandiri (Persero) Tbk	281.410	259.140	79.423	-	PT Bank Mandiri (Persero) Tbk
<u>Rekening Rupiah</u>					<u>Rupiah account</u>
PT Bank Mandiri (Persero) Tbk (2012: Rp1.000.000.000 dan 2011: Rp1.139.750.000)	-	-	103.413	125.689	PT Bank Mandiri (Persero) Tbk (2012: Rp1,000,000,000 and 2011: Rp1,139,750,000)
Sub-total	281.410	259.140	182.836	125.689	Sub-total
<b>Total kas dan setara kas</b>	<b>10.334.038</b>	<b>2.972.951</b>	<b>3.957.591</b>	<b>3.528.067</b>	<b>Total cash and cash equivalents</b>

Tingkat bunga tahunan deposito berjangka adalah sebagai berikut:

The annual interest rates of time deposits are as follows:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
<u>Rekening Dolar AS</u>					<u>US Dollar accounts</u>
PT Bank Mandiri (Persero) Tbk	0,25% - 0,5%	0,25%	0,25%	-	PT Bank Mandiri (Persero) Tbk
<u>Rekening Rupiah</u>					<u>Rupiah account</u>
PT Bank Mandiri (Persero) Tbk	-	-	6,50%	5,00%-6,50%	PT Bank Mandiri (Persero) Tbk

**6. KAS YANG DIBATASI PENGGUNAANNYA**

**6. RESTRICTED CASH**

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
<b>Pihak Ketiga</b>					<b>Third Parties</b>
<u>Rekening Dolar AS</u>					<u>US Dollar accounts</u>
PT Bank Internasional Indonesia Tbk	13.541	65.626	201.262	39.494	PT Bank Internasional Indonesia Tbk
PT Bank OCBC NISP Tbk	-	7.592	-	61.225	PT Bank OCBC NISP Tbk
<u>Rekening Rupiah</u>					<u>Rupiah account</u>
PT Bank Internasional Indonesia Tbk (2014: Rp17.223.391, 2013: Rp12.310.890, 2012: Rp12.025.139 dan 2011: Rp43.494.384)	1.439	1.010	1.244	4.796	PT Bank Internasional Indonesia Tbk (2014: Rp17,223,391, 2013: Rp12,310,890, 2012: Rp12,025,139 and 2011: Rp43,494,384)
<b>Total</b>	<b>14.980</b>	<b>74.228</b>	<b>202.506</b>	<b>105.515</b>	<b>Total</b>

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**6. KAS YANG DIBATASI PENGGUNAANNYA  
(lanjutan)**

Pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011, kas yang ditempatkan di PT Bank Internasional Indonesia Tbk (BII) masing-masing sebesar AS\$14.980, AS\$66.636, AS\$202.506 dan AS\$44.290, dijaminan untuk pinjaman yang diperoleh IEL dari BII (Catatan 21).

Kas yang dibatasi penggunaannya di PT OCBC NISP Tbk (OCBC) ditujukan untuk jaminan fasilitas pinjaman jangka panjang SOKL dari bank yang sama (Catatan 21).

**6. RESTRICTED CASH (continued)**

As of June 30, 2014, December 31, 2013, 2012 and 2011, cash placed in PT Bank Internasional Indonesia Tbk (BII) amounting to USD14,980, USD66,636, USD202,506 and USD44,290, respectively, are pledged as collateral for loan obtained by IEL from BII (Note 21).

The restricted cash placed in PT OCBC NISP Tbk (OCBC) was pledged as collateral for SOKL's long-term loan facilities from the same bank (Note 21).

**7. PIUTANG USAHA**

Rincian atas piutang usaha berdasarkan pelanggan adalah sebagai berikut:

**7. TRADE RECEIVABLES**

Details of trade receivables based on customers are as follows:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
Pihak ketiga					Third parties
PT Pertamina (Persero)	3.213.998	8.026.021	2.280.150	2.297.626	PT Pertamina (Persero)
Camar Resources Canada, Inc	898.496	921.011	900.482	-	Camar Resources Canada, Inc
PT PLN (Persero) Kit Sumbagut	485.650	749.374	-	406.340	PT PLN (Persero) Kit Sumbagut
Teekay Chartering Ltd.	354.845	354.845	-	-	Teekay Chartering Ltd.
Indian Oil Corporation Ltd	278.549	886.997	-	-	Indian Oil Corporation Ltd
PT Unggul Indah Cahaya Tbk	218.463	240.385	170.089	370.434	PT Unggul Indah Cahaya Tbk
PT Mitsubishi Chemical Indonesia	122.686	212.425	197.972	209.983	PT Mitsubishi Chemical Indonesia
ConocoPhillips (Grissik) Ltd.	111.394	848.229	117	-	ConocoPhillips (Grissik) Ltd.
Reliance Industries Ltd.	-	1.302.506	-	-	Reliance Industries Ltd.
Trafigura Maritime Logistics Pte., Ltd.	-	3.363.780	-	-	Trafigura Maritime Logistics Pte., Ltd.
PT Saipem Indonesia	-	-	435.875	-	PT Saipem Indonesia
PT Wilmar Nabati Indonesia	-	-	337.647	-	PT Wilmar Nabati Indonesia
Lain-lain (masing-masing dibawah AS\$200.000)	609.288	355.974	9.154	429.868	Others (each below USD200,000)
<b>Total</b>	<b>6.293.369</b>	<b>17.261.547</b>	<b>4.331.486</b>	<b>3.714.251</b>	<b>Total</b>
Dikurangi dengan cadangan penurunan nilai piutang usaha	(260.121)	(259.783)	(25.779)	-	Less allowance for impairment of trade receivables
<b>Pihak ketiga - neto</b>	<b>6.033.248</b>	<b>17.001.764</b>	<b>4.305.707</b>	<b>3.714.251</b>	<b>Third parties - net</b>
Pihak berelasi (Catatan 20)	-	338.291	193.600	-	Related party (Note 20)
<b>Neto</b>	<b>6.033.248</b>	<b>17.340.055</b>	<b>4.499.307</b>	<b>3.714.251</b>	<b>Net</b>

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**7. PIUTANG USAHA (lanjutan)**

Rincian piutang usaha berdasarkan mata uang adalah sebagai berikut:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
Pihak ketiga					Third parties
Dolar AS	5.785.505	16.446.099	3.489.067	3.172.597	US Dollar
Rupiah					Rupiah
(2014: Rp6.078.624.216, 2013: Rp9.939.493.499, 2012: Rp8.146.193.975 dan 2011: Rp4.911.713.991)	507.864	815.448	842.419	541.654	(2014: Rp6,078,624,216, 2013: Rp9,939,493,499, 2012: Rp8,146,193,975 and 2011: Rp4,911,713,991)
Total	6.293.369	17.261.547	4.331.486	3.714.251	Total
Dikurangi dengan cadangan penurunan nilai piutang usaha	(260.121)	(259.783)	(25.779)	-	Less allowance for impairment of trade receivables
Pihak ketiga - neto	6.033.248	17.001.764	4.305.707	3.714.251	Third parties - net
Pihak berelasi					Related party
Dolar AS	-	338.291	193.600	-	US Dollar
<b>Neto</b>	<b>6.033.248</b>	<b>17.340.055</b>	<b>4.499.307</b>	<b>3.714.251</b>	<b>Net</b>

**7. TRADE RECEIVABLES (continued)**

The details of trade receivables based on currencies are as follows:

Pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011, piutang usaha milik IEL, SOKL, APBL dan PUL digunakan sebagai jaminan atas pinjaman bank yang diperoleh dari PT Bank Mandiri (Persero) Tbk, PT Bank Internasional Indonesia Tbk dan PT Bank ICB Bumiputera Tbk (Catatan 21).

As of June 30, 2014, December 31, 2013, 2012 and 2011, trade receivables of IEL, SOKL, APBL and PUL are pledged as collateral to bank loans obtained from PT Bank Mandiri (Persero) Tbk, PT Bank Internasional Indonesia Tbk and PT Bank ICB Bumiputera Tbk (Note 21).

Analisa umur piutang usaha adalah sebagai berikut:

The aging analysis of trade receivables are as follows:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
Belum jatuh tempo	4.734.322	12.422.359	2.029.178	2.731.049	Not yet due
Jatuh tempo:					Due:
Sampai dengan 30 hari	83.003	3.521.157	1.121.302	92.582	Less than 30 days
31 sampai 60 hari	169.816	468.399	685.314	69.284	31 to 60 days
61 sampai 90 hari	42.599	47.728	5.000	17.489	61 to 90 days
Lebih dari 90 hari	1.263.629	1.140.195	684.292	803.847	More than 90 days
Total	6.293.369	17.599.838	4.525.086	3.714.251	Total
Dikurangi cadangan penurunan nilai piutang usaha	(260.121)	(259.783)	(25.779)	-	Deducted allowance for impairment of trade receivables
<b>Neto</b>	<b>6.033.248</b>	<b>17.340.055</b>	<b>4.499.307</b>	<b>3.714.251</b>	<b>Net</b>

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**7. PIUTANG USAHA (lanjutan)**

Mutasi cadangan penurunan nilai piutang usaha adalah sebagai berikut:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
Saldo awal	259.783	25.779	-	-	Beginning balance
Perubahan selama tahun berjalan					Change during the year
Penambahan cadangan	-	239.230	25.779	-	Additional provision
Selisih kurs	338	(5.226)	-	-	Foreign currency difference
<b>Saldo akhir</b>	<b>260.121</b>	<b>259.783</b>	<b>25.779</b>	<b>-</b>	<b>Ending balance</b>

Manajemen Grup berpendapat bahwa cadangan kerugian penurunan nilai adalah cukup untuk menutupi kemungkinan atas tidak tertagihnya piutang usaha.

**7. TRADE RECEIVABLES (continued)**

The changes in allowance for impairment of trade receivables are as follows:

The management of the Group believes that the allowance for impairment losses is adequate to cover any loss from uncollectible accounts.

**8. PERSEDIAAN**

Akun ini terdiri dari:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
Bahan bakar	2.208.745	3.955.993	1.835.656	929.168	Fuel
Kawat Las	315.263	29.510	-	-	Welding wire
<b>Total</b>	<b>2.524.008</b>	<b>3.985.503</b>	<b>1.835.656</b>	<b>929.168</b>	<b>Total</b>

Pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011, persediaan SOKL digunakan sebagai jaminan atas pinjaman bank jangka panjang yang diperoleh SOKL dari PT Bank Mandiri (Persero) Tbk (Catatan 21).

Manajemen Grup berpendapat bahwa nilai tercatat persediaan tersebut di atas tidak melebihi nilai realisasi netonya, sehingga tidak diperlukan penyisihan untuk menyesuaikan nilai tercatat persediaan ke nilai realisasi netonya pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011.

**8. INVENTORIES**

This account consists of:

As of June 30, 2014, December 31, 2013, 2012 and 2011, the SOKL's inventories is pledged as collateral to long-term bank loans obtained by SOKL from PT Bank Mandiri (Persero) Tbk (Note 21)

The Group's management believes that the carrying value of inventories above does not exceed the net realizable value, therefore allowance to adjust the carrying value of inventory to its net realizable value as of June 30, 2014, December 31, 2013, 2012 and 2011 is not required.

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**9. UANG MUKA DAN BEBAN DIBAYAR DIMUKA**

Akun ini terdiri dari:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
Uang muka pembelian	5.206.418	2.785.072	3.327.967	1.534.792	Advances purchases
Asuransi dibayar dimuka	347.073	354.023	352.141	316.427	Prepaid insurances
Lain-lain	436.937	238.907	50.043	57.944	Others
<b>Total</b>	<b>5.990.428</b>	<b>3.378.002</b>	<b>3.730.151</b>	<b>1.909.163</b>	<b>Total</b>

Uang muka pembelian merupakan uang muka operasional kepada pemasok untuk pengadaan barang dan jasa.

**9. ADVANCES AND PREPAID EXPENSES**

This account consists of:

Advances for purchase represent operational advances to suppliers for the procurement of goods and services.

**10. PENDAPATAN YANG MASIH HARUS DITAGIH**

Akun ini terdiri dari:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
PT Pertamina (Persero)	1.150.249	378.437	2.117.064	-	PT Pertamina (Persero)
ConocoPhillips (Grissik) Ltd.	660.000	682.000	682.000	-	ConocoPhillips (Grissik) Ltd.
Camar Resources Canada, Inc	402.600	416.020	-	-	Camar Resources Canada, Inc
The Indian Oil Corporation Ltd.	-	279.867	-	-	The Indian Oil Corporation Ltd.
Trafigura Maritime Logistics Pte.,Ltd.	-	13.924	-	-	Trafigura Maritime Logistics Pte.,Ltd.
PT Humpuss Intermoda Transportasi Tbk	-	-	35.160	-	PT Humpuss Intermoda Transportasi Tbk
PT Wilmar Nabati Indonesia	-	-	22.298	-	PT Wilmar Nabati Indonesia
PT Multimas Nabati Asahan	-	-	6.697	-	PT Multimas Nabati Asahan
<b>Total</b>	<b>2.212.849</b>	<b>1.770.248</b>	<b>2.863.219</b>	<b>-</b>	<b>Total</b>

**10. UNBILLED REVENUES**

This account consists of:

**11. ASET TIDAK LANCAR YANG DIMILIKI UNTUK DIJUAL**

Pada tanggal 3 Desember 2013, PUL, Entitas Anak, menandatangani *Memorandum of Understanding* atas penjualan satu (1) unit kapal beserta perlengkapannya dengan harga jual AS\$9.000.000. Nilai buku neto kapal beserta perlengkapannya berjumlah AS\$12.883.733 (Catatan 12). Selisih antara harga jual kapal dengan nilai bukunya sebesar AS\$3.883.733 diakui sebagai rugi penurunan nilai aset dan dibebankan ke laba rugi komprehensif konsolidasian tahun 2013. Sampai dengan tanggal penyelesaian laporan ini, penyelesaian penjualan masih dalam proses.

**11. NON-CURRENT ASSETS HELD FOR SALE**

On December 3, 2013, PUL, a Subsidiary, entered into a *Memorandum of Understanding* for the sale of one (1) unit of vessel and its related vessel equipment for USD9,000,000. The net book value of the vessel and its equipment amounted to USD12,883,733 (Note 12). An impairment loss has been recognized for the difference between the sales price of the vessel and its net book value amounted to USD3,883,733, and was charged to the 2013 consolidated of statements of comprehensive income. Until the completion of this report, the finalisation of sale is still in progress.

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**12. ASET TETAP**

**12. FIXED ASSETS**

30 Juni/June 30, 2014

	Saldo Awal/ Beginning Balance	Penambahan/ Additions	Pengurangan/ Deductions	Reklasifikasi/ Reclassifications	Saldo Akhir/ Ending Balance	
<b>Biaya perolehan</b>						<b>Acquisition cost</b>
<b>Kepemilikan langsung</b>						<b>Direct ownership</b>
Tanah	15.534.291	-	-	-	15.534.291	Land
Bangunan	5.675.363	-	-	-	5.675.363	Buildings
Kapal	275.107.773	-	-	-	275.107.773	Vessels
Perlengkapan kapal	2.848.795	94.269	-	-	2.943.064	Vessel supplies
Mesin	3.872.663	324.780	-	-	4.197.443	Machineries
Kendaraan	2.501.854	386.842	-	-	2.888.696	Vehicles
Peralatan kantor dan galangan	2.697.094	57.630	-	-	2.754.724	Office and shipyard equipment
Peralatan bengkel	382.123	-	-	-	382.123	Workshop equipment
<b>Aset sewa pembiayaan</b>						<b>Leased assets</b>
Mesin	648.858	-	-	-	648.858	Machineries
Kendaraan	638.988	44.658	-	-	683.646	Vehicles
<b>Aset dalam penyelesaian</b>	89.821.209	10.085.051	-	-	99.906.260	<b>Construction in progress</b>
<b>Total</b>	<b>399.729.011</b>	<b>10.993.230</b>	<b>-</b>	<b>-</b>	<b>410.722.241</b>	<b>Total</b>
<b>Akumulasi penyusutan</b>						<b>Accumulated depreciation</b>
<b>Kepemilikan langsung</b>						<b>Direct ownership</b>
Bangunan	699.301	141.883	-	-	841.184	Buildings
Kapal	65.668.638	5.394.118	-	-	71.062.756	Vessels
Perlengkapan kapal	2.511.656	75.440	-	-	2.587.096	Vessel supplies
Mesin	1.019.986	270.940	-	-	1.290.926	Machineries
Kendaraan	1.288.664	150.585	-	-	1.439.249	Vehicles
Peralatan kantor dan galangan	1.021.277	305.424	-	-	1.326.701	Office and shipyard equipment
Peralatan bengkel	364.641	3.153	-	-	367.794	Workshop equipment
<b>Aset sewa pembiayaan</b>						<b>Leased assets</b>
Mesin	141.098	50.088	-	-	191.186	Machineries
Kendaraan	153.478	41.996	-	-	195.474	Vehicles
<b>Total</b>	<b>72.868.739</b>	<b>6.433.627</b>	<b>-</b>	<b>-</b>	<b>79.302.366</b>	<b>Total</b>
<b>Nilai tercatat - neto</b>	<b>326.860.272</b>				<b>331.419.875</b>	<b>Net carrying amount</b>

2013

	Saldo Awal/ Beginning Balance	Penambahan/ Additions	Pengurangan/ Deductions	Reklasifikasi/ Reclassifications	Saldo Akhir/ Ending Balance	
<b>Biaya perolehan</b>						<b>Acquisition cost</b>
<b>Kepemilikan langsung</b>						<b>Direct ownership</b>
Tanah	1.709.579	-	-	13.824.712	15.534.291	Land
Bangunan	5.816.854	2.007.188	444.550	(1.704.129)	5.675.363	Buildings
Kapal	235.308.551	54.571.088	228.019	(14.543.847)	275.107.773	Vessels
Perlengkapan kapal	2.708.436	171.704	-	(31.345)	2.848.795	Vessel supplies
Mesin	499.493	1.526.777	-	1.846.393	3.872.663	Machineries
Kendaraan	4.197.193	213.686	97.922	(1.811.103)	2.501.854	Vehicles
Peralatan kantor dan galangan	1.444.423	1.280.193	27.522	-	2.697.094	Office and shipyard equipment
Peralatan bengkel	366.435	15.688	-	-	382.123	Workshop equipment
<b>Aset sewa pembiayaan</b>						<b>Leased assets</b>
Mesin	152.550	76.128	-	420.180	648.858	Machineries
Kendaraan	1.059.168	-	-	(420.180)	638.988	Vehicles
<b>Aset dalam penyelesaian</b>	77.800.855	24.176.226	-	(12.155.872)	89.821.209	<b>Construction in progress</b>
<b>Total</b>	<b>331.063.537</b>	<b>84.038.678</b>	<b>798.013</b>	<b>(14.575.191)</b>	<b>399.729.011</b>	<b>Total</b>
<b>Akumulasi penyusutan</b>						<b>Accumulated depreciation</b>
<b>Kepemilikan langsung</b>						<b>Direct ownership</b>
Bangunan	835.662	114.265	250.626	-	699.301	Buildings
Kapal	56.574.968	10.918.913	145.630	(1.679.613)	65.668.638	Vessels
Perlengkapan kapal	2.394.126	129.377	-	(11.847)	2.511.656	Vessel supplies
Mesin	248.432	457.535	-	314.019	1.019.986	Machineries
Kendaraan	1.400.459	277.388	75.164	(314.019)	1.288.664	Vehicles
Peralatan kantor dan galangan	465.637	582.856	27.216	-	1.021.277	Office and shipyard equipment
Peralatan bengkel	359.483	5.158	-	-	364.641	Workshop equipment
<b>Aset sewa pembiayaan</b>						<b>Leased assets</b>
Mesin	42.901	29.433	-	68.764	141.098	Machineries
Kendaraan	142.368	79.874	-	(68.764)	153.478	Vehicles
<b>Total</b>	<b>62.464.036</b>	<b>12.594.799</b>	<b>498.636</b>	<b>(1.691.460)</b>	<b>72.868.739</b>	<b>Total</b>
<b>Nilai tercatat - neto</b>	<b>268.599.501</b>				<b>326.860.272</b>	<b>Net carrying amount</b>



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**12. ASET TETAP (lanjutan)**

Pembebanan penyusutan adalah sebagai berikut:

	30 Juni/June 30,		31 Desember/December 31,			
	2014	2013	2013	2012	2011	
Beban pokok pendapatan (Catatan 27)	5.469.565	6.047.310	11.053.449	11.174.999	10.160.312	Cost of revenues (Note 27)
Beban usaha (Catatan 28)	184.374	161.579	335.053	308.209	600.995	Operating expenses (Note 28)
Kapitalisasi ke aset dalam penyelesaian	779.688	629.903	1.206.297	873.523	-	Capitalized to construction in progress
<b>Total</b>	<b>6.433.627</b>	<b>6.838.792</b>	<b>12.594.799</b>	<b>12.356.731</b>	<b>10.761.307</b>	<b>Total</b>

**12. FIXED ASSETS (continued)**

Depreciation is charged as follows:

Rincian aset dalam penyelesaian untuk pembangunan galangan adalah sebagai berikut:

Construction in progress for shipyard project consists of:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
Reklamasi lahan	61.814.850	56.461.842	49.545.906	39.435.032	Land reclamation
Galangan dalam penyelesaian	33.604.782	30.845.370	13.770.746	257.652	Shipyard in construction
Bangunan dalam penyelesaian	4.457.047	2.508.229	4.880.975	1.392.753	Building in construction
Tanah dalam penyelesaian	29.581	5.768	647.266	1.545.094	Land in construction
Pematangan tanah	-	-	8.955.962	10.226.105	Land development
<b>Total</b>	<b>99.906.260</b>	<b>89.821.209</b>	<b>77.800.855</b>	<b>52.856.636</b>	<b>Total</b>

Pada tanggal 30 Juni 2014, estimasi persentase penyelesaian aset dalam penyelesaian untuk pembangunan galangan adalah sebagai berikut:

As of June 30, 2014, the estimated percentage of completion of the construction in progress for shipyard project is as follows:

	Persentase Penyelesaian/ Percentage of Completion	Estimasi waktu penyelesaian/ Estimated time of completion	
Proyek galangan	71,63%	Desember/December 2014	Shipyard project

Pada periode Juni 2014, Grup mengkapitalisasi biaya pinjaman sebesar AS\$2.471.306 (2013: AS\$5.068.761, 30 Juni 2013: AS\$2.351.059, 2012: AS\$2.529.815 dan 2011: AS\$2.530.412) pada aset dalam penyelesaian (Catatan 29).

In June 2014, the Group has capitalized borrowing costs amounting to USD2,471,306 (2013: USD5,068,761, June 30, 2013: USD2,351,059, 2012: USD2,529,815 and 2011: USD2,530,412) on construction in progress (Note 29).

Seluruh proyek galangan digunakan sebagai jaminan atas pinjaman bank jangka panjang yang diperoleh MOS dari PT Bank Mandiri (Persero) Tbk (Catatan 21).

The shipyard project is pledged as collateral to long-term bank loans obtained by MOS from PT Bank Mandiri (Persero) Tbk (Note 21).

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**12. ASET TETAP (lanjutan)**

Pelepasan aset tetap adalah sebagai berikut:

	30 Juni/June 30,		31 Desember/December 31,			
	2014	2013	2013	2012	2011	
Harga jual	-	-	21.456	833.219	4.107.254	Proceeds
Dikurangi nilai tercatat:						Less carrying value:
Aset tetap	-	160.279	299.377	1.343.174	4.332.268	Fixed assets
Beban docking ditangguhkan	-	-	-	233.704	1.973.821	Deferred charges on docking
Sub-total	-	160.279	299.377	1.576.878	6.306.089	Sub-total
<b>Total</b>	-	<b>(160.279)</b>	<b>(277.921)</b>	<b>(743.659)</b>	<b>(2.198.835)</b>	<b>Total</b>

Pada tahun 2013, 1 (satu) unit kapal milik PUL dan perlengkapan kapalnya dengan nilai buku neto sebesar AS\$12.883.733 direklasifikasikan ke dalam akun "Aset tidak lancar yang dimiliki untuk dijual" (Catatan 11 dan 21).

Seluruh kapal milik Grup, kecuali kapal TK MOS II milik PUL, dijadikan sebagai jaminan atas fasilitas kredit yang diperoleh Entitas-entitas Anak dari PT Bank Artha Graha Internasional Tbk, PT Bank Central Asia Tbk, PT Bank Internasional Indonesia Tbk, PT Bank OCBC NISP Tbk, PT Bank ICB Bumiputera Tbk, PT Bank Mandiri (Persero) Tbk dan Oversea-Chinese Banking Corporation Limited, Singapura (Catatan 15 dan 21).

Bangunan kantor Plaza Marein milik SOKL dijadikan sebagai jaminan atas fasilitas kredit MOS dari PT Bank Mandiri (Persero) Tbk dan fasilitas kredit SOKL dari PT Bank Mega Tbk (Catatan 21).

Pada tanggal 30 Juni 2014, aset kapal Grup diasuransikan terhadap kerusakan lambung dan mesin kapal (*Hull and Machinery*) dan risiko perang (*War Risk*) serta perlindungan dan penggantian termasuk kerugian pihak ketiga sehubungan dengan pengoperasian kapal dengan total nilai pertanggungansian sebesar AS\$253.536.789 melalui PT Tugu Pratama Indonesia, PT Arthagraha General Insurance, Charles Taylor Mutual Management (Asia) Pte., Ltd. dan Shipowners' Asia Pte., Ltd.

Pada tanggal 30 Juni 2014, aset kendaraan Grup diasuransikan terhadap risiko kerugian dan risiko lainnya dengan total nilai pertanggungansian sebesar Rp13.523.350.000 melalui antara lain PT Asuransi Wahana Tata, PT BCA Finance dan PT Bank Jasa Jakarta.

**12. FIXED ASSETS (continued)**

Disposal of fixed assets is as follows:

In 2013, 1 (one) unit PUL's vessel and its related vessel equipment with net book value amounting to USD12,883,733 have been reclassified to "Non-current assets held for sale" (Notes 11 and 21).

The Group's vessels, except TK MOS II vessel owned by PUL, were pledged as collateral for loan facilities which obtained by the Subsidiaries from PT Bank Artha Graha Internasional Tbk, PT Bank Central Asia Tbk, PT Bank Internasional Indonesia Tbk, PT Bank OCBC NISP Tbk PT Bank ICB Bumiputera Tbk, PT Bank Mandiri (Persero) Tbk and Oversea-Chinese Banking Corporation Limited, Singapore (Note 15 and 21).

The Plaza Marein office building owned by SOKL were pledged as collateral for MOS's loan facilities from PT Bank Mandiri (Persero) Tbk and SOKL's loan facilities from PT Bank Mega Tbk (Note 21).

As of June 30, 2014, the Group's vessels are covered by insurance against damage of Hull and Machinery and War Risk and also covered by P&I (Protection and Indemnity) insurance including third party losses connected with the vessels' operations under blanket policies for USD253,536,789 with PT Tugu Pratama Indonesia, PT Arthagraha General Insurance, Charles Taylor Mutual Management (Asia) Pte., Ltd. and Shipowners' Asia Pte., Ltd.

As of June 30, 2014, the Group's vehicles are covered by All Risk insurance, under blanket policies for Rp13,523,350,000 through among others, PT Asuransi Wahana Tata, PT BCA Finance dan PT Bank Jasa Jakarta.

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**12. ASET TETAP (lanjutan)**

Manajemen Grup berpendapat bahwa nilai pertanggungan tersebut cukup untuk menutupi kemungkinan kerugian atas aset yang dipertanggungkan.

Nilai Pasar berdasarkan Pendekatan Data Pasar dan Pendekatan Biaya dari aset tetap Grup pada tanggal 30 Juni 2014, yang dinyatakan dalam laporan penilaian dari penilai independen, KJPP Suwendi Rinaldy & Rekan, pada tanggal 25 Agustus 2014, sebesar Rp4.447.299.100.000 (ekuivalen AS\$371.568.143).

Berdasarkan penilaian manajemen, tidak terdapat kejadian-kejadian atau perubahan keadaan yang mengindikasikan adanya penurunan nilai aset tetap pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011.

**12. FIXED ASSETS (continued)**

The Group's management is of the opinion that the insurance coverage is adequate to cover possible losses on the assets insured.

The Market Value based on Market Approach and Cost Approach of the Group's fixed assets as of June 30, 2014, as stated in the valuation report from an independent valuers, KJPP Suwendi Rinaldy & Rekan, dated August 25, 2014, is Rp4,447,299,100,000 (equivalent to USD371,568,143).

Based on management's assesment, there are no events or changes in circumstances that indicate an impairment in value of fixed assets as of June 30, 2014, December 31, 2013, 2012 and 2011.

**13. ASET TAKBERWUJUD**

**13. INTANGIBLE ASSET**

30 Juni/June 30, 2014						
	Saldo Awal/ Beginning Balance	Penambahan/ Additions	Pengurangan/ Deductions	Reklasifikasi/ Reclassifications	Saldo Akhir/ Ending Balance	
Biaya perolehan Perangkat lunak	200.725	-	-	-	200.725	Acquisition cost Software
Akumulasi penyusutan Perangkat lunak	41.488	25.091	-	-	66.579	Accumulated depreciation Software
Nilai tercatat - neto	<u>159.237</u>				<u>134.146</u>	Net carrying amount
31 Desember/December 31, 2013						
	Saldo Awal/ Beginning Balance	Penambahan/ Additions	Pengurangan/ Deductions	Reklasifikasi/ Reclassifications	Saldo Akhir/ Ending Balance	
Biaya perolehan Perangkat lunak	39.963	160.762	-	-	200.725	Acquisition cost Software
Akumulasi penyusutan Perangkat lunak	-	41.488	-	-	41.488	Accumulated depreciation Software
Nilai tercatat - neto	<u>39.963</u>				<u>159.237</u>	Net carrying amount
31 Desember/December 31, 2012						
	Saldo Awal/ Beginning Balance	Penambahan/ Additions	Pengurangan/ Deductions	Reklasifikasi/ Reclassifications	Saldo Akhir/ Ending Balance	
Biaya perolehan Perangkat lunak	-	39.963	-	-	39.963	Acquisition cost Software
Akumulasi penyusutan Perangkat lunak	-	-	-	-	-	Accumulated depreciation Software
Nilai tercatat - neto	<u>-</u>				<u>39.963</u>	Net carrying amount

Penambahan nilai perolehan aset takberwujud pada tahun 2013 dan 2012 merupakan jasa implementasi dan perangkat lunak sistem oracle.

The additions to cost of intangible assets in 2013 and 2012 are implementation service and software oracle system.

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**13. ASET TAKBERWUJUD (lanjutan)**

Amortisasi aset takberwujud masing-masing sebesar AS\$25.091, AS\$16.397, AS\$41.488, nihil dan nihil. dicatat sebagai Beban Usaha - Umum dan Administrasi - Lain-lain pada laporan laba rugi komprehensif konsolidasian untuk periode enam bulan yang berakhir pada tanggal 30 Juni 2014 dan 2013, serta untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2013 dan.

Berdasarkan penilaian manajemen, tidak ada kejadian-kejadian atau perubahan-perubahan keadaan yang mengindikasikan penurunan nilai aset takberwujud pada tanggal 30 Juni 2014, 31 Desember 2013 dan 2012.

**13. INTANGIBLE ASSET (continued)**

Amortization of intangible asset, amounted to USD25,091, USD16,397, USD41,488, null and null, recorded as Operating Expenses - General and Administrative - Others in the consolidated statements of comprehensive income for six months period as of June 30, 2014 and 2013, and for years ended December 31, 2013 and 2012, respectively.

Based on the assessment of the management, there are no events or changes in circumstances which may indicate impairment in intangible assets as of June 30, 2014, December 31, 2013 and 2012.

**14. ASET TIDAK LANCAR LAINNYA**

Akun ini terdiri dari:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
Beban docking ditangguhkan - neto	4.886.651	4.247.376	5.033.090	2.653.240	Deferred charges on docking - net
Biaya emisi saham ditangguhkan	556.417	323.038	-	-	Deferred share issuance cost
Sewa jangka panjang - neto	472.231	478.769	492.564	505.639	Long-term rent - net
Uang muka pembelian aset tetap	379.711	941.752	618.560	380.201	Advances for purchase of fixed asset
Provisi bank garansi	256.263	134.028	-	-	Provision for bank guarantee
Klaim asuransi	148.417	339.108	1.151.071	-	Insurance claim
Lain-lain	45.610	45.609	88.881	46.315	Others
<b>Total</b>	<b>6.745.300</b>	<b>6.509.680</b>	<b>7.384.166</b>	<b>3.585.395</b>	<b>Total</b>

**14. OTHER NON-CURRENT ASSETS**

This account consists of:

**15. PINJAMAN BANK JANGKA PENDEK**

Akun ini terdiri dari:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
<b>Entitas Anak</b>					<b>The Subsidiaries</b>
PT Bank Artha Graha Internasional Tbk	6.000.000	9.035.523	9.826.266	2.000.000	PT Bank Artha Graha Internasional Tbk
PT Bank Mandiri (Persero) Tbk	401.036	393.798	496.381	529.333	PT Bank Mandiri (Persero) Tbk
PT Bank Central Asia Tbk	-	2.034.428	2.214.452	1.099.413	PT Bank Central Asia Tbk
PT Bank Jasa Jakarta	-	815.412	1.028.212	1.095.320	PT Bank Jasa Jakarta
PT Bank OCBC NISP Tbk	-	409.374	507.891	550.920	PT Bank OCBC NISP Tbk
Dikurangi biaya transaksi pinjaman yang belum diamortisasi	(14.226)	(54.585)	(35.834)	(23.626)	Less unamortized loan transaction cost
<b>Nilai tercatat</b>	<b>6.386.810</b>	<b>12.633.950</b>	<b>14.037.368</b>	<b>5.251.360</b>	<b>Carrying amount</b>

**15. SHORT-TERM BANK LOANS**

This account consists of:

**PT SOECHI LINES TBK DAN ENTITAS ANAK  
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**15. PINJAMAN BANK JANGKA PENDEK (lanjutan)**

Rincian pinjaman bank jangka pendek berdasarkan mata uang adalah sebagai berikut:

**15. SHORT-TERM BANK LOANS (continued)**

The details of short-term bank loans based on currencies are as follows:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
<b>Entitas Anak</b>					<b>The Subsidiaries</b>
<u>Rupiah</u>					<u>Rupiah</u>
<i>Revolving Loan</i>					<i>Revolving Loan</i>
PT Bank Mandiri (Persero) Tbk (2014, 2013, 2012 dan 2011: Rp4.800.000.000)	401.036	393.798	496.381	529.333	PT Bank Mandiri (Persero) Tbk (2014, 2013, 2012 and 2011: Rp4,800,000,000)
PT Bank Artha Graha Internasional Tbk (2013 dan 2012: Rp37.000.000.000)	-	3.035.523	3.826.266	-	PT Bank Artha Graha Internasional Tbk (2013 and 2012 : Rp37,000,000,000)
PT Bank Jasa Jakarta (2013, 2012 dan 2011: Rp9.000.000.000)	-	738.371	930.714	992.501	PT Bank Jasa Jakarta (2013, 2012 and 2011: Rp9,000,000,000)
PT Bank Central Asia Tbk (2013, 2012 dan 2011: Rp5.000.000.000)	-	410.206	517.063	551.390	PT Bank Central Asia Tbk (2013, 2012 and 2011: Rp5,000,000,000)
<i>Cerukan</i>					<i>Bank Overdrafts</i>
PT Bank Central Asia Tbk (2013: Rp19.797.642.427, 2012: Rp16.413.749.493 dan 2011: Rp4.969.475.621)	-	1.624.222	1.697.389	548.023	PT Bank Central Asia Tbk (2013: Rp19,797,642,427, 2012: Rp16,413,749,493 and 2011: Rp4,969,475,621)
PT Bank OCBC NISP Tbk (2013: Rp4.989.855.684, 2012: Rp4.911.309.825 dan 2011: Rp4.995.738.230)	-	409.374	507.891	550.920	PT Bank OCBC NISP Tbk (2013: Rp4,989,855,684, 2012: Rp4,911,309,825 and 2011: Rp4,995,738,230)
PT Bank Jasa Jakarta (2013: Rp939.052.716, 2012: Rp942.805.576 dan 2011: Rp932.361.456)	-	77.041	97.498	102.819	PT Bank Jasa Jakarta (2013: Rp939,052,716, 2012: Rp942,805,576 and 2011: Rp932,361,456)
<u>Dolar AS</u>					<u>US Dollar</u>
<i>Revolving Loan</i>					<i>Revolving Loan</i>
PT Bank Artha Graha Internasional Tbk	6.000.000	6.000.000	6.000.000	2.000.000	PT Bank Artha Graha Internasional Tbk
Dikurangi biaya transaksi pinjaman yang belum diamortisasi	(14.226)	(54.585)	(35.834)	(23.626)	Less unamortized loan transaction cost
<b>Nilai tercatat</b>	<b>6.386.810</b>	<b>12.633.950</b>	<b>14.037.368</b>	<b>5.251.360</b>	<b>Carrying amount</b>

**a. PT Bank Artha Graha Internasional Tbk (BAG)**

**PT Sukses Osean Khatulistiwa Line (SOKL)**

Berdasarkan Akta Notaris Irma Bonita, S.H. No. 23 tanggal 10 November 2010, SOKL melakukan perjanjian kredit dengan BAG berupa fasilitas pinjaman *Revolving Loan* sebesar AS\$1.000.000. Fasilitas ini digunakan untuk membiayai modal kerja SOKL. Fasilitas ini telah diperpanjang sampai dengan tanggal 10 November 2014. Pinjaman ini dikenakan bunga sebesar 7,5% - 8% per tahun pada periode 2014 (2013: 7,5%; 2012 dan 2011: 8%). Saldo pinjaman pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011 sebesar AS\$1.000.000.

**a. PT Bank Artha Graha Internasional Tbk (BAG)**

**PT Sukses Osean Khatulistiwa Line (SOKL)**

Based on Notarial Deed No. 23 of Irma Bonita, S.H., dated November 10, 2010, SOKL entered into a loan agreement with BAG which is *Revolving Loan* credit facility with maximum credit limit of USD1,000,000. This facility is used to finance SOKL's working capital. The facility has been extended up to November 10, 2014. The loan bears interest rate at 7.5% - 8% per annum for period 2014 (2013: 7.5%; 2012 and 2011: 8%). The outstanding loan balance as of June 30, 2014, December 31, 2013, 2012 and 2011 amounted to USD1,000,000.

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**15. PINJAMAN BANK JANGKA PENDEK (lanjutan)**

**a. PT Bank Artha Graha Internasional Tbk (BAG) (lanjutan)**

**PT Sukses Osean Khatulistiwa Line (SOKL) (lanjutan)**

Berdasarkan Akta Notaris Emmy Halim, S.H., Mkn., No. 87 tanggal 21 November 2011, SOKL melakukan perjanjian kredit dengan BAG berupa tambahan fasilitas pinjaman *Revolving Loan II* sebesar AS\$1.000.000. Fasilitas ini digunakan untuk membiayai modal kerja SOKL. Fasilitas ini telah diperpanjang sampai dengan tanggal 10 November 2014. Pinjaman ini dikenakan bunga sebesar 7,5% - 8% per tahun pada periode 2014 (2013: 7,5%; 2012 dan 2011: 8%). Saldo pinjaman pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011 sebesar AS\$1.000.000.

Berdasarkan Akta Notaris Emmy Halim, S.H., Mkn., No. 135 tanggal 20 Juli 2012, SOKL melakukan perjanjian kredit dengan BAG berupa tambahan fasilitas pinjaman *Revolving Loan III* sebesar Rp37.000.000.000. Fasilitas ini digunakan untuk membiayai modal kerja SOKL. Fasilitas ini telah diperpanjang sampai dengan tanggal 20 Juli 2014. Pinjaman ini dikenakan bunga sebesar 14,5% per tahun pada periode 2014 (2013: 12% - 14,5% dan 2012: 8%). Saldo pinjaman pada tanggal 30 Juni 2014, 31 Desember 2013 dan 2012 masing-masing sebesar nihil, Rp37.000.000.000 (ekuivalen AS\$3.035.523) dan Rp37.000.000.000 (ekuivalen AS\$3.826.266).

Berdasarkan Akta Notaris Emmy Halim, S.H., Mkn., No. 135 tanggal 20 Juli 2012, SOKL melakukan perjanjian kredit dengan BAG berupa tambahan fasilitas pinjaman *Revolving Loan IV* sebesar AS\$4.000.000. Fasilitas ini digunakan untuk membiayai modal kerja SOKL. Fasilitas ini telah diperpanjang sampai dengan tanggal 20 Juli 2014. Pinjaman ini dikenakan bunga sebesar 7,5% - 8% per tahun pada periode 2014 (2013: 7,5% dan 2012: 8%). Saldo pinjaman pada tanggal 30 Juni 2014, 31 Desember 2013 dan 2012 sebesar AS\$4.000.000.

Pinjaman ini dijamin dengan jaminan yang sama dengan pinjaman jangka panjang SOKL dari bank yang sama (Catatan 21).

Perjanjian pinjaman mencakup pembatasan berupa *negative covenant* yang sama dengan pinjaman jangka panjang SOKL kepada BAG (Catatan 21).

**15. SHORT-TERM BANK LOANS (continued)**

**a. PT Bank Artha Graha Internasional Tbk (BAG) (continued)**

**PT Sukses Osean Khatulistiwa Line (SOKL) (continued)**

Based on Notarial Deed No. 87 of Emmy Halim, S.H., Mkn., dated November 21, 2011, SOKL entered into a loan agreement with BAG which is additional *Revolving Loan II* credit facility with maximum credit limit of USD1,000,000. This facility is used to finance SOKL's working capital. The facility has been extended until November 10, 2014. The loan bears interest rate at 7.5% - 8% per annum for period 2014 (2013: 7.5%; 2012 and 2011: 8%). The outstanding loan balance as of June 30, 2014, December 31, 2013, 2012 and 2011 amounted to USD1,000,000.

Based on Notarial Deed No. 135 of Emmy Halim, S.H., Mkn., dated July 20, 2012, SOKL entered into a loan agreement with BAG which is additional *Revolving Loan III* credit facility with maximum credit limit of Rp37,000,000,000. This facility is used to finance SOKL's working capital. The facility has been extended until July 20, 2014. The loan bears interest rate at 14,5% per annum for period 2014 (2013: 12% - 14.5% and 2012: 8%). The outstanding loan balance as of June 30, 2014, December 31, 2013 and 2012 amounted to null, Rp37,000,000,000 (equivalent to USD3,035,523) and Rp37,000,000,000 (equivalent to USD3,826,266), respectively.

Based on Notarial Deed No. 135 of Emmy Halim, S.H., Mkn., dated July 20, 2012, SOKL entered into a loan agreement with BAG which is additional *Revolving Loan IV* credit facility with maximum credit limit of USD4,000,000. This facility is used to finance SOKL's working capital. The facility has been extended until July 20, 2014. The loan bears interest rate at 7.5% - 8% per annum for period 2014 (2013: 7.5% and 2012: 8%). The outstanding loan balance as of June 30, 2014, December 31, 2013 and 2012 amounted to USD4,000,000.

The loan is secured by the same collateral used in SOKL's long-term bank loans from the same bank (Note 21).

The loan agreement includes the same negative covenants and ratios fulfillment with SOKL's long-term bank loans to BAG (Note 21).

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**15. PINJAMAN BANK JANGKA PENDEK (lanjutan)**

**b. PT Bank Central Asia Tbk (BCA)**

**PT Inti Energi Line (IEL)**

Berdasarkan Akta Notaris Sri Buena Brahmata, S.H., M.Kn., No. 5 tanggal 1 Agustus 2008, IEL melakukan perjanjian kredit dengan BCA berupa fasilitas *time revolving* sebesar Rp5.000.000.000. Fasilitas ini merupakan fasilitas "*joint borrower*" dengan SOKL dan digunakan untuk membiayai modal kerja IEL. Fasilitas ini telah diperpanjang sampai dengan tanggal 10 Desember 2014. Pinjaman ini dikenakan bunga sebesar 11,25% - 12,25% pada periode 2014 (2013: 10,25% - 11,25% dan 2012 dan 2011: 10,25%). Pinjaman ini dijamin dengan jaminan yang sama dengan pinjaman jangka panjang IEL dari bank yang sama (Catatan 21). Saldo pinjaman pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011 masing-masing sebesar nihil, Rp5.000.000.000 (ekuivalen AS\$410.206), Rp5.000.000.000 (ekuivalen AS\$517.063) dan Rp5.000.000.000 (ekuivalen AS\$551.390).

**PT Sukses Osean Khatulistiwa Line (SOKL)**

Berdasarkan Akta Notaris Drs. Gunawan Tedjo, S.H., M.H., No. 3, tanggal 3 Juli 2006, SOKL melakukan perjanjian kredit dengan BCA berupa fasilitas Kredit Lokal (Cerukan) sebesar Rp5.000.000.000. Fasilitas ini digunakan untuk membiayai modal kerja SOKL. Pada tanggal 6 Februari 2012 (berdasarkan Akta Notaris No. 18), BCA memberikan persetujuan atas penambahan plafon kredit menjadi Rp20.000.000.000. Fasilitas ini telah diperpanjang sampai dengan tanggal 10 Desember 2014. Pinjaman ini dikenakan bunga sebesar 12,25% pada periode 2014 (2013: 10,25% - 11,25%, 2012 dan 2011: 10,25%). Saldo pinjaman pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011 masing-masing sebesar nihil, Rp19.797.642.427 (ekuivalen AS\$1.624.222), Rp16.413.749.493 (ekuivalen AS\$1.697.389) dan Rp4.969.475.621 (ekuivalen AS\$548.023).

Fasilitas pinjaman ini dijamin oleh tanah dan bangunan milik Paulus Utomo dan Go Darmadi dan jaminan pribadi dari Paulus Utomo dan Go Darmadi.

**15. SHORT-TERM BANK LOANS (continued)**

**b. PT Bank Central Asia Tbk (BCA)**

**PT Inti Energi Line (IEL)**

Based on Notarial Deed No. 5 of Sri Buena Brahmata, S.H., M.Kn., dated August 1, 2008, IEL entered into a loan agreement with BCA which is *time revolving credit facility* with maximum credit limit of Rp5,000,000,000. The facility is "*joint borrower*" with SOKL and used to finance IEL's working capital. The facility has been extended up to December 10, 2014. The loan bears interest rate at 11.25% - 12.25% for period 2014 (2013: 10.25% - 11.25% and 2012 and 2011: 10.25%). The loan is secured by the same collaterals used in the the IEL's long-term bank loans from the same bank (Note 21). The outstanding loan balance as of June 30, 2014, December 31, 2013, 2012 and 2011 amounted to null, Rp5,000,000,000 (equivalent to USD410,206), Rp5,000,000,000 (equivalent to USD517,063) and Rp5,000,000,000 (equivalent to USD551,390), respectively.

**PT Sukses Osean Khatulistiwa Line (SOKL)**

Based on Notarial Deed No. 3 of Drs. Gunawan Tedjo, S.H., M.H., dated July 3, 2006, SOKL entered into a loan agreement with BCA which is Local Credit facility (*Overdraft*) with maximum credit limit of Rp5,000,000,000. The facility is used to finance SOKL's working capital. On February 6, 2012 (based on Notarial Deed No. 18), BCA gave approval for the increase on the credit plafond to Rp20,000,000,000. The facility has been extended up to December 10, 2014. The loan bears interest rate at 12.25% for period 2014 (2013: 10.25% - 11.25%, 2012 and 2011: 10.25%). The outstanding loan balance as of June 30, 2014, December 31, 2013, 2012 and 2011 amounted to null, Rp19,797,642,427 (equivalent to USD1,624,222), Rp16,413,749,493 (equivalent to USD1,697,389) and Rp4,969,475,621 (equivalent USD548,023), respectively.

The loan facility is secured by the lands and buildings owned by Paulus Utomo and Go Darmadi and personal guarantee from Paulus Utomo and Go Darmadi.

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**15. PINJAMAN BANK JANGKA PENDEK (lanjutan)**

**b. PT Bank Central Asia Tbk (BCA) (lanjutan)**

**PT Sukses Osean Khatulistiwa Line (SOKL)  
(lanjutan)**

Selama periode perjanjian kredit, SOKL tanpa pemberitahuan tertulis kepada BCA tidak boleh melakukan hal-hal antara lain mengikatkan diri sebagai penanggung/penjamin untuk menjamin utang perusahaan afiliasi SOKL atau pihak lain, mengagunkan saham SOKL kepada pihak lain, meminjamkan uang kepada pemegang saham atau perusahaan afiliasi SOKL, melakukan investasi, penyertaan atau membuka usaha baru, menjual atau melepaskan harta tidak bergerak atau harta kekayaan utama, melakukan peleburan, penggabungan, pengambilalihan atau pembubaran, mengubah status kelembagaan, anggaran dasar, susunan Direksi dan Dewan Komisaris serta para pemegang saham, melakukan pembayaran dividen melebihi 50% dari laba bersih tahun berjalan dan melakukan pembayaran utang pemegang saham.

Pada tanggal 10 Desember 2012, BCA memberikan persetujuan kepada SOKL berkaitan dengan perubahan modal dasar dan modal disetor, perubahan komposisi pemegang saham dan pembagian dividen di 2012.

SOKL harus menjaga rasio keuangan antara lain total utang terhadap modal, maksimal sebesar 2,5 (dua koma lima) kali, *EBITDA to Interest Ratio*, minimal sebesar 3 (tiga) kali dan *(EBITDA minus Tax) to (Interest plus Principle Installment) Ratio*, minimal sebesar 1 (satu) kali.

Pada tanggal 12 September 2013, BCA memberikan persetujuan (*waiver*) kepada SOKL terhadap tidak terpenuhinya persyaratan keuangan untuk kondisi usaha tahun 2012.

Selain *waiver* tersebut di atas, manajemen SOKL berpendapat bahwa seluruh persyaratan kepatuhan telah dipenuhi pada tanggal laporan posisi keuangan konsolidasian.

**15. SHORT-TERM BANK LOANS (continued)**

**b. PT Bank Central Asia Tbk (BCA)  
(continued)**

**PT Sukses Osean Khatulistiwa Line (SOKL)  
(continued)**

During the period of the loan, SOKL without written notification to BCA is not allowed to carry out the following activities, such as act as underwriter/guarantor to guarantee debt of SOKL's affiliated companies or others, pledge SOKL's shares to other parties, lend money to SOKL's shareholders or its affiliated companies, invest in or create a new business other than currently held, sell or dispose the immovable assets or the main assets, do merger, consolidation, acquisition, or liquidation, amend the status of institution, Articles of Association, Boards of Commissioners and Directors, and shareholders structure, distribute dividends for more than 50% from current year net income and pay debt to shareholders.

On December 10, 2012, BCA gave approval to SOKL related to the changes in authorized and paid-in capital, changes in shareholder's composition and dividend payment in 2012.

SOKL must maintain the following financial ratios such as debt to Equity Ratio, maximum of 2.5 (two point five) times, *EBITDA to Interest Ratio*, minimum of 3 (three) times and *(EBITDA minus Tax) to (Interest plus Principle Installment) Ratio*, minimum of 1 (one) times.

On September 12, 2013, BCA gave approval (*waiver*) to SOKL related with the un-fulfilment of financial covenant on business condition for the year 2012.

Except for the *waiver* stated above, SOKL's management is of the opinion that all compliance requirements are met as of consolidated statement of financial position date.

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**15. PINJAMAN BANK JANGKA PENDEK (lanjutan)**

**c. PT Bank Jasa Jakarta (BJJ)**

**PT Multi Ocean Shipyard (MOS)**

MOS memperoleh fasilitas kredit dari BJJ pada tanggal 18 November 2010 sebesar Rp10.000.000.000 yang terdiri dari fasilitas cerukan Rp1.000.000.000 dan revolving loan Rp9.000.000.000. Fasilitas ini digunakan untuk membiayai modal kerja MOS. Fasilitas ini telah diperpanjang sampai dengan tanggal 18 November 2014. Pinjaman ini dikenakan bunga sebesar 10% - 12% per tahun pada periode 2014 (2013: 10% - 12%, 2012 dan 2011: 10%). Pinjaman ini dijamin dengan sertifikat Hak Guna Bangunan No. 2672, Mangga Dua Selatan, Jakarta Pusat yang tercatat atas nama Go Darmadi.

Selama periode perjanjian kredit, MOS tanpa pemberitahuan tertulis kepada BJJ, tidak boleh melakukan hal-hal antara lain membubarkan badan usaha MOS, melakukan merger atau akuisisi dengan perusahaan lain, mengalihkan kepemilikan MOS kepada pihak lain di luar pemegang saham sekarang, melakukan pembayaran sebelum jatuh tempo (*prepayment*), membagikan dividen atau sejenisnya untuk jumlah di atas 50% dari pendapatan bersih tahun berjalan, melakukan investasi di luar bidang usaha Perusahaan, menjaminkan jaminan kepada bank lain dan/atau pihak ketiga, menarik dana melampaui plafond yang telah ditentukan oleh BJJ dan merubah bentuk dan/atau status Perseroan.

Saldo cerukan pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011 masing-masing sebesar nihil, Rp939.052.716 (ekuivalen AS\$77.041), Rp942.805.576 (ekuivalen AS\$97.498) dan Rp932.361.456 (ekuivalen AS\$102.819).

Saldo revolving loan pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011 masing-masing sebesar nihil, Rp9.000.000.000 (ekuivalen AS\$738.371), Rp9.000.000.000 (ekuivalen AS\$930.714) dan Rp9.000.000.000 (ekuivalen AS\$992.501).

Manajemen MOS berpendapat bahwa seluruh persyaratan kepatuhan telah dipenuhi pada tanggal laporan posisi keuangan konsolidasian.

**15. SHORT-TERM BANK LOANS (continued)**

**c. PT Bank Jasa Jakarta (BJJ)**

**PT Multi Ocean Shipyard (MOS)**

MOS obtained a credit loan facility from BJJ on November 18, 2010 with maximum credit limit of Rp10,000,000,000 which consists of overdraft facility of Rp1,000,000,000 and revolving loan facility of Rp9,000,000,000. The facility is used to finance the MOS's working capital. The facility has been extended until November 18, 2014. The loan bears annual interest rate at 10% - 12% per annum for period 2014 (2013: 10% - 12%, 2012 and 2011: 10%). It is secured by the certificate of Hak Guna Bangunan No. 2672, Mangga Dua Selatan, Jakarta Pusat which was registered in name of Go Darmadi.

During the period of the loan, MOS without written notification to BJJ, is not allowed to carry out the following activities, such as dissolve MOS, do merger or acquisition with other company, divert MOS's ownership to other parties aside from the current shareholders, pay before due date (*prepayment*), pay dividend or other similar payment of an amount above 50% from current year's net revenue, invest in other than MOS's business fields, Pledge collateral to other bank and/or to any other third party, draw fund over the limit that has been specified by BJJ and change the form and/or the status of the Company.

The outstanding overdraft balance as of June 30, 2014, December 31, 2013, 2012 and 2011 amounted to null, Rp939,052,716 (equivalent to USD77,041), Rp942,805,576 (equivalent to USD97,498) and Rp932,361,456 (equivalent to USD102,819), respectively.

The outstanding revolving loan balance as of June 30, 2014, December 31, 2013, 2012 and 2011 amounted to null, Rp9,000,000,000 (equivalent USD738,371), Rp9,000,000,000 (equivalent USD930,714) and Rp9,000,000,000 (equivalent USD992,501), respectively.

MOS's management is of the opinion that all compliance requirements are met as of consolidated statement of financial position date.

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**15. PINJAMAN BANK JANGKA PENDEK (lanjutan)**

**d. PT Bank OCBC NISP Tbk (OCBC)**

**PT Sukses Osean Khatulistiwa Line (SOKL)**

Berdasarkan Akta Notaris Veronica Nataadmadja, S.H., M. Corp. Admin, M. Com., No. 6 tanggal 7 Oktober 2011, SOKL melakukan perjanjian kredit dengan OCBC berupa fasilitas pinjaman Rekening Koran maksimal sebesar Rp5.000.000.000. Fasilitas ini digunakan untuk membiayai modal kerja SOKL. Fasilitas ini telah diperpanjang sampai dengan tanggal 7 Oktober 2014.

Pinjaman ini dikenakan bunga sebesar 10% per tahun pada periode 2014 (2013: 10% - 11,70%, 2012 dan 2011: 10%). Pinjaman ini dijamin dengan jaminan yang sama dengan pinjaman jangka panjang SOKL dari bank yang sama (Catatan 21). Saldo pinjaman pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011 masing-masing sebesar nihil, Rp4.989.855.684 (ekuivalen AS\$409.374), Rp4.911.309.825 (ekuivalen AS\$507.891) dan Rp4.995.738.230 (ekuivalen AS\$550.920).

Perjanjian pinjaman mencakup pembatasan berupa *negative covenant* dan pemenuhan rasio keuangan yang sama dengan pinjaman jangka panjang SOKL kepada OCBC (Catatan 21).

**e. PT Bank Mandiri (Persero) Tbk (Mandiri)**

**PT Sukses Osean Khatulistiwa Line (SOKL)**

Berdasarkan Akta Notaris Aliya S. Azhar, S.H., M.H., M.Kn. No. 67 tanggal 28 Oktober 2009, SOKL melakukan perjanjian kredit dengan Mandiri berupa fasilitas pinjaman Kredit Modal Kerja (KMK) sebesar maksimal Rp4.800.000.000. Fasilitas ini digunakan untuk membiayai modal kerja SOKL. Fasilitas ini telah diperpanjang sampai dengan tanggal 27 Oktober 2014. Pinjaman ini dikenakan bunga sebesar 11% per tahun pada periode 2014 (2013: 10,50% - 12,50%, 2012 dan 2011: 10,25%) dan dijamin dengan jaminan yang sama dengan pinjaman jangka panjang SOKL dari bank yang sama (Catatan 21).

**15. SHORT-TERM BANK LOANS (continued)**

**d. PT Bank OCBC NISP Tbk (OCBC)**

**PT Sukses Osean Khatulistiwa Line (SOKL)**

Based on Notarial Deed No. 6 of Veronica Nataadmadja, S.H., M. Corp. Admin, M. Com., dated October 7, 2011, SOKL entered into a loan agreement with OCBC which is Bank Overdraft credit facility with maximum credit limit of Rp5,000,000,000. The facility is used to finance SOKL's working capital. The facility has been extended until to October 7, 2014.

The loan bears interest rate at 10% per annum for period 2014 (2013: 10% - 11.70%, 2012 and 2011: 10%). The loan is secured by the same collateral used in SOKL's long-term bank loans from the same bank (Note 21). The outstanding balance of loan as of of June 30, 2014, December 31, 2013 and 2012 amounted to null, Rp4,989,855,684 (equivalent to USD409,374), Rp4,911,309,825 (equivalent to USD507,891) and Rp4,995,738,230 (equivalent to USD550,920), respectively.

The loan agreement includes the same negative covenants and financial ratios fulfillment with the SOKL's long-term bank loans to OCBC (Note 21).

**e. PT Bank Mandiri (Persero) Tbk (Mandiri)**

**PT Sukses Osean Khatulistiwa Line (SOKL)**

Based on Notarial Deed No. 67 of Aliya S. Azhar, S.H., M.H., M.Kn., dated October 28, 2009, SOKL entered into a loan agreement with Mandiri which is Working Capital Credit facility with maximum credit limit of Rp4,800,000,000. The facility is used to finance SOKL's working capital. The facility has been extended until October 27, 2014. The loan bears interest rate at 11% per annum for period 2014 (2013: 10.50% - 12.50%, 2012 and 2011: 10.25%) and is secured by the same collateral used in SOKL's long-term bank loans from the same bank (Note 21).

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**15. PINJAMAN BANK JANGKA PENDEK (lanjutan)**

**e. PT Bank Mandiri (Persero) Tbk (Mandiri)**

**PT Sukses Ocean Khatulistiwa Line (SOKL)  
(lanjutan)**

Saldo pinjaman pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011 adalah masing-masing sebesar Rp4.800.000.000 (ekuivalen AS\$401.036), Rp4.800.000.000 (ekuivalen AS\$393.798), Rp4.800.000.000 (ekuivalen AS\$496.381) dan Rp4.800.000.000 (ekuivalen AS\$529.333).

Perjanjian pinjaman mencakup pembatasan berupa *negative covenant* yang sama dengan pinjaman jangka panjang SOKL kepada Mandiri (Catatan 21).

**15. SHORT-TERM BANK LOANS (continued)**

**e. PT Bank Mandiri (Persero) Tbk (Mandiri)**

**PT Sukses Ocean Khatulistiwa Line (SOKL)  
(continued)**

The outstanding loan as of June 30, 2014, December 31, 2013, 2012 and 2011 amounted to Rp4,800,000,000 (equivalent USD401,036), Rp4,800,000,000 (equivalent to USD393,798), Rp4,800,000,000 (equivalent to USD496,381) and Rp4,800,000,000 (equivalent to USD529,333), respectively.

The loan agreement includes the same negative covenants with SOKL's long-term bank loans to Mandiri (Note 21).

**16. UTANG USAHA**

Akun ini terdiri dari:

**16. TRADE PAYABLES**

This account consists of:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
Pihak ketiga					Third parties
Cosco (Zhouzan)					Cosco (Zhouzan)
Shipyards Pte., Ltd.	1.436.500	-	-	-	Shipyards Pte., Ltd.
Harwil Pte., Ltd.	1.076.405	1.564.110	-	-	Harwil Pte., Ltd.
PT Pertamina (Persero)	1.062.998	-	5.168	4.328	PT Pertamina (Persero)
Jurong Shipyards Pte., Ltd.	320.254	592.436	1.248.989	-	Jurong Shipyards Pte., Ltd.
PT Rivan Samudera Kencana	308.170	151.846	91.754	-	PT Rivan Samudera Kencana
ASL Shipyards Pte., Ltd.	240.183	315.957	-	-	ASL Shipyards Pte., Ltd.
PT Bandar Abadi	218.816	311.581	189.445	19.265	PT Bandar Abadi
Seabridge Bunkering Pte., Ltd.	201.719	-	-	-	Seabridge Bunkering Pte., Ltd.
Wartsila Singapore Pte., Ltd.	170.892	292.231	148.852	43.464	Wartsila Singapore Pte., Ltd.
PT Samudra Marine Indonesia	136.167	117.862	384.576	-	PT Samudra Marine Indonesia
Atlantic Shipping Pvt. Ltd.	8.806	342.871	-	-	Atlantic Shipping Pvt. Ltd.
KPI Bridge Oil Singapore Pte., Ltd.	-	942.676	-	-	KPI Bridge Oil Singapore Pte., Ltd.
Frontline Shipping Limited	-	247.500	-	-	Frontline Shipping Limited
J.M Baxi & Co.	-	209.879	-	-	J.M Baxi & Co.
PT Arghaniaga Panca Tunggal O. W. Bunker Far East (S) Pte., Ltd.	-	-	232.721	109.707	PT Arghaniaga Panca Tunggal O. W. Bunker Far East (S) Pte., Ltd.
Bunker Marine Pte., Ltd.	-	-	-	369.529	Bunker Marine Pte., Ltd.
United Bunkering & Trading (Asia) Pte., Ltd.	-	-	-	276.650	United Bunkering & Trading (Asia) Pte., Ltd.
Lain-lain (masing-masing dibawah AS\$200.000)	3.264.748	3.223.724	2.889.802	1.838.769	Others (each below USD200,000)
Sub-total pihak ketiga	8.445.658	8.312.673	5.191.307	2.866.642	Sub-total third parties
Pihak berelasi (Catatan 20)	256.032	769.745	390.849	367.589	Related parties (Note 20)
<b>Total</b>	<b>8.701.690</b>	<b>9.082.418</b>	<b>5.582.156</b>	<b>3.234.231</b>	<b>Total</b>

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**16. UTANG USAHA (lanjutan)**

Rincian utang usaha berdasarkan mata uang adalah sebagai berikut:

**16. TRADE PAYABLES (continued)**

The details of trade payables based on currencies are as follows:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
<b>Pihak ketiga</b>					<b>Third parties</b>
Dolar AS	4.171.719	3.244.051	910.174	1.322.723	US Dollar
Dolar Singapura (2014: SGD2.731.760, 2013: SGD1.728.758, 2012: SGD2.564.280 dan 2011: SGD317.072)	2.187.103	1.365.531	2.096.821	243.868	Singapore Dollar (2014: SGD2,731,760, 2013: SGD1,728,758, 2012: SGD2,564,280 and 2011:SGD317,072)
Rupiah (2014: Rp18.210.354.740, 2013: Rp39.944.392.660, 2012: Rp18.403.952.275 dan 2011: Rp9.770.678.327)	1.521.460	3.277.084	1.903.201	1.077.490	Rupiah (2014: Rp18,210,354,740, 2013: Rp39,944,392,660, 2012: Rp18,403,952,275 and 2011:Rp9,770,678,327)
Yen Jepang (2014: JPY27.893.427, 2013: JPY30.726.100, 2012: JPY16.528.743 dan 2011: JPY14.137.637)	275.342	292.842	191.384	182.107	Japanese Yen (2014: JPY27,893,427, 2013: JPY30,726,100, 2012: JPY16,528,743 and 2011:JPY14,137,637)
Euro Eropa (2014: EUR163.562, 2013: EUR64.244, 2012: EUR43.743 dan 2011: EUR31.249)	223.198	88.660	57.947	40.454	European Euro (2014: EUR163,562, 2013: EUR64,244, 2012: EUR43,743 and 2011:EUR31,249)
Riyal Arab Saudi (2014: SAR134.840 dan 2013: SAR47.929)	35.953	12.780	-	-	Saudi Arabian Riyal (2014: SAR134,840 and 2013: SAR47,929)
Krona Norwegia (2014: NOK121.126 dan 2013: NOK11.000)	19.764	1.810	-	-	Norwegian Kroner (2014: NOK121,126 and (2013: NOK11,000)
Dolar Hongkong (HKD64.358)	8.303	-	-	-	Hongkong Dollar (HKD64.358)
Poundsterling Inggris (2014: GBP1.654 dan 2013: GBP9.749)	2.816	16.074	-	-	Great Britain Poundsterling (2014: GBP1,654 and 2013: GBP9,749)
Franc Swiss (2013: CHF12.036 dan 2012: CHF29.000)	-	13.559	31.780	-	Swiss Franc (2013: CHF12,036 and 2012: CHF29,000)
Baht Thailand (THB9.220)	-	282	-	-	Thailand Baht (THB9,220)
<b>Sub-total pihak ketiga</b>	<b>8.445.658</b>	<b>8.312.673</b>	<b>5.191.307</b>	<b>2.866.642</b>	<b>Sub-total third parties</b>
<b>Pihak-pihak berelasi</b>					<b>Related parties</b>
Rupiah (2014: Rp3.064.435.039, 2013: Rp9.382.429.341, 2012: Rp3.779.502.477 dan 2011: Rp3.333.301.952)	256.032	769.745	390.849	367.589	Rupiah (2014: Rp3,064,435,039, 2013: Rp9,382,429,341, 2012: Rp3,779,502,477 and 2011: Rp3,333,301,952)
<b>Total</b>	<b>8.701.690</b>	<b>9.082.418</b>	<b>5.582.156</b>	<b>3.234.231</b>	<b>Total</b>

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**17. UTANG LAIN-LAIN**

Akun ini terdiri dari:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
Pihak ketiga					Third parties
Harwil Pte., Ltd.	1.760.701	389.559	702.878	1.011.324	Harwil Pte., Ltd.
Tristar Victory Trading Pte., Ltd.	543.991	1.737.001	-	-	Tristar Victory Trading Pte., Ltd.
Pemerintah Daerah Karimun	213.820	210.025	264.735	282.311	Pemerintah Daerah Karimun
PT Karsa Wiyana	-	-	2.683.123	-	PT Karsa Wiyana
Lain-lain (masing-masing dibawah AS\$100.000)	871.544	658.503	245.796	618.728	Others (each below USD100,000)
<b>Total</b>	<b>3.390.056</b>	<b>2.995.088</b>	<b>3.896.532</b>	<b>1.912.363</b>	<b>Total</b>

Utang kepada Harwil Pte., Ltd., Tristar Victory Trading Pte., Ltd. dan PT Karsa Wiyana merupakan utang yang timbul dari transaksi pembelian aset tetap Entitas Anak

**17. OTHER PAYABLES**

This account consists of:

The payables to Harwil Pte., Ltd., Tristar Victory Trading Pte., Ltd. and PT Karsa Wiyana represent purchase of Subsidiaries's fixed asset.

**18. PERPAJAKAN**

a. Utang Pajak

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
Pajak Pertambahan Nilai	120.435	84.775	159.078	2.071.549	Value-Added Tax
Pajak penghasilan:					Income taxes:
Pasal 15 (final)	111.683	92.906	92.949	51.898	Article 15 (final)
Pasal 23	18.082	27.562	11.666	5.373	Article 23
Pasal 25	225	259	-	-	Article 25
Pasal 29	19.709	3.095	5.373	-	Article 29
Pasal 21	24.845	22.758	42.235	37.653	Article 21
Pasal 4 (2) (final)	9	4.298	15.109	1.241	Article 4 (2) (final)
<b>Total</b>	<b>294.988</b>	<b>235.653</b>	<b>326.410</b>	<b>2.167.714</b>	<b>Total</b>

b. Pajak Dibayar Dimuka

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
Pajak Pertambahan Nilai	867.412	531.214	169.319	2.880	Value-Added Tax

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**18. PERPAJAKAN (lanjutan)**

**18. TAXATION (continued)**

c. Manfaat (Beban) Pajak

c. Tax Benefit (Expense)

Manfaat (beban) pajak Perusahaan dan Entitas Anak terdiri dari:

Tax benefit (expense) of the Company and Subsidiaries are as follows:

	30 Juni/June 30,		31 Desember/December 31,			
	2014	2013	2013	2012	2011	
<b>Final</b>						<b>Final</b>
Entitas Anak	(562.326)	(514.704)	(1.082.557)	(855.090)	(792.864)	Subsidiaries
<b>Kini</b>						<b>Current</b>
Perusahaan	(3.280)	(6.598)	(8.688)	(5.819)	-	The Company
Entitas Anak	(15.319)	(123.439)	(898)	(2.036)	-	Subsidiaries
Sub-total	(18.599)	(130.037)	(9.586)	(7.855)	-	Sub-total
<b>Tangguhan</b>						<b>Deferred</b>
Perusahaan	384	7.575	8.373	-	-	The Company
Entitas Anak	(320.973)	31.047	1.081.209	87.633	266.996	Subsidiaries
Sub-total	(320.589)	38.622	1.089.582	87.633	266.996	Sub-total
<b>Beban pajak - neto</b>	<b>(901.514)</b>	<b>(606.119)</b>	<b>(2.561)</b>	<b>(775.312)</b>	<b>(525.868)</b>	<b>Tax expense - net</b>

d. Pajak penghasilan pasal 15 (Final)

d. Income tax article 15 (Final)

Entitas anak, kecuali MOS dan SIM, bergerak di bidang pelayaran yang dikenakan PPh pasal 15 final sebesar 1,2% dari peredaran bruto sesuai Keputusan Menteri Keuangan No. 416/KMK.04/1996 tanggal 14 Juni 1996 dan SE-29/PJ.4/1996 tanggal 13 Agustus 1996.

The Subsidiaries, except MOS and SIM, are engaged in shipping, which is subject to income tax article 15 final rate of 1.2% from gross income based on Finance Ministry Decisions No. 416/KMK.04/1996 dated June 14, 1996 and SE-29/PJ.4/1996 dated August 13, 1996.

Perhitungan pajak penghasilan final sehubungan dengan pengoperasian kapal Entitas Anak adalah sebagai berikut:

The calculation of the final income tax in connection with the operation of the Subsidiaries is as follows:

	30 Juni/ June 30, 2014		31 Desember/December 31,			
	2014	2013	2013	2012	2011	
Total pendapatan neto menurut laporan laba rugi komprehensif konsolidasian	54.771.034	106.404.574	71.391.473	65.131.767		Total net revenues per consolidated statements of comprehensive income
Eliminasi dan penyesuaian	4.234.800	8.904.433	4.218.311	940.193		Elimination and adjustments
Pendapatan yang tidak dikenakan pajak final:						Revenues not subjected to final tax of:
Perusahaan	(169.000)	(442.565)	(124.592)	-		the Company
Entitas Anak	(11.976.339)	(24.653.360)	(4.227.664)	-		Subsidiaries
Pendapatan dari sewa kapal dan jasa pengangkutan	46.860.495	90.213.082	71.257.528	66.071.960		Revenues from vessel rental and freight services
PPh pasal 15 (final) sebesar 1,2%	562.326	1.082.557	855.090	792.864		Income tax article 15 (final) at 1.2%
PPh pasal 15 (final) yang dipotong pada tahun berjalan	(450.643)	(989.651)	(762.141)	(740.966)		Income tax article 15 (final) which already withheld in current year
<b>Utang pajak penghasilan pasal 15 (final)</b>	<b>111.683</b>	<b>92.906</b>	<b>92.949</b>	<b>51.898</b>		<b>Income tax article 15 (final)</b>

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**18. PERPAJAKAN (lanjutan)**

**18. TAXATION (continued)**

e. Pajak Kini

e. Current Tax

Rekonsiliasi antara laba sebelum beban pajak penghasilan menurut laporan laba rugi komprehensif konsolidasian dengan taksiran laba kena pajak adalah sebagai berikut:

The reconciliation between income before income tax expense as shown in the consolidated statements of comprehensive income and estimated taxable income is as follows:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
Laba sebelum manfaat (beban) pajak penghasilan menurut laporan laba rugi komprehensif konsolidasian	16.515.734	30.256.771	11.300.688	8.278.121	Income before income tax benefit (expense) per consolidated statements of comprehensive income
Laba sebelum manfaat (beban) pajak penghasilan Entitas Anak	(16.787.205)	(30.742.088)	(12.831.213)	(8.302.430)	Income before income tax benefit (expense) of Subsidiaries
Eliminasi dan penyesuaian	264.020	226.894	18.443.150	24.262	Elimination and adjustments
Laba (rugi) sebelum manfaat (beban) pajak penghasilan Perusahaan	(7.451)	(258.423)	16.912.625	(47)	Income (loss) before income tax benefit (expense) of the Company
Beda temporer: Imbalan kerja	1.537	33.492	-	-	Temporary differences: Employees' benefit
Beda tetap: Pendapatan bunga	(62)	(1.205)	(704)	-	Permanent differences: Interest income
Rugi (laba) selisih kurs	-	219.142	(220.104)	47	Loss (gain) on foreign exchange
Pendapatan dividen	-	-	(16.648.469)	-	Dividend income
Lain-lain	32.214	76.497	3.203	-	Others
Beda tetap - neto	32.152	294.434	(16.866.074)	47	Permanent differences - net
Taksiran laba kena pajak Perusahaan	26.238	69.503	46.551	-	Estimated taxable income of the Company
Beban pajak kini: Perusahaan	3.280	8.688	5.819	-	Current tax expense: The Company
Entitas anak	15.319	898	2.036	-	Subsidiary
Total	18.599	9.586	7.855	-	
Pajak penghasilan dibayar dimuka Perusahaan: Pasal 23	640	7.644	2.482	-	Prepayments of income taxes of the Company: Article 23
Pasal 25	1.345	883	-	-	Article 25
Total	1.985	8.527	2.482	-	Total
Taksiran utang pajak penghasilan badan: Perusahaan	1.295	161	3.337	-	Estimated corporate income tax payables: The Company
Entitas Anak	15.319	898	2.036	-	Subsidiary
Tahun sebelumnya Perusahaan	16.614	1.059	5.373	-	Prior years The Company
Entitas Anak	161	-	-	-	Subsidiary
Total	2.934	2.036	-	-	
<b>Total</b>	<b>19.709</b>	<b>3.095</b>	<b>5.373</b>	<b>-</b>	<b>Total</b>

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**18. PERPAJAKAN (lanjutan)**

e. Pajak Kini (lanjutan)

Laba Kena Pajak Perusahaan untuk tahun fiskal 2013, 2012 dan 2011 seperti yang tercantum dalam tabel di atas menjadi dasar dalam pengisian Surat Pemberitahuan Tahunan PPh Badan yang disampaikan ke Kantor Pelayanan Pajak.

Undang-undang No. 36 Tahun 2008 pasal 31E menyatakan bahwa Wajib Pajak dalam negeri dengan pendapatan kotor kurang dari Rp50.000.000.000 akan mendapatkan fasilitas pajak dalam bentuk pengurangan tarif pajak yang berlaku dari laba kena pajak atas bagian dari pendapatan kotor sampai sebesar Rp4.800.000.000. Perusahaan menggunakan fasilitas ini dalam menghitung pajak kini untuk periode dan tahun yang berakhir pada tanggal-tanggal 30 Juni 2014, 31 Desember 2013 dan 2012.

f. Administrasi

Pada tahun 2013, Perusahaan dan Entitas-entitas Anak (ABPL, AMO, IEL, PUL, SML dan SOKL) telah memperoleh ijin untuk melakukan pelaporan perpajakan dalam mata uang Dolar AS\$ (mata uang fungsional) yang berlaku mulai tahun buku/pajak 2014.

g. Pajak tangguhan

Aset dan manfaat pajak tangguhan atas beda temporer untuk periode dan tahun yang berakhir pada tanggal-tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011 adalah sebagai berikut:

**18. TAXATION (continued)**

e. Current Tax (continued)

Taxable income of the Company for fiscal years 2013, 2012 and 2011, resulting from the reconciliation as shown in the table above will be the basis for filing the Annual Tax Return (SPT) submitted to Tax Office.

Law No. 36 of 2008 article 31E states that the taxpayers with gross revenue of less than Rp50,000,000,000 will get the facility in the form of tax reductions on enacted tax rate of income tax on the taxable portion of gross revenue amounted to Rp4,800,000,000. The Company utilizes this facility in computing its current income tax for the period and years ended June 30, 2014, December 31, 2013 and 2012.

f. Administration

In 2013, the Company and Subsidiaries (ABPL, AMO, IEL, PUL, SML and SOKL) has obtained a permission to file its taxation in US Dollar (functional currency), effective starting fiscal year 2014.

g. Deferred tax

The deferred tax assets and tax benefits of temporary differences for the period and years ended June 30, 2014, December 31, 2013, 2012 and 2011 are as follows:

	30 Juni 2014/June 30, 2014				
	Saldo Awal / Beginning Balance	Dikreditkan ke Laporan Laba Rugi Komprehensif Konsolidasian/ Credited to Consolidated Statements of Comprehensive Income	Selisih Kurs/ Foreign Currency Differences	Saldo Akhir/ Ending Balance	
<b>Perusahaan</b>					<b>The Company</b>
Aset pajak tangguhan					Deferred tax assets
Imbalan kerja karyawan	8.373	384	-	8.757	Employees' benefits
<b>Entitas Anak</b>					<b>The Subsidiaries</b>
Aset pajak tangguhan					Deferred tax assets
Rugi fiskal	1.500.839	(321.274)	27.934	1.207.499	Fiscal loss
Imbalan kerja karyawan	18.924	301	-	19.225	Employees' benefits
<b>Aset pajak tangguhan</b>	<b>1.528.136</b>	<b>(320.589)</b>	<b>27.934</b>	<b>1.235.481</b>	<b>Deferred tax assets</b>

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**18. PERPAJAKAN (lanjutan)**

**18. TAXATION (continued)**

g. Pajak tangguhan (lanjutan)

g. Deferred tax (continued)

31 Desember 2013/December 31, 2013

	Saldo Awal / Beginning Balance	Dikreditkan ke Laporan Laba Rugi Komprehensif Konsolidasian / Credited to Consolidated Statements of Comprehensive Income	Selisih Kurs / Foreign Currency Differences	Saldo Akhir / Ending Balance	
<b>Perusahaan</b>					<b>The Company</b>
Aset pajak tangguhan					Deferred tax assets
Imbalan kerja karyawan	-	8.373	-	8.373	Employees' benefits
<b>Entitas Anak</b>					<b>The Subsidiaries</b>
Aset pajak tangguhan					Deferred tax assets
Rugi fiskal	531.010	1.079.569	(109.740)	1.500.839	Fiscal loss
Imbalan kerja karyawan	21.787	1.640	(4.503)	18.924	Employees' benefits
<b>Aset pajak tangguhan</b>	<b>552.797</b>	<b>1.089.582</b>	<b>(114.243)</b>	<b>1.528.136</b>	<b>Deferred tax assets</b>

31 Desember 2012/December 31, 2012

	Saldo Awal / Beginning Balance	Dikreditkan ke Laporan Laba Rugi Komprehensif Konsolidasian / Credited to Consolidated Statements of Comprehensive Income	Selisih Kurs / Foreign Currency Differences	Saldo Akhir / Ending Balance	
<b>Entitas Anak</b>					<b>The Subsidiaries</b>
Aset pajak tangguhan					Deferred tax assets
Rugi fiskal	496.045	65.846	(30.881)	531.010	Fiscal loss
Imbalan kerja karyawan	-	21.787	-	21.787	Employees' benefits
<b>Aset pajak tangguhan</b>	<b>496.045</b>	<b>87.633</b>	<b>(30.881)</b>	<b>552.797</b>	<b>Deferred tax assets</b>

31 Desember 2011/December 31, 2011

	Saldo Awal / Beginning Balance	Dikreditkan ke Laporan Laba Rugi Komprehensif Konsolidasian / Credited to Consolidated Statements of Comprehensive Income	Selisih Kurs / Foreign Currency Differences	Saldo Akhir / Ending Balance	
<b>Entitas Anak</b>					<b>The Subsidiaries</b>
Aset pajak tangguhan					Deferred tax assets
Rugi fiskal	231.010	266.996	(1.961)	496.045	Fiscal loss

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**18. PERPAJAKAN (lanjutan)**

g. Pajak tangguhan (lanjutan)

Rekonsiliasi antara taksiran pajak penghasilan yang dihitung dengan menggunakan tarif pajak yang berlaku dari laba akuntansi sebelum manfaat (beban) pajak penghasilan seperti yang tercantum dalam laporan laba rugi komprehensif konsolidasian untuk periode yang berakhir pada tanggal 30 Juni 2014 dan tahun yang berakhir pada tanggal-tanggal 31 Desember 2013, 2012 dan 2011 adalah sebagai berikut:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
Laba sebelum manfaat (beban) pajak penghasilan menurut laporan laba rugi komprehensif konsolidasian	16.515.734	30.256.771	11.300.688	8.278.121	Income before income tax benefit (expense) per consolidated statements of comprehensive income
Laba sebelum manfaat (beban) pajak penghasilan Entitas Anak	(16.787.205)	(30.742.088)	(12.831.213)	(8.302.430)	Income before income tax benefit (expense) of Subsidiaries
Eliminasi dan penyesuaian	264.020	226.894	18.443.150	24.262	Elimination and adjustments
Laba (rugi) sebelum manfaat (beban) pajak penghasilan Perusahaan	(7.451)	(258.423)	16.912.625	(47)	Income (loss) before income tax benefit (expense) of the Company
Manfaat (beban) pajak penghasilan dengan tarif pajak yang berlaku	1.862	64.606	(4.228.156)	12	Income tax benefit (expense) computed using the applicable tax rate
Pengaruh pajak atas:					Tax effects on:
Beda tetap	(8.038)	(73.609)	4.216.518	(12)	Permanent differences
Pengurangan tarif pajak	3.280	8.688	5.819	-	Tax rate deduction
Manfaat (beban) pajak penghasilan:					Income tax benefit (expense) of:
Perusahaan	(2.896)	(315)	(5.819)	-	The Company
Entitas anak - neto	(898.618)	(2.246)	(769.493)	(525.868)	Subsidiaries - net
Taksiran beban pajak penghasilan - neto menurut laporan laba rugi komprehensif konsolidasian	(901.514)	(2.561)	(775.312)	(525.868)	Estimated income tax expense - net per consolidated statements of comprehensive income

**18. TAXATION (continued)**

g. Deferred tax (continued)

The reconciliation between income tax expense computed using the applicable tax rates on the income before tax benefit (expense) reported in the consolidated statements of comprehensive income for the period ended June 30, 2014 and years ended December 31, 2013, 2012 and 2011 are as follows:

**19. BEBAN YANG MASIH HARUS DIBAYAR**

Akun ini terdiri dari:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
Beban operasional kapal	3.281.062	3.066.985	2.682.016	2.354.039	Operating costs of vessels
Gaji dan tunjangan	691.151	159.724	94.652	300.373	Salaries and allowances
Bunga dan provisi pinjaman bank	496.079	579.418	349.507	248.224	Interest and provision on bank loan
Asuransi	112.545	85.223	217.797	352.461	Insurances
Lain-lain	289.849	578.354	126.345	83.609	Others
<b>Total</b>	<b>4.870.686</b>	<b>4.469.704</b>	<b>3.470.317</b>	<b>3.338.706</b>	<b>Total</b>

**19. ACCRUED EXPENSES**

This account consists of:

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**20. SALDO DAN TRANSAKSI DENGAN PIHAK-  
PIHAK BERELASI**

Rincian akun dan transaksi dengan pihak-pihak berelasi adalah sebagai berikut:

**20. BALANCES AND TRANSACTIONS WITH  
RELATED PARTIES**

The details of balances and transactions with related parties are as follows:

	Jumlah/Amount			Persentase dari Total Aset/Liabilitas/ yang Bersangkutan (%)/ Percentage to Total Assets/Liabilities (%)			
	30 Juni/ June 30, 2014	31 Desember/December 31,		30 Juni/ June 30, 2014	31 Desember/December 31,		
		2013	2012	2011	2013	2012	2011
Piutang usaha (Catatan 7)/ Trade receivables (Note 7)							
PT Lautan Pasifik Sejahtera	-	338.291	193.600	-	0,09	0,07	-
Piutang lain-lain/ Other receivables							
PT Equator Maritime	-	-	224.659	-	-	0,08	-
Piutang dari pihak- pihak berelasi/ Due from related parties							
PT Soechi Group	-	-	2.106	-	-	0,00	-
PT Tria Sumatra	-	-	-	505.443	-	-	0,21
Go Darmadi	-	-	-	5.514	-	-	0,00
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2.106</b>	<b>510.957</b>	<b>-</b>	<b>0,00</b>	<b>0,21</b>
Utang usaha (Catatan 16)/ Trade payables (Note 16)							
PT Rezeki Putra Energi	248.604	242.999	390.849	367.589	0,12	0,10	0,18
PT Vektor Maritim	3.918	151.161	-	-	0,00	0,06	-
PT Equator Maritime	3.510	375.585	-	-	0,00	0,16	-
<b>Total</b>	<b>256.032</b>	<b>769.745</b>	<b>390.849</b>	<b>367.589</b>	<b>0,12</b>	<b>0,32</b>	<b>0,18</b>
Utang kepada pihak berelasi/ Due to related party							
PT Soechi Group	10.839.738	35.528.480	34.701.884	35.701.950	5,34	15,05	16,36

	Jumlah/Amount					Persentase dari Total Pendapatan atau Beban yang Bersangkutan (%)/ Percentage to Total Respective Income or Expense (%)				
	30 Juni/June 30,		31 Desember/December 31,			30 Juni/June 30,		31 Desember/December 31,		
	2014	2013	2013	2012	2011	2014	2013	2013	2012	2011
Rugi pelepasan aset tetap/ Loss on disposal of fixed asset										
PT Equator Maritime	-	-	-	78.980	-	-	-	-	10,62	-
Pendapatan/ Revenue										
PT Lautan Pasifik Sejahtera	2.676.600	2.205.783	3.354.137	280.097	-	4,89	4,77	3,15	0,39	-
PT Equator Maritime	-	-	-	208.225	-	-	-	-	0,29	-
<b>Total</b>	<b>2.676.600</b>	<b>2.205.783</b>	<b>3.354.137</b>	<b>488.322</b>	<b>-</b>	<b>4,89</b>	<b>4,77</b>	<b>3,15</b>	<b>0,68</b>	<b>-</b>

The original consolidated financial statements included herein are in Indonesian language.

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**20. SALDO DAN TRANSAKSI DENGAN PIHAK-  
PIHAK BERELASI (lanjutan)**

**20. BALANCES AND TRANSACTIONS WITH  
RELATED PARTIES (continued)**

	Jumlah/Amount					Persentase dari Total Pendapatan atau Beban yang Bersangkutan (%)/ Percentage to Total Respective Income or Expense (%)				
	30 Juni/June 30,		31 Desember/December 31,			30 Juni/ June 30,		31 Desember/December 31,		
	2014	2013	2013	2012	2011	2014	2013	2013	2012	2011
Beban pokok pendapatan/ Cost of revenues										
Pembelian/Purchases										
PT Rezeki Putra										
Energi	235.496	378.993	763.323	741.492	916.194	0,8	1,25	1,08	1,54	2,11
PT Vektor Maritim	-	402.233	-	-	-	-	1,33	-	-	-
PT Equator Maritime	-	-	23.705	-	-	-	-	0,03	-	-
<b>Total</b>	<b>235.496</b>	<b>781.226</b>	<b>787.028</b>	<b>741.492</b>	<b>916.194</b>	<b>0,8</b>	<b>2,58</b>	<b>1,11</b>	<b>1,54</b>	<b>2,11</b>
Beban usaha/ Operating expenses										
Jasa manajemen pengelolaan kapal/ Management fee for vessel operation										
PT Equator Maritime	178.453	35.250	395.870	2.068	-	7,07	1,35	5,92	0,04	-
PT Vektor Maritim	170.805	33.740	371.767	34.746	-	6,76	1,29	5,55	0,63	-
<b>Total</b>	<b>349.258</b>	<b>68.990</b>	<b>767.637</b>	<b>36.814</b>	<b>-</b>	<b>13,83</b>	<b>2,64</b>	<b>11,47</b>	<b>0,67</b>	<b>-</b>

Hubungan dan sifat saldo akun/transaksi yang signifikan dengan pihak-pihak berelasi adalah sebagai berikut:

The relationship and nature of account balances/ transactions with related parties are as follows:

Pihak-pihak Berelasi/Related Parties	Relasi/Relationship	Sifat Saldo Akun/Transaksi/ Nature of Account Balances/ Transactions
PT Soechi Group	Entitas Induk Utama/ Ultimate Parent Entity	Uang muka antar perusahaan/ Inter-company advances
PT Rezeki Putra Energi	Perusahaan afiliasi/ Affiliated company	Utang usaha, pembelian/ Trade payables, purchase
PT Lautan Pasifik Sejahtera	Perusahaan afiliasi/ Affiliated company	Piutang usaha dan pendapatan/ Trade receivables and revenue
PT Equator Maritime	Perusahaan afiliasi/ Affiliated company	Piutang lain-lain, utang usaha, pembelian, pendapatan, beban manajemen pengelolaan kapal dan penjualan kapal/Other receivable, trade payable, purchase, revenue, management fee for vessel operation and sales of vessel
PT Vektor Maritim	Perusahaan afiliasi/ Affiliated company	Utang usaha dan beban manajemen pengelolaan kapal/Trade payables and management fee for vessel operation
PT Tria Sumatra	Perusahaan afiliasi/ Affiliated company	Uang muka antar perusahaan, memberikan tanah sebagai jaminan pinjaman bank/ Inter-company advances, provide land as guarantee for bank loan
Go Darmadi	Manajemen kunci Perusahaan/ The Company's key management	Piutang pemegang saham, pemberian jaminan pribadi untuk pinjaman bank, memberikan tanah dan bangunan pribadi sebagai jaminan pinjaman bank/Due from shareholder, provide personal guarantee for bank loan, provide personal land and building as guarantee for bank loan

The original consolidated financial statements included herein are in Indonesian language.

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**20. SALDO DAN TRANSAKSI DENGAN PIHAK-  
PIHAK BERELASI (lanjutan)**

**20. BALANCES AND TRANSACTIONS WITH  
RELATED PARTIES (continued)**

Pihak-pihak Berelasi/Related Parties	Relasi/Relationship	Sifat Saldo Akun/Transaksi/ Nature of Account Balances/ Transactions
Paulus Utomo	Manajemen kunci Perusahaan/ The Company's key management	Pemberian jaminan pribadi untuk pinjaman bank, memberikan tanah dan bangunan pribadi sebagai jaminan pinjaman bank/ Provide personal guarantee for bank loan, provide personal land and building as guarantee for bank loan
Hartono Utomo	Manajemen kunci Perusahaan/ The Company's key management	Pemberian jaminan pribadi untuk pinjaman bank/Provide personal guarantee for bank loan
Johanes Utomo	Manajemen kunci Perusahaan/ The Company's key management	Pemberian jaminan pribadi untuk pinjaman bank/Provide personal guarantee for bank loan
Pieters Adyana Utomo	Manajemen kunci Perusahaan/ The Company's key management	Pemberian jaminan pribadi untuk pinjaman bank/Provide personal guarantee for bank loan
Bob Steven Paulus	Anggota keluarga dekat dari manajemen kunci Perusahaan/ Close member of the Company's key management	Pemberian jaminan pribadi untuk pinjaman bank/Provide personal guarantee for bank loan
Handara Adyana Utomo	Anggota keluarga dekat dari manajemen kunci Perusahaan/ Close member of the Company's key management	Pemberian jaminan pribadi untuk pinjaman bank/Provide personal guarantee for bank loan
Barli Hasan	Anggota keluarga dekat dari manajemen kunci Perusahaan/ Close member of the Company's key management	Pemberian jaminan pribadi untuk pinjaman bank/Provide personal guarantee for bank loan
Linawaty	Anggota keluarga dekat dari manajemen kunci Perusahaan/ Close member of the Company's key management	Pemberian jaminan pribadi untuk pinjaman bank/Provide personal guarantee for bank loan
Agus Utomo	Anggota keluarga dekat dari manajemen kunci Perusahaan/ Close member of the Company's key management	Pemberian jaminan pribadi untuk pinjaman bank, memberikan tanah dan bangunan pribadi sebagai jaminan pinjaman bank/ Provide personal guarantee for bank loan, provide personal land and building as guarantee for bank loan

Perusahaan afiliasi adalah entitas dalam pengendalian oleh pemegang saham yang sama dan/atau memiliki dewan komisaris atau direksi yang sama dengan Grup.

*Affiliated companies are entities under common control by the same shareholders and/or same boards of commissioners or directors of the Group.*

Piutang dari dan utang kepada pihak-pihak berelasi tersebut tidak dikenakan bunga, tanpa jaminan, serta harus dilunasi setiap saat berdasarkan permintaan dari pemberi pinjaman.

*Due from and due to related parties are non-interest bearing, unsecured and repayable based on demand by the lenders.*

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**20. SALDO DAN TRANSAKSI DENGAN PIHAK-  
PIHAK BERELASI (lanjutan)**

Manajemen berpendapat bahwa semua piutang lain-lain dan piutang dari pihak-pihak berelasi akan tertagih, sehingga, tidak diperlukan cadangan penurunan nilai.

Grup memberikan kompensasi imbalan kerja jangka pendek kepada Dewan Komisaris dan Direksi sebagai berikut (ekuivalen dalam Dolar AS):

	30 Juni/June 30,		31 Desember/December 31,			
	2014	2013	2013	2012	2011	
Komisaris	111.477	120.241	258.067	201.126	131.574	Commissioners Directors
Direksi	206.549	159.590	460.943	227.778	180.499	
<b>Total</b>	<b>318.026</b>	<b>279.831</b>	<b>719.010</b>	<b>428.904</b>	<b>312.073</b>	<b>Total</b>

**20. BALANCES AND TRANSACTIONS WITH  
RELATED PARTIES (continued)**

Management is of the opinion that all other receivables and due from related parties are fully collectible, therefore, no allowance for impairment loss is required.

The Group provided short-term compensation benefits for the Boards of Commissioners and Directors with details as follows (equivalent in US Dollar):

**21. PINJAMAN BANK JANGKA PANJANG**

Akun ini terdiri dari:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
<b>Entitas Anak</b>					<b>The Subsidiaries</b>
PT Bank Mandiri (Persero) Tbk	97.886.377	92.835.362	111.119.757	81.062.928	PT Bank Mandiri (Persero) Tbk
PT Bank OCBC NISP Tbk	26.633.836	10.336.486	4.051.691	2.805.648	PT Bank OCBC NISP Tbk
Oversea-Chinese Banking Corporation Limited, Singapura	15.251.250	34.683.750	6.234.375	-	Oversea-Chinese Banking Corporation Limited, Singapore
PT Bank Central Asia Tbk	14.090.752	16.469.012	13.054.263	18.175.593	PT Bank Central Asia Tbk
PT Bank Artha Graha Internasional Tbk	10.457.260	12.468.844	11.402.803	8.867.654	PT Bank Artha Graha Internasional Tbk
PT Bank Internasional Indonesia Tbk	2.166.608	2.931.787	4.344.428	4.933.028	PT Bank Internasional Indonesia Tbk
PT Bank ICB Bumiputera Tbk	-	-	-	1.714.521	PT Bank ICB Bumiputera Tbk
PT Bank Mega Tbk	-	-	-	8.131	PT Bank Mega Tbk
Dikurangi biaya transaksi pinjaman yang belum diamortisasi	(923.883)	(1.115.251)	(1.585.759)	(679.045)	Less unamortized loan transaction cost
Nilai tercatat	165.562.200	168.609.990	148.621.558	116.888.458	Carrying amount
<b>Dikurangi bagian jatuh tempo dalam satu tahun:</b>					<b>Less current maturities of long-term bank loans:</b>
PT Bank Mandiri (Persero) Tbk	17.335.940	13.883.991	15.974.904	15.013.070	PT Bank Mandiri (Persero) Tbk
PT Bank OCBC NISP Tbk	3.057.812	1.961.466	1.250.271	570.836	PT Bank OCBC NISP Tbk
Oversea-Chinese Banking Corporation Limited, Singapura	3.598.125	5.339.725	800.625	-	Oversea-Chinese Banking Corporation Limited, Singapore
PT Bank Central Asia Tbk	5.061.587	5.033.363	4.871.497	4.909.485	PT Bank Central Asia Tbk
PT Bank Artha Graha Internasional Tbk	4.391.411	4.177.599	3.132.908	1.789.221	PT Bank Artha Graha Internasional Tbk
PT Bank Internasional Indonesia Tbk	2.158.533	1.516.185	1.391.319	563.291	PT Bank Internasional Indonesia Tbk
PT Bank ICB Bumiputera Tbk	-	-	-	1.019.570	PT Bank ICB Bumiputera Tbk
PT Bank Mega Tbk	-	-	-	8.125	PT Bank Mega Tbk
Bagian jatuh tempo dalam satu tahun	35.603.408	31.912.329	27.421.524	23.873.598	Total current maturities
<b>Total bagian jangka panjang</b>	<b>129.958.792</b>	<b>136.697.661</b>	<b>121.200.034</b>	<b>93.014.860</b>	<b>Total long-term portion</b>

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**21. PINJAMAN BANK JANGKA PANJANG (lanjutan)**

Rincian pinjaman bank jangka panjang berdasarkan mata uang adalah sebagai berikut:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
Entitas Anak					The Subsidiaries
Dolar AS					US Dollar
Kredit Investasi (Non-Revolving)					Investment Credit (Non-Revolving)
PT Bank Mandiri (Persero) Tbk	46.587.000	51.673.000	65.865.000	71.965.000	PT Bank Mandiri (Persero) Tbk
PT Bank Central Asia Tbk	4.765.152	6.574.752	10.705.080	14.835.408	PT Bank Central Asia Tbk
PT Bank ICB Bumiputera Tbk	-	-	-	1.714.521	PT Bank ICB Bumiputera Tbk
Pinjaman Berjangka					Term Loan
Oversea-Chinese Banking Corporation Limited, Singapura	32.376.050	34.683.750	6.234.375	-	Oversea-Chinese Banking Corporation Limited, Singapore
PT Bank OCBC NISP Tbk	9.509.036	10.336.486	4.051.691	2.805.648	PT Bank OCBC NISP Tbk
PT Bank Internasional Indonesia Tbk	2.166.608	2.931.787	4.344.428	4.933.028	PT Bank Internasional Indonesia Tbk
PT Bank Mega Tbk	-	-	-	8.131	PT Bank Mega Tbk
Pinjaman Tetap					Fixed Loan
PT Bank Artha Graha Internasional Tbk	6.702.003	8.224.307	11.402.803	8.867.654	PT Bank Artha Graha Internasional Tbk
Rupiah					Rupiah
Kredit Investasi (Non-Revolving)					Investment Credit (Non-Revolving)
PT Bank Mandiri (Persero) Tbk (2014: Rp614.002.239.672, 2013: Rp501.728.035.239, 2012: Rp437.613.504.235 dan 2011: Rp82.500.000.000)	51.299.377	41.162.362	45.254.757	9.097.928	PT Bank Mandiri (Persero) Tbk (2014: Rp614,002,239,672, (2013: Rp501,728,035,239, 2012: Rp437,613,504,235 dan 2011:Rp82,500,000,000) and
PT Bank Central Asia Tbk (2014: Rp47.113.107.692, 2013: Rp54.101.130.769, 2012: Rp22.716.600.000 dan 2011: Rp30.288.800.000)	3.936.261	4.438.521	2.349.183	3.340.185	PT Bank Central Asia Tbk (2014: Rp47,113,107,692, 2013: Rp54,101,130,769, 2012: Rp22,716,600,000 and 2011:Rp30,288,800,000) and
Installment Loan					Installment Loan
PT Bank Central Asia Tbk (2014: Rp64.505.000.000 dan 2013: Rp66.500.000.000)	5.389.339	5.455.739	-	-	PT Bank Central Asia Tbk (2014: Rp64,505,000,000 and 2013: Rp66,500,000,000)
Pinjaman Tetap					Fixed Loan
PT Bank Artha Graha Internasional Tbk (2014: Rp44.946.666.664 dan 2013: Rp51.736.666.666)	3.755.257	4.244.537	-	-	PT Bank Artha Graha Internasional Tbk (2014: Rp44,946,666,664 and 2013: Rp51,736,666,666)
Dikurangi biaya transaksi pinjaman yang belum diamortisasi	(923.883)	(1.115.251)	(1.585.759)	(679.045)	Less unamortized loan transaction cost
<b>Total</b>	<b>165.562.200</b>	<b>168.609.990</b>	<b>148.621.558</b>	<b>116.888.458</b>	<b>Total</b>

**a. PT Bank Mandiri (Persero) Tbk (Mandiri)**

**PT Sukses Osean Khatulistiwa Line (SOKL)**

Berdasarkan Akta Notaris Aliya S. Azhar, S.H., M.H., M.Kn. No. 68 tanggal 28 Oktober 2009, SOKL melakukan perjanjian kredit dengan Mandiri berupa fasilitas pinjaman Kredit Investasi *non-revolving* sebesar maksimal Rp30.000.000.000 dan AS\$8.000.000. Pinjaman ini akan dibayar setiap bulan sesuai dengan jadwal angsuran pinjaman yang akan berakhir pada tanggal 27 Oktober 2014 untuk pinjaman dalam Rupiah dan pada tanggal 27 Oktober 2012 untuk pinjaman dalam Dolar AS.

**21. LONG-TERM BANK LOANS (continued)**

The details of long-term bank loans based on currencies are as follows:

**a. PT Bank Mandiri (Persero) Tbk (Mandiri)**

**PT Sukses Osean Khatulistiwa Line (SOKL)**

Based on Notarial Deed No. 68 of Aliya S. Azhar, S.H., M.H., M.Kn., dated October 28, 2009, SOKL entered into a loan agreement with Mandiri which is non-revolving Investment Credit facility with maximum credit limit of Rp30,000,000,000 and USD8,000,000. The loans will be paid in monthly installments in accordance with schedule of payments which will be due on October 27, 2014 for the loan in Rupiah and on October 27, 2012 for the loan in US Dollar.

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**21. PINJAMAN BANK JANGKA PANJANG (lanjutan)**

**a. PT Bank Mandiri (Persero) Tbk (Mandiri)  
(lanjutan)**

**PT Sukses Ocean Khatulistiwa Line (SOKL)  
(lanjutan)**

Pinjaman dalam Rupiah dikenakan bunga sebesar 11% per tahun pada periode 2014, (2013: 10,50% - 12,50%, 2012 dan 2011 : 12,50%). Pinjaman dalam Dolar AS dikenakan bunga sebesar 8% per tahun. Pinjaman dalam Dolar AS telah dibayar lunas pada tanggal 23 September 2012.

Saldo pinjaman dalam Rupiah pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011 masing-masing sebesar Rp1.500.000.000 (ekuivalen AS\$125.323), Rp4.500.000.000 (ekuivalen AS\$369.185), Rp10.500.000.000 (ekuivalen AS\$1.085.832) dan Rp16.500.000.000 (ekuivalen AS\$1.819.587). Saldo pinjaman dalam Dolar AS pada tanggal 31 Desember 2011 adalah sebesar AS\$2.100.000.

Berdasarkan Akta Notaris Etief Moesa Sutjipto, S.H., No. 6 tanggal 28 Desember 2009, SOKL melakukan perjanjian kredit dengan Mandiri berupa fasilitas pinjaman investasi *non-revolving* dari Mandiri dengan jumlah maksimum fasilitas pinjaman sebesar AS\$44.200.000. Pinjaman ini digunakan untuk pembelian 1 (unit) kapal tanker dan akan dibayar secara bertahap selama 102 bulan sampai dengan tanggal 27 Juni 2018, dengan angsuran triwulanan berkisar antara AS\$600.000 - AS\$2.000.000. Pinjaman ini dikenakan bunga sebesar 6,5% per tahun pada periode 2014 (2013: 6,25% - 8,25%, 2012 dan 2011 : 7%).

Saldo pinjaman pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011 sebesar AS\$23.428.000, AS\$24.800.000, AS\$31.800.000 dan AS\$38.400.000.

Seluruh fasilitas pinjaman dari Mandiri tersebut dijamin dengan piutang usaha (Catatan 7), persediaan (Catatan 8), sewa kontrak kapal dan kapal-kapal milik SOKL, AMO dan PUL (Catatan 12). Pinjaman juga dijamin dengan jaminan Perusahaan dari ABPL, jaminan pribadi dari Paulus Utomo, Go Darmadi, Linawaty, Agus Utomo, Hartono Utomo dan aset tanah dan bangunan milik Agus Utomo dan Paulus Utomo.

**21. LONG-TERM BANK LOANS (continued)**

**a. PT Bank Mandiri (Persero) Tbk (Mandiri)  
(continued)**

**PT Sukses Ocean Khatulistiwa Line (SOKL)  
(continued)**

The loan in Rupiah bears interest rate at 11% per annum for period 2014 (2013: 10.50% - 12.50%, 2012 and 2011: 12.50%). The loan in US Dollar bears interest rate at 8% per annum. The loan in US Dollar was fully paid on September 23, 2012.

The outstanding loan balance in Rupiah as of June 30, 2014, December 31, 2013, 2012 and 2011 amounted to Rp1,500,000,000 (equivalent USD125,323), Rp4,500,000,000 (equivalent to USD369,185), Rp10,500,000,000 (equivalent to USD1,085,832) and Rp16,500,000,000 (equivalent to USD1,819,587), respectively. The outstanding loan balance in US Dollar as of December 31, 2011 amounted to USD2,100,000.

Based on Notarial Deed No. 6 of Etief Moesa Sutjipto, S.H., dated December 28, 2009, SOKL entered into a loan agreement with Mandiri which is non-revolving investment credit facility from Mandiri with maximum credit limit of USD44,200,000. This loan is used to purchase of 1 (one) unit tanker vessel and will be paid in 102 months until June 27, 2018, with quarterly installment ranging from USD600,000 - USD2,000,000. The loan bears interest rate at 6.5% per annum for period 2014 (2013: 6.25% - 8.25%, 2012 and 2011: 7%).

The outstanding loan balance as of June 30, 2014, December 31, 2013, 2012 and 2011 amounted to USD23,428,000, USD24,800,000, USD31,800,000 and USD38,400,000, respectively.

All loan facilities from Mandiri are secured by trade receivables (Note 7), inventories (Note 8), vessels rent contracts and SOKL's vessels, AMO's vessel and PUL's vessel (Note 12). These loans are also secured by corporate guarantee from ABPL, personal guarantee from Paulus Utomo, Go Darmadi, Linawaty, Agus Utomo, Hartono Utomo and lands and buildings owned by Agus Utomo and Paulus Utomo.

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**21. PINJAMAN BANK JANGKA PANJANG (lanjutan)**

**a. PT Bank Mandiri (Persero) Tbk (Mandiri)  
(lanjutan)**

**PT Sukses Osean Khatulistiwa Line (SOKL)  
(lanjutan)**

Selama periode perjanjian kredit, SOKL tanpa pemberitahuan tertulis kepada Mandiri tidak boleh melakukan hal-hal antara lain melakukan perubahan anggaran dasar, memindahtangankan barang jaminan, memperoleh fasilitas kredit atau pinjaman dari pihak lain, membagikan dividen, menjaminkan harta kekayaan SOKL kepada pihak lain dan melunasi hutang kepada pihak terkait.

Pada tanggal 28 Desember 2012, Mandiri memberikan persetujuan (*waiver*) kepada SOKL berkaitan dengan perubahan modal dasar dan modal disetor, perubahan komposisi pemegang saham dan pembagian dividen di 2012.

Selain *waiver* tersebut diatas, manajemen SOKL berpendapat bahwa seluruh persyaratan kepatuhan telah dipenuhi pada tanggal laporan posisi keuangan konsolidasian.

**PT Armada Bumi Pratiwi Lines (ABPL)**

**KI-1-IDR**

Berdasarkan Akta Notaris Rr. Y. Tutiek Setia Murni, S.H., M.H. No. 22 tanggal 27 Juni 2011, ABPL melakukan perjanjian kredit dengan Mandiri berupa fasilitas pinjaman Kredit Investasi *non-revolving* sebesar maksimal Rp68.800.000.000. Fasilitas ini digunakan untuk pembiayaan 2 (dua) unit kapal tanker milik ABPL dengan jangka waktu pinjaman 6 (enam) tahun. Pinjaman tersebut dikenakan bunga sebesar 11% per tahun pada periode 2014 (2013: 10% - 12,25%, 2012 dan 2011: 10%) dan harus dibayarkan paling lambat setiap tanggal 23 (dua puluh tiga). Pinjaman ini akan jatuh tempo pada tanggal 27 Juni 2017.

**21. LONG-TERM BANK LOANS (continued)**

**a. PT Bank Mandiri (Persero) Tbk (Mandiri)  
(continued)**

**PT Sukses Osean Khatulistiwa Line (SOKL)  
(continued)**

*During the period of the loan, SOKL without written notification to Mandiri is not allowed to carry out the activities, such as amend the Articles of Association, transfer collateral assets, obtain credit facility or loan from other parties, distribute dividends, collateralized SOKL's assets to other parties and pay off debt to related parties.*

*On December 28, 2012, Mandiri gave approval (waiver) to SOKL related to changes in authorized and paid-in capital, changes in shareholder's composition and dividend payment in 2012.*

*Except for the waiver stated above, SOKL's management is of the opinion that all compliance requirements are met as of consolidated statement of financial position date.*

**PT Armada Bumi Pratiwi Lines (ABPL)**

**KI-1-IDR**

*Based on Notarial Deed No. 22 of Rr. Y. Tutiek Setia Murni, S.H., M.H., dated June 27, 2011, ABPL entered into a loan agreement with Mandiri which is non-revolving Investment Credit facility with maximum credit limit of Rp68,800,000,000. This facility is used for refinancing ABPL's of 2 (two) units of tanker-vessels with loan period of 6 (six) years. The loan bears interest rate at 11% per annum for period 2014 (2013: 10% - 12.25%, 2012 and 2011: 10%) and must be paid not later than 23rd (twenty third) of each month. The loan will mature on June 27, 2017.*

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**21. PINJAMAN BANK JANGKA PANJANG (lanjutan)**

**a. PT Bank Mandiri (Persero) Tbk (Mandiri)  
(lanjutan)**

**PT Armada Bumi Pratiwi Lines (ABPL)  
(lanjutan)**

KI-2-Valas

Berdasarkan Akta Notaris Hasnah, S.H. No. 5 tanggal 18 Januari 2011, ABPL melakukan perjanjian kredit dengan Mandiri berupa fasilitas pinjaman Kredit Transaksi Khusus *non-revolving* sebesar maksimal AS\$10.000.000. Fasilitas ini digunakan untuk pembiayaan 3 (tiga) unit kapal tanker milik ABPL dengan jangka waktu pinjaman 7 (tujuh) tahun tanpa *grace period*. Pinjaman tersebut dikenakan bunga sebesar 6,5% per tahun pada periode 2014 (2013: 6,25% - 9,25%, 2012 dan 2011: 6,50%) dan harus dibayarkan paling lambat setiap tanggal 23 (dua puluh tiga) setiap bulan. Pinjaman ini akan jatuh tempo pada tanggal 17 Januari 2018.

Seluruh pinjaman ini dijamin dengan kapal-kapal tanker yang dibiayai (Catatan 12), agunan fidusia berupa tagihan sewa kapal-kapal selama 1 bulan (Catatan 7), jaminan pribadi atas nama Paulus Utomo, Hartono Utomo, Go Darmadi dan jaminan perusahaan dari SOKL.

Saldo pinjaman KI1-IDR dan KI2-Valas pada tanggal 30 Juni 2014 masing-masing sebesar Rp36.000.000.000 (ekuivalen AS\$3.007.770) dan AS\$5.375.000.

Saldo pinjaman KI1-IDR dan KI2-Valas pada tanggal 31 Desember 2013 masing-masing sebesar Rp42.000.000.000 (ekuivalen AS\$3.445.730) dan AS\$6.125.000.

Saldo pinjaman KI1-IDR dan KI2-Valas pada tanggal 31 Desember 2012 masing-masing sebesar Rp54.000.000.000 (ekuivalen AS\$5.584.281) dan AS\$7.625.000.

**21. LONG-TERM BANK LOANS (continued)**

**a. PT Bank Mandiri (Persero) Tbk (Mandiri)  
(continued)**

**PT Armada Bumi Pratiwi Lines (ABPL)  
(continued)**

KI-2-Valas

Based on Notarial Deed No. 5 of Hasnah, S.H., dated January 18, 2011, ABPL entered into a loan agreement with Mandiri which is non-revolving Special Transaction Credit facility with maximum credit limit of USD10,000,000. This facility is used for refinancing ABPL's 3 (three) unit tanker-vessels with loan period of 7 (seven) years without grace period. The loan bears interest rate at 6.5% per annum for period 2014 (2013: 6.25% - 9.25%, 2012 and 2011: 6.50%) and to be paid not later than 23<sup>rd</sup> (twenty third) of each month. The loan will mature on January 17, 2018.

All loans is secured by the financed tanker vessels (Note 12), fiduciary collateral on the vessel rental claims of these tanker vessels for 1 month (Note 7), personal guarantees from Paulus Utomo, Hartono Utomo, Go Darmadi and corporate guarantee from SOKL.

The outstanding loan balance of KI1-IDR and KI2-Valas as of June 30, 2014 amounted to Rp36,000,000,000 (equivalent to USD3,007,770) and USD5,375,000, respectively.

The outstanding loan balance of KI1-IDR and KI2-Valas as of December 31, 2013 amounted to Rp42,000,000,000 (equivalent to USD3,445,730) and USD6,125,000, respectively.

The outstanding loan balance of KI1-IDR and KI2-Valas as of December 31, 2012 amounted to Rp54,000,000,000 (equivalent to USD5,584,281) and USD7,625,000, respectively.

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**21. PINJAMAN BANK JANGKA PANJANG (lanjutan)**

a. **PT Bank Mandiri (Persero) Tbk (Mandiri)  
(lanjutan)**

**PT Armada Bumi Pratiwi Lines (ABPL)  
(lanjutan)**

**KI-2-Valas (lanjutan)**

Saldo pinjaman KI1-IDR dan KI2-Valas pada tanggal 31 Desember 2011 masing-masing sebesar Rp66.000.000.000 (ekuivalen AS\$7.278.341) dan AS\$9.100.000.

Selama periode seluruh perjanjian kredit tersebut, ABPL tanpa pemberitahuan tertulis kepada Mandiri tidak boleh melakukan antara lain hal-hal antara lain melakukan perubahan anggaran dasar, memindahtangankan barang jaminan, memperoleh fasilitas kredit atau pinjaman dari pihak lain, membagikan dividen diatas 50%, menjaminkan harta kekayaan ABPL kepada pihak lain dan melunasi hutang kepada pihak terkait.

Pada tanggal 28 Desember 2012, Mandiri memberikan persetujuan (*waiver*) kepada ABPL berkaitan dengan perubahan modal dasar dan modal disetor, perubahan komposisi pemegang saham serta pembayaran dividen kepada para pemegang saham.

ABPL harus menjaga rasio keuangan antara lain *Debt Service Coverage Ratio* (DSCR) minimal 1,05x, *Debt Equity* (DER) maksimal 300% (tanpa memperhitungkan SOL sebagai *networth*), *Current Ratio* minimal sebesar 100% dan *Debt Service Coverage* minimal 100% ( $EBITDA / (Current Portion Long Term Debt + interest expense)$ ).

Selain *waiver* tersebut diatas, manajemen ABPL berpendapat bahwa seluruh persyaratan kepatuhan telah dipenuhi pada tanggal laporan posisi keuangan konsolidasian.

**21. LONG-TERM BANK LOANS (continued)**

a. **PT Bank Mandiri (Persero) Tbk (Mandiri)  
(continued)**

**PT Armada Bumi Pratiwi Lines (ABPL)  
(continued)**

**KI-2-Valas (continued)**

The outstanding loan balance of KI1-IDR and KI2-Valas as of December 31, 2011 amounted to Rp66,000,000,000 (equivalent to USD7,278,341) and USD9,100,000, respectively.

During the period of all credit facility, ABPL without written notification to Mandiri is not allowed to carry out the activities, such as amend the Articles of Association, transfer collateral assets, obtain credit facility or loan from other parties, distribute dividends above 50%, collateralized ABPL's assets to other parties and pay off debt to related parties.

On December 28, 2012, Mandiri gave approval (*waiver*) to ABPL related to changes in authorized and paid-in capital, changes in shareholder's composition and dividend payment to ABPL's shareholders.

ABPL must maintain the financial ratios, such as *Debt Service Coverage Ratio* (DSCR) minimum 1.05x, *Debt Equity* (DER) maximum 300% (without calculate SOL as *networth*), *Current Ratio* minimum 100% and *Debt Service Coverage* minimum 100% ( $EBITDA / (Current Portion Long Term Debt + interest expense)$ ).

Except for the *waiver* stated above, ABPL's management is of the opinion that all compliance requirements are met as of consolidated statement of financial position date.

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**21. PINJAMAN BANK JANGKA PANJANG (lanjutan)**

**a. PT Bank Mandiri (Persero) Tbk (Mandiri)  
(lanjutan)**

**PT Putra Utama Line (PUL)**

**Kredit Investasi I (KI-1)**

Berdasarkan Akta Notaris Rr. Y. Tutiek Setia Murni, S.H., M.H. No. 13 tanggal 7 Juli 2011, PUL melakukan perjanjian kredit dengan Mandiri berupa fasilitas pinjaman Kredit Investasi *non-revolving* sebesar maksimal AS\$18.900.000. Fasilitas ini digunakan untuk pembiayaan dua unit kapal tanker dengan jangka waktu pinjaman 6 (enam) tahun termasuk 6 (enam) bulan *grace period*. Pinjaman tersebut dikenakan bunga sebesar 6,5% per tahun pada periode 2014 (2013: 6,25% - 8,25%, 2012 dan 2011: 6,25%), dan harus dibayarkan paling lambat tanggal 23 (dua puluh tiga) setiap bulan. Pinjaman ini akan jatuh tempo pada tanggal 7 Juli 2017.

**Kredit Investasi II (KI-2)**

Berdasarkan Akta Notaris Rr. Y. Tutiek Setia Murni, S.H., M.H. No. 14 tanggal 7 Juli 2011, PUL melakukan perjanjian kredit dengan Mandiri berupa fasilitas pinjaman Kredit Investasi *non-revolving* sebesar maksimal AS\$11.100.000. Fasilitas ini digunakan untuk pembelian 2 unit kapal tanker dengan jangka waktu pinjaman 6 (enam) tahun termasuk 6 (enam) bulan *grace period*. Pinjaman tersebut dikenakan bunga sebesar 6,5% per tahun pada periodd 2014 (2013: 6,25% - 8,25%, 2012 dan 2011: 6,25%), dan harus dibayarkan paling lambat tanggal 23 (dua puluh tiga). Pinjaman ini akan jatuh tempo pada tanggal 7 Juli 2017.

Saldo pinjaman KI-1 dan KI-2 pada tanggal 30 Juni 2014 masing-masing sebesar AS\$10.800.000 dan AS\$6.984.000.

Saldo pinjaman KI-1 dan KI-2 pada tanggal 31 Desember 2013 masing-masing sebesar AS\$12.600.000 dan AS\$8.148.000.

Saldo pinjaman KI-1 dan KI-2 pada tanggal 31 Desember 2012 masing-masing sebesar AS\$16.200.000 dan AS\$10.240.000.

**21. LONG-TERM BANK LOANS (continued)**

**a. PT Bank Mandiri (Persero) Tbk (Mandiri)  
(continued)**

**PT Putra Utama Line (PUL)**

**Investment Credit I (KI-1)**

Based on Notarial Deed No. 13 of Rr. Y. Tutiek Setia Murni, S.H., M.H., dated July 7, 2011, PUL entered into a loan agreement with Mandiri which is *non-revolving Investment Credit facility with maximum credit limit of USD18,900,000*. This facility was used for refinancing two units tanker vessels with loan period of 6 (six) years including 6 (six) months of *grace period*. The loan bears interest rate at 6.5% per annum for period 2014 (2013: 6.25% - 8.25%, 2012 and 2011: 6.25%), and must be paid no later than 23<sup>rd</sup> (twenty third) of each month. This loan will mature on July 7, 2017.

**Investment Credit II (KI-2)**

Based on Notarial Deed No. 14 of Rr. Y. Tutiek Setia Murni, S.H., M.H., dated July 7, 2011, PUL entered into a loan agreement with Mandiri which is *non-revolving Investment Credit facility with maximum credit limit of USD11,100,000*. This facility was used to refinance 2 units tanker vessels with loan period of 6 (six) years including 6 (six) months *grace period*. The loan bears interest rate at 6.5% per annum for period 2014 (2013: 6.25% - 8.25%, 2012 and 2011: 6.25%), and must be paid no later than 23<sup>rd</sup> (twenty third) of each month. This loan will mature on July 7, 2017.

The outstanding loan balance of KI-1 and KI-2 as of June 30, 2014 amounted to USD10,800,000 and USD6,984,000, respectively.

The outstanding loan balance of KI-1 and KI-2 as of December 31, 2013 amounted to USD12,600,000 and USD8,148,000, respectively.

The outstanding loan balance of KI-1 and KI-2 as of December 31, 2012 amounted to USD16,200,000 and USD10,240,000, respectively.

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**21. PINJAMAN BANK JANGKA PANJANG (lanjutan)**

**a. PT Bank Mandiri (Persero) Tbk (Mandiri)  
(lanjutan)**

**PT Putra Utama Line (PUL) (lanjutan)**

**Kredit Investasi II (KI-2) (lanjutan)**

Saldo pinjaman KI-1 dan KI-2 pada tanggal 31 Desember 2011 masing-masing sebesar AS\$18.900.000 dan AS\$3.465.000.

Seluruh pinjaman dari Mandiri ini dijamin dengan agunan kapal-kapal tanker yang dibiayai (Catatan 12), agunan fidusia berupa tagihan sewa selama satu bulan atas kapal-kapal tersebut (Catatan 7), jaminan pribadi Bob Steven Paulus, Johannes Utomo, Pieters Adyana Utomo, Handara Adyana Utomo dan Linawaty (pihak berelasi), jaminan dari PT Sukses Osean Khatulistiwa Line (SOKL) dan PT Armada Bumi Pratiwi Lines (ABPL). Pinjaman juga dijamin oleh kapal tanker milik SOKL sebagai jaminan silang (*cross collateral*) (Catatan 12).

Sehubungan dengan rencana penjualan kapal milik PUL (Catatan 12), Bank Mandiri menyetujui penarikan 1 (satu) unit kapal tanker dari agunan untuk pinjaman bank.

Selama periode perjanjian kredit, PUL tanpa pemberitahuan tertulis kepada Mandiri tidak boleh melakukan hal-hal antara lain melakukan perubahan anggaran dasar, memindahtangankan barang jaminan, memperoleh fasilitas kredit atau pinjaman dari pihak lain, membagikan dividen di atas 50%, menjaminkan harta kekayaan PUL kepada pihak lain dan melunasi hutang kepada pihak terkait.

Pada tanggal 28 Desember 2012, Mandiri memberikan persetujuan (*waiver*) kepada PUL berkaitan dengan perubahan modal dasar dan modal disetor serta perubahan komposisi pemegang saham.

PUL harus menjaga rasio keuangan antara lain *Debt Service Coverage Ratio* (DSCR) minimal 1,1x dan *Debt Equity* (DER) maksimal 300% (tanpa memperhitungkan SOL sebagai *networth*).

**21. LONG-TERM BANK LOANS (continued)**

**a. PT Bank Mandiri (Persero) Tbk (Mandiri)  
(continued)**

**PT Putra Utama Line (PUL) (continued)**

**Investment Credit II (KI-2) (continued)**

The outstanding loan balance of KI-1 and KI-2 as of December 31, 2011 amounted to USD18,900,000 and USD3,465,000, respectively.

All loans from Mandiri is secured by the financed tanker vessels (Note 12), fiduciary collateral on vessel rental claims of those tanker vessels for one month (Note 7), personal guarantees from Bob Steven Paulus, Johannes Utomo, Pieters Adyana Utomo, Handara Adyana Utomo and Linawaty (related parties), corporate guarantees from PT Sukses Osean Khatulistiwa Line (SOKL) and PT Armada Bumi Pratiwi Lines (ABPL). The loan is also secured by SOKL's vessel as cross collateral (Note 12).

In connection with PUL's plan to sell a vessel (Note 12), Bank Mandiri agreed to withdraw one vessel which was previously collateralized for bank loan.

During the period of the loan, PUL without written notification to Mandiri is not allowed to carry out the activities, such as amend the Articles of Association, transfer collateral assets, obtain credit facility or loan from other parties, distribute dividends above 50%, collateralized PUL's assets to other parties and pay off debt to related parties.

On December 28, 2012, Mandiri gave approval (*waiver*) to PUL related to changes in authorized and fully paid capital and changes in shareholder's composition.

PUL must maintain the financial ratios, such as *Debt Service Coverage Ratio* (DSCR) minimum of 1.1x and *Debt Equity* (DER) maximum 300% (without calculate SOL as *networth*).

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**21. PINJAMAN BANK JANGKA PANJANG (lanjutan)**

**a. PT Bank Mandiri (Persero) Tbk (Mandiri)  
(lanjutan)**

**PT Putra Utama Line (PUL) (lanjutan)**

Selain waiver tersebut diatas, manajemen PUL berpendapat bahwa seluruh persyaratan kepatuhan telah dipenuhi pada tanggal laporan posisi keuangan konsolidasian.

**PT Multi Ocean Shipyard (MOS)**

**Kredit Investasi I (KI-1)**

Berdasarkan Akta Notaris Rr. Y. Tutiek Setia Murni, S.H., M.H. No. 28 tanggal 9 Februari 2012, MOS melakukan perjanjian kredit dengan Mandiri berupa fasilitas pinjaman Kredit Investasi *non-revolving* sebesar maksimal Rp300.000.000.000. Fasilitas ini digunakan untuk pembiayaan pembangunan fasilitas galangan kapal/*shipyard* di Karimun dengan jangka waktu pinjaman sembilan puluh (90) bulan termasuk 24 (dua puluh empat) bulan *grace period*. Pinjaman tersebut dikenakan bunga tahunan sebesar 11% per tahun pada periode 2014 (2013: 10,25% - 12,50%, 2012: 10,75%) dan harus dibayarkan paling lambat tanggal 23 (dua puluh tiga) setiap bulan. Pinjaman ini akan jatuh tempo pada tanggal 8 Agustus 2019.

**Kredit Investasi II (KI-2)**

Berdasarkan Akta Notaris Rr. Y. Tutiek Setia Murni, S.H., M.H. No. 29 tanggal 9 Februari 2012, MOS melakukan perjanjian kredit dengan Mandiri berupa fasilitas pinjaman Kredit Investasi *non-revolving* sebesar maksimal Rp572.900.000.000. Fasilitas ini digunakan untuk pembiayaan pembangunan fasilitas galangan kapal/*shipyard* di Karimun dengan jangka waktu pinjaman 90 (sembilan puluh) bulan termasuk 24 (dua puluh empat) bulan *grace period*. Pinjaman tersebut dikenakan bunga sebesar 11% per tahun pada periode 2014 (2013: 10,25% - 12,50%, 2012: 10,75%) dan harus dibayarkan paling lambat tanggal 23 (dua puluh tiga) setiap bulan. Pinjaman ini akan jatuh tempo pada tanggal 8 Agustus 2019.

Perjanjian ini mengalami perubahan sesuai dengan surat No. CBC.JPM/SPPK/168/2014, pada tanggal 1 April 2014, mengenai perubahan limit kredit menjadi Rp175.000.000.000.

**21. LONG-TERM BANK LOANS (continued)**

**a. PT Bank Mandiri (Persero) Tbk (Mandiri)  
(continued)**

**PT Putra Utama Line (PUL) (continued)**

Except for the waiver stated above, PUL's management is of the opinion that all compliance requirements are met as of consolidated statement of financial position date.

**PT Multi Ocean Shipyard (MOS)**

**Investment Credit I (KI-1)**

Based on Notarial Deed No. 28 of Rr. Y. Tutiek Setia Murni, S.H., M.H., dated February 9, 2012, MOS entered into a loan agreement with Mandiri which is non-revolving Investment Credit facility with maximum credit limit of Rp300,000,000,000. This facility was used to refinance the construction of shipyard facility in Karimun with loan period of 90 (ninety) months including 24 (twenty four) months of grace period. The loan bears interest rate at 11% per annum for period 2014 (2013: 10.25% - 12.50, 2012: 10.75%) and must be paid no later than 23<sup>rd</sup> (twenty third) of each month. This loan will mature on August 8, 2019.

**Investment Credit II (KI-2)**

Based on Notarial Deed No. 29 of Rr. Y. Tutiek Setia Murni, S.H., M.H., dated February 9, 2012, MOS entered into a loan agreement with Mandiri which is non-revolving Investment Credit facility with maximum credit limit of Rp572,900,000,000. This facility was used to refinance the construction of shipyard facility in Karimun with loan period of 90 (ninety) months including 24 (twenty four) months grace period. The loan bears interest rate at 11% per annum for period 2014 (2013: 10.25% - 12.50%, 2012: 10.75%) and must be paid no later than 23<sup>rd</sup> (twenty third) of each month. This loan will mature on August 8, 2019.

The agreement has been change based on letter No. CBC.JPM/SPPK/168/2014, dated April 1, 2014, regarding to changes in credit limit to Rp175,000,000,000.

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**21. PINJAMAN BANK JANGKA PANJANG (lanjutan)**

**a. PT Bank Mandiri (Persero) Tbk (Mandiri)  
(lanjutan)**

**PT Multi Ocean Shipyard (MOS) (lanjutan)**

**Kredit Investasi II (KI-2) (lanjutan)**

Pinjaman KI-1 dan KI-2 dijamin dengan agunan proyek galangan kapal/shipyard (Catatan 12), 2 (dua) unit bangunan kantor di Plaza Marein atas nama SOKL, *joint collateral* dengan agunan KI-3 yang diperoleh SOKL, jaminan pribadi dari Paulus Utomo, Hartono Utomo, Agus Utomo dan Go Darmadi (pihak berelasi), jaminan perusahaan dari SOKL, ABPL dan PUL.

Pinjaman ini akan dilunasi sesuai dengan jadwal pembayaran yang akan diterbitkan oleh Mandiri setelah berakhirnya *grace period* yaitu selama 24 (dua puluh empat bulan) bulan setelah penandatanganan perjanjian kredit.

Saldo pinjaman KI-1 dan KI-2 pada tanggal 30 Juni 2014 masing-masing sebesar Rp294.000.000.000 (ekuivalen AS\$24.563.456) dan Rp171.400.000.000 (ekuivalen AS\$14.320.328).

Saldo pinjaman KI-1 dan KI-2 pada tanggal 31 Desember 2013 masing-masing sebesar Rp300.000.000.000 (ekuivalen AS\$24.612.355) dan Rp155.228.035.239 (ekuivalen AS\$12.735.092).

Saldo pinjaman KI-1 dan KI-2 pada tanggal 31 Desember 2012 masing-masing sebesar Rp300.000.000.000 (ekuivalen AS\$31.023.785) dan Rp73.113.504.235 (ekuivalen AS\$7.560.859).

Selama periode perjanjian kredit, MOS tanpa pemberitahuan tertulis kepada Mandiri tidak boleh melakukan hal-hal antara lain melakukan perubahan anggaran dasar, memindahtangankan barang jaminan, memperoleh fasilitas kredit atau pinjaman dari pihak lain, membagikan dividen diatas 50%, menjaminkan harta kekayaan MOS kepada pihak lain dan melunasi hutang kepada pihak terkait.

Pada tanggal 28 Desember 2012, Bank Mandiri memberikan persetujuan (*waiver*) kepada MOS berkaitan dengan perubahan modal dasar dan modal disetor serta perubahan komposisi pemegang saham.

**21. LONG-TERM BANK LOANS (continued)**

**a. PT Bank Mandiri (Persero) Tbk (Mandiri)  
(continued)**

**PT Multi Ocean Shipyard (MOS) (continued)**

**Investment Credit II (KI-2) (continued)**

The loans KI-1 and KI-2 are secured by shipyard project (Note 12), 2 (two) units office buildings in Plaza Marein owned by SOKL, *joint collateral* with KI-3 obtained by SOKL, *personal guarantees* from Paulus Utomo, Hartono Utomo, Agus Utomo and Go Darmadi (related parties), *corporate guarantees* from SOKL, ABPL and PUL.

The loan will be paid based on schedule of payment issued by Mandiri after the *grace period* ended which is 24 (twenty four) months since the credit facility agreement was signed.

The outstanding loan balance for KI-1 and KI-2 as of June 30, 2014 amounted to Rp294,000,000,000 (equivalent to USD24,563,456) and Rp171,400,000,000 (equivalent to USD14,320,328), respectively.

The outstanding loan balance for KI-1 and KI-2 as of December 31, 2013 amounted to Rp300,000,000,000 (equivalent to USD24,612,355) and Rp155,228,035,239 (equivalent to USD12,735,092), respectively.

The outstanding loan balance of KI-1 and KI-2 as of December 31, 2012 amounted to Rp300,000,000,000 (equivalent to USD31,023,785) and Rp73,113,504,235 (equivalent to USD7,560,859).

During the period of the loan, MOS without written notification to Mandiri is not allowed to carry out the activities, such as amend the Articles of Association, transfer collateral assets, obtain credit facility or loan from other parties, distribute dividends above 50%, collateralized MOS's assets to other parties and pay off debt to related parties

On December 28, 2012, Bank Mandiri gave approval (*waiver*) to MOS related to changes in authorized and fully paid capital and changes in shareholder's composition.

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**21. PINJAMAN BANK JANGKA PANJANG (lanjutan)**

**a. PT Bank Mandiri (Persero) Tbk (Mandiri)  
(lanjutan)**

**PT Multi Ocean Shipyard (MOS) (lanjutan)**

MOS harus menjaga rasio keuangan antara lain *Debt Service Coverage Ratio* (DSCR) minimal 1,1x dan *Debt Equity* (DER) maksimal 300% (tanpa memperhitungkan SOL sebagai *networth*).

Rasio tersebut harus tercermin dalam laporan keuangan akhir tahun 2015.

Selain waiver tersebut diatas, manajemen MOS berpendapat bahwa seluruh persyaratan kepatuhan telah dipenuhi pada tanggal laporan posisi keuangan konsolidasian.

**Kredit Investasi III (KI-3)**

Berdasarkan Surat Penawaran Pemberian Kredit (SPPK) No. CBC.JPM/SPPK/168/2014 tanggal 1 April 2014, MOS melakukan perjanjian kredit dengan Mandiri berupa fasilitas pinjaman Kredit Investasi 3 (KI-3) dengan batas maksimal pinjaman sebesar Rp325.737.000.000. Pinjaman ini dikenakan tingkat bunga 11% per tahun dan akan jatuh tempo pada tanggal 8 Agustus 2019.

Saldo pinjaman pada tanggal 30 Juni 2014, sebesar Rp111.102.239.672 (ekuivalen AS\$9.282.500).

**b. PT Bank OCBC NISP Tbk (OCBC) dan  
Oversea-Chinese Banking Corporation  
Limited, Singapura (OCBC Ltd.)**

**PT Sukses Osean Khatulistiwa Line (SOKL)**

Berdasarkan Akta Notaris Veronica Nataadmadja, S.H., M. Corp. Admin, M. Com., No. 7 tanggal 7 Oktober 2011, SOKL melakukan perjanjian kredit dengan OCBC berupa fasilitas pinjaman *Term Loan* (TL) yang terdiri dari TL-1, TL-2 dan TL-3, masing-masing sebesar AS\$1.500.000, AS\$1.500.000 dan AS\$2.000.000. Jangka waktu pinjaman tersebut adalah 4 tahun dan dapat diperpanjang menjadi 5 tahun berdasarkan hasil pertimbangan OCBC.

**21. LONG-TERM BANK LOANS (continued)**

**a. PT Bank Mandiri (Persero) Tbk (Mandiri)  
(continued)**

**PT Multi Ocean Shipyard (MOS) (continued)**

MOS must maintain the financial ratios, such as *Debt Service Coverage Ratio* (DSCR) minimum of 1.1x and *Debt Equity* (DER) maximum 300% (without calculate SOL as *networth*).

The ratios must be reflected in financial statement ended 2015.

Except for the waiver stated above, MOS's management is of the opinion that all compliance requirements are met as of consolidated statement of financial position date.

**Investment Credit III (KI-3)**

Based on Credit Offering Letter, dated on April 1, 2014, MOS entered into a loan agreement with Mandiri which is Investment Credit facility (KI-3) with maximum credit limit of Rp325,737,000,000. The loan bears interest rate at 11% per annum and will mature on August 8, 2019.

The outstanding loan balance as of June 30, 2014 amounted to Rp111,102,239,672 (equivalent to USD9,282,500).

**b. PT Bank OCBC NISP Tbk (OCBC) and  
Oversea-Chinese Banking Corporation  
Limited, Singapore (OCBC Ltd.)**

**PT Sukses Osean Khatulistiwa Line (SOKL)**

Based on Notarial Deed No. 7 of Veronica Nataadmadja, S.H., M. Corp. Admin, M. Com., dated October 7, 2011, SOKL entered into a loan agreement with OCBC which is Term Loan (TL) credit facility, comprising of TL-1, TL-2 and TL-3, each amounting to USD1,500,000, USD1,500,000 and USD2,000,000, respectively. The loan period is 4 years and could be extended to 5 years based on the OCBC's assessment.

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**21. PINJAMAN BANK JANGKA PANJANG (lanjutan)**

- b. PT Bank OCBC NISP Tbk (OCBC) dan Oversea-Chinese Banking Corporation Limited, Singapura (OCBC Ltd.) (lanjutan)

**PT Sukses Osean Khatulistiwa Line (SOKL)  
(lanjutan)**

Fasilitas pinjaman TL-1 digunakan untuk pembiayaan kembali (*refinancing*) fasilitas kredit yang diperoleh dari PT Bank Internasional Indonesia Tbk, fasilitas pinjaman TL-2 digunakan untuk memenuhi kebutuhan operasional kapal tanker pengangkut bahan kimia dan TL-3 digunakan untuk dipinjamkan kembali kepada perusahaan afiliasi untuk pengadaan 1 (satu) kapal tanker pengangkut kimia. Pinjaman TL-1, TL-2 dan TL-3 dikenakan bunga sebesar 5,75% - 6% *floating* per tahun pada periode 2014 (2013: 5,75% - 6%, 2012 dan 2011: 5,75%). SOKL menggunakan fasilitas TL-3 pada tanggal 7 September 2012.

Pada tanggal 30 Juni 2014, saldo pinjaman TL-1, TL-2 dan TL-3 adalah masing-masing sebesar AS\$546.919, AS\$606.250 dan AS\$1.016.667.

Pada tanggal 31 Desember 2013, saldo pinjaman TL-1, TL-2 dan TL-3 adalah masing-masing sebesar AS\$716.069, AS\$793.750 dan AS\$1.266.667.

Pada tanggal 31 Desember 2012, saldo pinjaman TL-1, TL-2 dan TL-3 adalah masing-masing sebesar AS\$1.054.370, AS\$1.168.750 dan AS\$1.828.571.

Pada tanggal 31 Desember 2011, saldo pinjaman TL-1 dan TL-2 adalah masing-masing sebesar AS\$1.330.648 dan AS\$1.475.000.

Pinjaman dari OCBC tersebut dijamin dengan kapal milik SOKL (Catatan 12) dan jaminan pribadi dari Paulus Utomo dan Go Darmadi.

**21. LONG-TERM BANK LOANS (continued)**

- b. PT Bank OCBC NISP Tbk (OCBC) and Oversea-Chinese Banking Corporation Limited, Singapore (OCBC Ltd.) (continued)

**PT Sukses Osean Khatulistiwa Line (SOKL)  
(continued)**

Credit facility TL-1 is used for refinancing the loan obtained from PT Bank Internasional Indonesia Tbk, TL-2 is used to finance the operating costs of chemical transporting vessel and TL-3 is used as loan to affiliated company for purchase of 1 (one) unit chemical transporting vessel. The loans TL-1, TL-2 and TL-3 bear floating interest rate at 5.75% - 6% for period 2014 (2013: 5.75% - 6%, 2012 and 2011: 5.75%). The Company used TL-3 facility on September 7, 2012.

As of June 30, 2014, the outstanding loan balance of TL-1, TL-2, and TL-3 amounted to USD546,919, USD606,250 and USD1,016,667, respectively.

As of December 31, 2013, the outstanding loan balance of TL-1, TL-2, and TL-3 amounted to USD716,069, USD793,750 and USD1,266,667, respectively.

As of December 31, 2012, the outstanding loan balance of TL-1, TL-2 and TL-3 amounted to USD1,054,370, USD1,168,750 and USD1,828,571, respectively.

As of December 31, 2011, the outstanding loan balance of TL-1 and TL-2 each amounted to USD1,330,648 and USD1,475,000, respectively.

The loans from OCBC are secured by the SOKL's vessel (Note 12) and personal guarantees from Paulus Utomo and Go Darmadi.

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**21. PINJAMAN BANK JANGKA PANJANG (lanjutan)**

- b. PT Bank OCBC NISP Tbk (OCBC) dan Oversea-Chinese Banking Corporation Limited, Singapura (OCBC Ltd.) (lanjutan)

**PT Sukses Osean Khatulistiwa Line (SOKL)  
(lanjutan)**

Selama periode perjanjian kredit, SOKL tanpa pemberitahuan tertulis kepada OCBC tidak boleh melakukan hal-hal antara lain membagi dividen lebih dari 30% dari laba bersih tahun sebelumnya, mengubah struktur pemegang saham, mengikatkan diri dalam atau memperoleh pinjaman/kewajiban baru atau tambahan atas jumlah uang yang dipinjam (fasilitas) dari lembaga keuangan lainnya, meminjamkan sejumlah uang kepada orang atau badan hukum lain, membuat pembayaran lebih awal atas pemberian barang jasa atau pajak atau pembayaran lebih awal lainnya dan menjaminkan kewajiban orang/pihak lain.

Pada tanggal 10 Januari 2013, OCBC memberikan persetujuan (*waiver*) kepada SOKL berkaitan dengan perubahan modal dasar dan modal disetor, perubahan komposisi pemegang saham dan pembagian dividen di 2012.

SOKL harus menjaga rasio keuangan antara lain *Debt Equity Ratio*, maksimal sebesar 2 (dua) kali, *EBITDA to Interest Ratio*, minimal sebesar 2,5 (dua koma lima) kali dan *Debt Service Coverage Ratio*, minimal sebesar 1,1 (satu koma satu) kali.

Pada tanggal 31 Oktober 2013, SOKL melakukan perjanjian kredit dengan OCBC dan OCBC Ltd. berupa fasilitas pinjaman *Term Loan* sebesar maksimal AS\$25.200.000 (AS\$7.560.000 dari OCBC dan AS\$17.640.000 dari OCBC Ltd.). Fasilitas ini digunakan untuk pembelian 1 (satu) unit kapal tanker dengan jangka waktu pinjaman 5 tahun, termasuk *grace period* 4 bulan terhitung sejak tanggal 31 Oktober 2013. Pada tahun 2013, pinjaman ini dikenakan bunga sebesar *LIBOR* + 5,738% per tahun oleh OCBC dan sebesar *Cost of fund* + 3,73% per tahun oleh OCBC Ltd. Pinjaman ini akan jatuh tempo pada tanggal 31 Oktober 2018.

**21. LONG-TERM BANK LOANS (continued)**

- b. PT Bank OCBC NISP Tbk (OCBC) and Oversea-Chinese Banking Corporation Limited, Singapore (OCBC Ltd.) (continued)

**PT Sukses Osean Khatulistiwa Line (SOKL)  
(continued)**

During the period of the loan, SOKL without written notification to OCBC is not allowed to carry out the activities, such as distribute dividend for more than 30% from net income from last year, changes the shareholders structure, bind itself in or obtain loan/new obligation or addition on the amount of money borrowed from other financial institution, lend money to individuals or other legal entity, make an early payment of given service or tax or other early payment and pledge individual/other party's obligation.

On January 10, 2013, OCBC gave approval (*waiver*) to SOKL related to change in authorized and paid-in capital, change in shareholders' composition and dividend payment in 2012.

SOKL must maintain the financial ratios, such as *Debt Equity Ratio*, maximum of 2 (two) times, *EBITDA to Interest Ratio*, minimum of 2.5 (two point five) times and *Debt Service Coverage Ratio*, minimum of 1.1 (one point one) times.

On October 31, 2013, SOKL entered into a loan agreement with OCBC and OCBC Ltd. which is *Term Loan* credit facility with maximum credit limit of USD25,200,000 (USD7,560,000 from OCBC and USD17,640,000 from OCBC Ltd.). This facility is used to purchase 1 (one) tanker vessel with loan period of 5 years, including *grace period* of 4 months starting October 31, 2013. In 2013, the loan bears interest rate at *LIBOR* + 5,738% per annum by OCBC and at *Cost of fund* + 3,73% per annum by OCBC Ltd. This loan will mature on October 31, 2018.

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**21. PINJAMAN BANK JANGKA PANJANG (lanjutan)**

- b. **PT Bank OCBC NISP Tbk (OCBC) dan Oversea-Chinese Banking Corporation Limited, Singapura (OCBC Ltd.) (lanjutan)**

**PT Sukses Osean Khatulistiwa Line (SOKL)  
(lanjutan)**

Saldo pinjaman pada tanggal 30 Juni 2014 dan 31 Desember 2013 masing-masing sebesar AS\$24.464.000 (AS\$7.339.200 dari OCBC dan AS\$17.124.800 dari OCBC Ltd.) dan AS\$25.200.000 (AS\$7.560.000 dari OCBC dan AS\$17.640.000 dari OCBC Ltd.).

Pinjaman dari OCBC dan OCBC Ltd tersebut dijamin dengan jaminan hipotik pertama 1 (satu) unit kapal tanker yang dibiayai (Catatan 12), jaminan pribadi dari Paulus Utomo dan Go Darmadi, jaminan dari Perusahaan, asuransi kapal tanker tersebut, semua pendapatan, kontrak, charter income, perjanjian sewa, dan arus kas lainnya dari kapal tanker tersebut dan kas yang dibatasi penggunaannya berupa *Escrow Account* di OCBC (Catatan 6).

Selama periode perjanjian kredit, SOKL tanpa pemberitahuan tertulis kepada OCBC tidak boleh melakukan hal-hal antara lain merubah susunan pemegang saham dan manajemen kunci, perubahan merugikan yang material atau pengembangan yang mengakibatkan perubahan yang merugikan, di bawah perjanjian apapun untuk yang merupakan litigasi, arbitrase, proses administrasi, tindakan atau klaim yang secara material dapat mempengaruhi bisnis, solvabilitas atau kemampuan SOKL dan Perusahaan melaksanakan kewajiban perjanjian kredit dan kejadian yg berpotensi pada kegagalan yang akan terjadi atau berlanjut.

SOKL harus menjaga rasio keuangan antara lain *Adjusted Tangible Networth*, minimal sebesar Rp350.000.000.000, *Adjusted Leverage Ratio*, maksimal sebesar 2,0 (dua koma nol) kali dan *Debt Service Coverage Ratio*, minimal sebesar 2,0 (dua koma nol) kali.

Pada tanggal 22 Agustus 2014, OCBC dan OCBC Ltd. memberikan persetujuan atas perubahan beberapa persyaratan rasio keuangan yang berlaku efektif sejak tanggal 31 Desember 2013.

**21. LONG-TERM BANK LOANS (continued)**

- b. **PT Bank OCBC NISP Tbk (OCBC) and Oversea-Chinese Banking Corporation Limited, Singapore (OCBC Ltd.) (continued)**

**PT Sukses Osean Khatulistiwa Line (SOKL)  
(continued)**

The outstanding loan balance as of June 30, 2014 and December 31, 2013 amounted to USD24,464,000 (USD7,339,200 from OCBC and USD17,124,800 from OCBC Ltd.) and USD25,200,000 (USD7,560,000 from OCBC and USD17,640,000 from OCBC Ltd.), respectively.

The loans from OCBC and OCBC Ltd. are secured by first priority hypothec of 1 (one) financed tanker vessel (Note 12), personal guarantees from Paulus Utomo and Go Darmadi, corporate guarantee from the Company, insurance policies over the vessel, charter income, lease agreement and any other cash flow from the vessel and restricted cash in the form of *Escrow Account* at OCBC (Note 6).

During the period of the loan, SOKL without written notification to OCBC is not allowed to carry out the activities, such as change the composition of shareholders and key management, material adverse change, or any development that may result in a prospective adverse change, under any agreement to which it is any litigation, arbitration, administrative proceedings, action or claims which may materially affect the business, solvency or ability of SOKL and the Company and potential event of default shall occur or continue to occur.

SOKL must maintain the financial ratios, such as *Adjusted Tangible Networth*, minimum of Rp350,000,000.000, *Adjusted Leverage Ratio*, maximum of 2.0 (two point zero) times and *Debt Service Coverage Ratio*, minimum of 2.0 (two point zero) times.

On August 22, 2014, OCBC and OCBC Ltd. gave approval for the amendment of the required financial ratio which effective starting December 31, 2013.

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- b. PT Bank OCBC NISP Tbk (OCBC) dan Oversea-Chinese Banking Corporation Limited, Singapura (OCBC Ltd.) (lanjutan)

**PT Sukses Osean Khatulistiwa Line (SOKL)  
(lanjutan)**

Perusahaan (*Corporate Guarantor*) harus menjaga rasio keuangan antara lain *Adjusted Consolidated Tangible Networth*, minimal sebesar AS\$78.000.000 dan *Adjusted Leverage Ratio*, maksimal sebesar 2,5 (dua koma lima) kali.

Selain *waiver* tersebut diatas, manajemen Perusahaan dan SOKL berpendapat bahwa seluruh persyaratan kepatuhan telah dipenuhi pada tanggal laporan posisi keuangan konsolidasian.

**Success International Marine Pte. Ltd. (SIM)**

Pada tahun 2012, SIM memperoleh fasilitas kredit berjangka (*Term Loan I*) dari OCBC Ltd. Pinjaman akan berakhir dalam 48 bulan terhitung sejak September 2012 dan dikenakan bunga sebesar *Cost of Fund* + 4% per tahun.

Pada tahun 2013, SIM memperoleh fasilitas kredit berjangka (*Term Loan II*) dari OCBC Ltd. Pinjaman akan berakhir dalam 57 bulan terhitung sejak Februari 2013 dan dikenakan bunga sebesar *Cost of Fund* + 4% per tahun.

Pada tahun 2013, SIM memperoleh fasilitas kredit investasi (*Term Loan III*) dari OCBC Ltd. Pinjaman ini akan berakhir dalam 43 bulan terhitung sejak Mei 2013. Pinjaman tersebut dikenakan bunga sebesar *Cost of Fund* + 4% per tahun. Pinjaman ini akan jatuh tempo pada tanggal 7 April 2017.

Saldo pinjaman *Term Loan I* pada tanggal 30 Juni 2014, 31 Desember 2013 dan 2012 masing-masing sebesar AS\$4.961.250, AS\$5.433.750 dan AS\$6.234.375.

Saldo pinjaman *Term Loan II* pada tanggal 30 Juni 2014 dan 31 Desember 2013 sebesar AS\$5.250.000 dan AS\$5.730.000.

Saldo pinjaman *Term Loan III* pada tanggal 30 Juni 2014 dan 31 Desember 2013 sebesar AS\$5.040.000 dan AS\$5.880.000.

**21. LONG-TERM BANK LOANS (continued)**

- b. PT Bank OCBC NISP Tbk (OCBC) and Oversea-Chinese Banking Corporation Limited, Singapore (OCBC Ltd.) (continued)

**PT Sukses Osean Khatulistiwa Line (SOKL)  
(continued)**

The Company (*Corporate Guarantor*) must maintain the financial ratios, such as *Adjusted Consolidated Tangible Networth*, minimum of USD78,000,000 and *Adjusted Leverage Ratio*, maximum of 2.5 (two point five) times.

Except for the *waiver* stated above, management of the Company and SOKL is of the opinion that all compliance requirements are met as of consolidated statements of financial position date.

**Success International Marine Pte. Ltd. (SIM)**

In 2012, SIM obtained term loan credit facility (*Term Loan I*) from OCBC Ltd. The facility will mature in 48 months starting from September 2012 and bears interest rate at *Cost of Fund* + 4% per annum.

In 2013, SIM obtained term loan credit facility (*Term Loan II*) from OCBC Ltd. The loan facility will mature in 57 months starting from February 2013 and bears interest rate at *Cost of Fund* + 4% per annum.

In 2013, SIM obtained investment credit facility (*Term Loan III*) from OCBC Ltd. This facility will mature in 43 months starting May 2013. The loan bears interest rate at *Cost of Fund* + 4% per annum. This loan will mature on April 7, 2017.

The outstanding loan balance of *Term Loan I* as of June 30, 2014, December 31, 2013 and 2012 amounted to USD4,961,250, USD5,433,750 and USD6,234,375, respectively.

The outstanding loan balance of *Term Loan II* as of June 30, 2014 and December 31, 2013 amounted to USD5,250,000 and USD5,730,000.

The outstanding loan balance of *Term Loan III* as of June 30, 2014 and December 31, 2013 amounted to USD5,040,000 and USD5,880,000.

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**21. PINJAMAN BANK JANGKA PANJANG (lanjutan)**

- b. **PT Bank OCBC NISP Tbk (OCBC) dan Oversea-Chinese Banking Corporation Limited, Singapura (OCBC Ltd.) (lanjutan)**

**Success International Marine Pte. Ltd. (SIM)  
(lanjutan)**

Seluruh fasilitas pinjaman dari OCBC Ltd. tersebut dijamin dengan kapal-kapal milik AMO, SML dan Success Marlina XXXIII S.A (Catatan 12), jaminan pribadi atas nama Paulus Utomo dan Go Darmadi dan jaminan perusahaan dari SOKL.

Perjanjian pinjaman mencakup pembatasan berupa *negative covenant*, tanpa persetujuan tertulis terlebih dahulu dari OCBC Ltd., antara lain, tidak boleh mengubah kepemilikan, bendera dan klasifikasi kapal yang dijamin selama masa pinjaman.

Manajemen SIM berpendapat bahwa seluruh persyaratan kepatuhan telah dipenuhi pada tanggal laporan posisi keuangan konsolidasian.

- c. **PT Bank Central Asia Tbk (BCA)**

**PT Inti Energi Line (IEL)**

Berdasarkan Akta Notaris Sri Buena Brahmata, S.H., M.Kn., No. 5 tanggal 1 Agustus 2008, IEL melakukan perjanjian kredit dengan BCA berupa fasilitas pinjaman Kredit Investasi 5 (KI-5) dengan batas maksimal pinjaman sebesar AS\$3.700.000. Pinjaman ini dikenakan tingkat bunga 6% per tahun dan telah dilunasi pada tanggal 6 Februari 2014.

Saldo pinjaman pada tanggal 31 Desember 2013, 2012 dan 2011 masing-masing sebesar AS\$127.782, AS\$894.474 dan AS\$1.661.166.

Berdasarkan Akta Notaris Sri Buena Brahmata, S.H., M.Kn., No. 13 tanggal 8 Oktober 2009, IEL memperoleh penambahan fasilitas pinjaman dari BCA berupa Kredit Investasi 6 (KI-6) dengan batas maksimal pinjaman sebesar AS\$18.500.000. Pinjaman ini dikenakan tingkat bunga 6% per tahun dan akan jatuh tempo pada tanggal 2 November 2015.

**21. LONG-TERM BANK LOANS (continued)**

- b. **PT Bank OCBC NISP Tbk (OCBC) and Oversea-Chinese Banking Corporation Limited, Singapore (OCBC Ltd.) (continued)**

**Success International Marine Pte. Ltd. (SIM)  
(continued)**

All the loan facilities from OCBC Ltd. are secured by vessels owned by AMO, SML and Success Marlina XXXIII S.A (Note 12), personal guarantees from Paulus Utomo and Go Darmadi and corporate guarantee from SOKL.

The loan agreement includes negative covenants, without prior written notice to OCBC Ltd., among others, shall not change ownership, flag and classification society of pledged vessels during life of the facilities.

SIM's management is of the opinion that all compliance requirements are met as of consolidated statement of financial position date.

- c. **PT Bank Central Asia Tbk (BCA)**

**PT Inti Energi Line (IEL)**

Based on Notarial Deed No. 5 of Sri Buena Brahmata, S.H., M.Kn., dated August 1, 2008, IEL entered into a loan agreement with BCA which is Investment Credit facility (KI-5) with maximum credit limit of USD3,700,000. The loan bears interest rate at 6% per annum and has been fully paid on February 6, 2014.

The outstanding loan balance as of December 31, 2013, 2012 and 2011 amounted to USD127,782, USD894,474 and USD1,661,166, respectively.

Based on Notarial Deed No. 13 of Sri Buena Brahmata, S.H., M.Kn., dated October 8, 2009, IEL obtained additional loan from BCA which is Investment Credit facility 6 (KI-6) with maximum credit limit of USD18,500,000. The loan bears interest rate at 6% per annum and will mature on November 2, 2015.

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**21. PINJAMAN BANK JANGKA PANJANG (lanjutan)**

**c. PT Bank Central Asia Tbk (BCA) (lanjutan)**

**PT Inti Energi Line (IEL) (lanjutan)**

Saldo pinjaman pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011 masing-masing sebesar AS\$4.765.152, AS\$6.446.970, AS\$9.810.606 dan AS\$13.174.242.

Berdasarkan Akta Notaris Sri Buena Brahmana, S.H., M.Kn., No. 98 tanggal 10 Desember 2010, IEL memperoleh penambahan fasilitas pinjaman berupa Kredit Investasi 7 (KI-7) dengan batas maksimal pinjaman sebesar Rp37.861.000.000. Pinjaman ini akan dibayar secara bertahap selama 60 bulan, dengan angsuran bulanan masing-masing sebesar Rp631.016.667 sampai dengan tanggal 10 Desember 2015. Pinjaman ini dikenakan bunga sebesar 11,25% - 12,25% pada periode 2014 (2013: 10,25% - 11,25%, 2012 dan 2011 : 10,25%).

Saldo pinjaman pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011 masing-masing sebesar Rp11.358.300.000 (AS\$948.977), Rp15.144.400.000 (ekuivalen AS\$1.242.465), Rp22.716.600.000 (ekuivalen AS\$2.349.183) dan Rp30.288.800.000 (ekuivalen AS\$3.340.185).

Berdasarkan Akta Notaris Sri Buena Brahmana, S.H., M.Kn., No. 71 tanggal 31 Oktober 2013, IEL melakukan perjanjian kredit dengan BCA berupa *Installment Loan* (IL) dengan jumlah maksimum fasilitas pinjaman sebesar Rp66.500.000.000. Pinjaman ini akan jatuh tempo pada tanggal 1 November 2017. Pinjaman ini dikenakan tingkat bunga 12,25% per tahun pada periode 2014 (2013: 11,25%).

Saldo pinjaman pada tanggal 30 Juni 2014 dan 31 Desember 2013 sebesar Rp64.505.000.000 (ekuivalen AS\$5.389.339) dan Rp66.500.000.000 (ekuivalen AS\$5.455.739).

Seluruh fasilitas pinjaman IEL yang diperoleh dari BCA merupakan fasilitas "joint borrower" dengan SOKL dan AMO dan dijamin dengan kapal-kapal milik IEL, SOKL dan AMO (Catatan 12), sebidang tanah milik PT Tria Sumatra Corporation dan jaminan pribadi dari Paulus Utomo dan Go Darmadi.

**21. LONG-TERM BANK LOANS (continued)**

**c. PT Bank Central Asia Tbk (BCA) (continued)**

**PT Inti Energi Line (IEL) (continued)**

The outstanding loan balance as of June 30, 2014, December 31, 2013, 2012 and 2011 amounted to USD4,765,152, USD6,446,970, USD9,810,606 and USD13,174,242, respectively.

Based on Notarial Deed No. 98 of Sri Buena Brahmana, S.H., M.Kn., dated December 10, 2010, IEL obtained additional loan from BCA which is Investment Credit facility 7 (KI-7) with maximum credit limit of Rp37,861,000,000. The loan will be paid in installment over 60 months, with monthly installments of Rp631,016,667 until December 10, 2015. The loan bears interest rate at 11.25% - 12.25% for period 2014 (2013: 10.25% - 11.25%, 2012 and 2011: 10.25%).

The outstanding loan balance as of June 30, 2014, December 31, 2013, 2012 and 2011 amounted to Rp11,358,300,000 (AS\$948,977), Rp15,144,400,000 (equivalent to USD1,242,465), Rp22,716,600,000 (equivalent to USD2,349,183) and Rp30,288,800,000 (equivalent to USD3,340,185), respectively.

Based on Notarial Deed No. 71 of Sri Buena Brahmana, S.H., M.Kn., dated October 31, 2013, IEL entered into a loan agreement from BCA which is Installment Loan facility (IL) with maximum credit limit of IDR66,500,000,000. The loan will be mature on November 1, 2017. The loan bears interest rate at 12.25% per annum for period 2014 (2013: 11.25%).

The outstanding loan balance as of June 30, 2014 and December 31, 2013 amounted to Rp64,505,000,000 (equivalent to USD5,389,339) and Rp66,500,000,000 (equivalent to USD5,455,739).

All loan facilities obtained from BCA are "joint borrower" facilities with SOKL and AMO and are secured by the IEL's vessels, SOKL's vessel and AMO's vessel (Note 12), PT Tria Sumatra Corporation's land and personal guarantees from Paulus Utomo and Go Darmadi.

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**21. PINJAMAN BANK JANGKA PANJANG (lanjutan)**

**c. PT Bank Central Asia Tbk (BCA) (lanjutan)**

**PT Inti Energi Line (IEL) (lanjutan)**

Selama periode perjanjian kredit, IEL tanpa pemberitahuan tertulis kepada BCA tidak boleh melakukan hal-hal antara lain mengikatkan diri sebagai penanggung/penjamin dalam bentuk dan dengan nama apapun untuk menjamin utang perusahaan afiliasi IEL atau pihak lain, mengagunkan saham IEL, meminjamkan uang kepada pemegang saham dan/atau perusahaan afiliasi IEL, melakukan transaksi dengan seseorang atau sesuatu pihak dengan cara yang berbeda atau di luar praktek dan kebiasaan yang ada, melakukan investasi, penyertaan atau membuka usaha baru, menjual atau melepaskan harta tidak bergerak atau harta kekayaan utama dalam menjalankan usahanya, melakukan peleburan, penggabungan, pengambilalihan atau pembubaran, mengubah status kelembagaan, anggaran dasar, susunan Direksi dan Dewan Komisaris serta para pemegang saham, melakukan pembayaran dividen kepada pemegang saham IEL melebihi 50% dari laba bersih tahun berjalan dan melakukan pembayaran utang pemegang saham.

Pada tanggal 10 Desember 2012, BCA memberikan persetujuan kepada IEL berkaitan dengan perubahan modal dasar dan modal disetor, perubahan komposisi pemegang saham dan pembagian dividen di 2012.

IEL harus menjaga rasio keuangan antara lain total utang terhadap modal, maksimal sebesar 2,5 (dua koma lima) kali, *EBITDA to Interest Ratio*, minimal sebesar 3 (tiga) kali dan *(EBITDA minus Tax) to (Interest plus Principle Installment) Ratio*, minimal sebesar 1 (satu) kali.

Pada tanggal 12 September 2013, BCA memberikan persetujuan (*waiver*) kepada IEL terhadap tidak terpenuhinya rasio keuangan untuk kondisi usaha tahun 2012 dan periode Juni 2013.

Selain *waiver* tersebut diatas, manajemen IEL berpendapat bahwa seluruh persyaratan kepatuhan telah dipenuhi pada tanggal laporan posisi keuangan konsolidasian.

**21. LONG-TERM BANK LOANS (continued)**

**c. PT Bank Central Asia Tbk (BCA) (continued)**

**PT Inti Energi Line (IEL) (continued)**

During the period of the loan, IEL without written notification to BCA is not allowed to carry out the activities, such as act as underwriter/guarantor in any form and by any name to guarantee debt of IEL's affiliated company or other parties, pledges IEL's shares, lend money to IEL's shareholders and/or its affiliated companies, enter into transaction with a person or a party with different ways or beyond regular practice, invest in, or create a new business other than currently held, sell or dispose the immovable assets or the main assets for the operations, do merger, consolidation, acquisition, or liquidation, amend the status of institution, articles of association, Boards of Commissioners and Directors, and shareholders structure, distribute dividends to the IELs shareholders for more than 50% from current year net income and pay debt to shareholders.

On December 10, 2012, BCA gave approval to IEL related to changes in authorized and fully paid capital, changes in shareholder's composition and dividend payment in 2012.

IEL must maintain the financial ratios, such as Debt to Equity Ratio, maximum of 2.5 (two point five) times, EBITDA to Interest Ratio, minimum of 3 (three) times and *(EBITDA minus Tax) to (Interest plus Principle Installment) Ratio*, minimum of 1 (one) time.

On September 12, 2013, BCA gave approval (*waiver*) to IEL related with the un-fulfilment of financial ratios on business condition for year 2012 and period ended June 2013.

Except for the waiver stated above, IEL's management is of the opinion that all compliance requirements are met as of consolidated statements of financial position date.

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**21. PINJAMAN BANK JANGKA PANJANG (lanjutan)**

**c. PT Bank Central Asia Tbk (BCA) (lanjutan)**

**PT Armada Maritime Offshore (AMO)**

Berdasarkan Akta Notaris Sri Buena Brahmama, S.H., No. 80 tanggal 21 Desember 2012, AMO melakukan perjanjian kredit berupa fasilitas Kredit Investasi 9 (KI-9) dengan batas maksimal pinjaman sebesar Rp42.000.000.000. Fasilitas ini digunakan untuk pembiayaan 1 (satu) unit kapal tanker milik AMO dengan jangka waktu pinjaman 7 (tujuh) tahun termasuk *grace period* 6 (enam) bulan. Pinjaman tersebut dikenakan bunga tahunan sebesar 12,25% pada periode 2014 (2013: 10,25% - 11,25%) dan harus dibayarkan paling lambat tanggal 10 (sepuluh) setiap bulan. Pinjaman ini akan jatuh tempo pada tanggal 10 Januari 2020.

Saldo pinjaman KI-9 pada tanggal 30 Juni 2014 dan 31 Desember 2013 sebesar Rp35.754.807.692 (ekuivalen AS\$2.987.284) dan Rp38.956.730.769 (ekuivalen AS\$3.196.056).

Fasilitas pinjaman ini merupakan fasilitas "joint borrower" dengan SOKL dan IEL dan dijamin dengan kapal-kapal milik IEL, SOKL dan AMO (Catatan 12). Pinjaman juga dijamin dengan jaminan pribadi dari Paulus Utomo dan Go Darmadi.

Selama periode perjanjian kredit, AMO tanpa pemberitahuan tertulis kepada BCA tidak boleh melakukan hal-hal antara lain mengikatkan diri sebagai penanggung/penjamin dalam bentuk dan dengan nama apapun untuk menjamin utang perusahaan afiliasi AMO atau pihak lain, mengagunkan saham AMO, meminjamkan uang kepada pemegang saham dan/atau perusahaan afiliasi AMO, melakukan transaksi dengan seseorang atau sesuatu pihak dengan cara yang berbeda atau di luar praktek dan kebiasaan yang ada, melakukan investasi, penyertaan atau membuka usaha baru, menjual atau

**21. LONG-TERM BANK LOANS (continued)**

**c. PT Bank Central Asia Tbk (BCA) (continued)**

**PT Armada Maritime Offshore (AMO)**

Based on Notarial Deed No. 80 of Sri Buena Brahmama, S.H., dated December 21, 2012, AMO entered into a loan agreement with BCA which is Investment Credit facility 9 (KI-9) with maximum credit limit of Rp42,000,000,000. This facility is used for refinancing AMO's 1 (one) unit tanker vessel with loan period of 7 (seven) years including grace period of 6 (sixth) months. The loan bears interest rate at 12.25% for period 2014 (2013: 10.25% - 11.25%) and must be paid not later than 10<sup>th</sup> (tenth) of each month. The loan will mature on January 10, 2020.

The outstanding loan balance of KI-9 as of June 30, 2014 and December 31, 2013 amounted to Rp35,754,807,692 (equivalent to USD2,987,284) and Rp38,956,730,769 (equivalent to USD3,196,056).

The loan facilities obtained from BCA are "joint borrower" facilities with SOKL and IEL and secured by the IEL's vessels, SOKL's vessel and AMO's vessel (Note 12). These loans are also secured by lands and buildings owned by Paulus Utomo and Go Darmadi, personal guarantees from Paulus Utomo and Go Darmadi.

During the period of the loan, AMO without written notification to BCA is not allowed to carry out the activities, such as act as underwriter/guarantor in any form and by any name to guarantee debt of AMO's affiliated company or other parties, pledges AMO's shares, lend money to AMO's shareholders and/or its affiliated companies, enter into transaction with a person or a party with different ways or beyond regular practice, invest in, or create a new business other than currently held, sell or dispose the immovable assets or the main assets for the operations, do merger, consolidation, acquisition, or

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**c. PT Bank Central Asia Tbk (BCA) (lanjutan)**

**PT Armada Maritime Offshore (AMO)  
(lanjutan)**

melepaskan harta tidak bergerak atau harta kekayaan utama dalam menjalankan usahanya, melakukan peleburan, penggabungan, pengambilalihan atau pembubaran, mengubah status kelembagaan, anggaran dasar, susunan Direksi dan Dewan Komisaris serta para pemegang saham, melakukan pembayaran dividen kepada pemegang saham AMO melebihi 50% dari laba bersih tahun berjalan dan melakukan pembayaran utang pemegang saham.

AMO harus menjaga rasio keuangan antara lain total utang terhadap modal, maksimal sebesar 2,5 (dua koma lima) kali, *EBITDA to Interest Ratio*, minimal sebesar 3 (tiga) kali dan (*EBITDA minus Tax*) to (*Interest plus Principle Installment*) Ratio, minimal sebesar 1 (satu) kali.

Pada tanggal 12 September 2013, BCA memberikan persetujuan (*waiver*) kepada AMO terhadap tidak terpenuhinya persyaratan keuangan untuk kondisi usaha tahun 2012 dan periode Juni 2013.

Selain *waiver* tersebut diatas, manajemen AMO berpendapat bahwa seluruh persyaratan kepatuhan telah dipenuhi pada tanggal laporan posisi keuangan konsolidasian.

**d. PT Bank Artha Graha Internasional Tbk (BAG)**

**PT Sukses Osean Khatulistiwa Line (SOKL)**

Berdasarkan Akta Notaris Irma Bonita, S.H. No. 40 tanggal 28 Juli 2010, SOKL melakukan perjanjian kredit dengan BAG berupa fasilitas pinjaman *Fixed Loan* sebesar maksimal AS\$6.000.000. Pinjaman ini dikenakan bunga sebesar 7,5% - 8% per tahun pada periode 2014 (2013: 7,5%, 2012 dan 2011: 8%) dan akan jatuh tempo pada bulan Juli 2015.

**21. LONG-TERM BANK LOANS (continued)**

**c. PT Bank Central Asia Tbk (BCA) (continued)**

**PT Armada Maritime Offshore (AMO)  
(continued)**

*liquidation, amend the status of institution, articles of association, Boards of Commissioners and Directors, and shareholders structure, distribute dividends to the AMO's shareholders for more than 50% from current year net income and pay debt to shareholders.*

*AMO must maintain the financial ratios, such as Debt to Equity Ratio, maximum of 2.5 (two point five) times, EBITDA to Interest Ratio, minimum of 3 (three) times and (EBITDA minus Tax) to (Interest plus Principle Installment) Ratio, minimum of 1 (one) time.*

*On September 12, 2013, BCA gave approval (waiver) to AMO related with the un-fulfilment of financial covenant on business condition for year 2012 and period ended June 2013.*

*Except for the waiver stated above, AMO's management is of the opinion that all compliance requirements are met as of consolidated statements of financial position date.*

**d. PT Bank Artha Graha Internasional Tbk (BAG)**

**PT Sukses Osean Khatulistiwa Line (SOKL)**

*Based on Notarial Deed No. 40 of Irma Bonita, S.H., dated July 28, 2010, SOKL entered into a loan agreement with BAG which is Fixed Loan credit facility with maximum credit limit of USD6,000,000. The loan bears interest rate at 7.5% - 8% per annum for period 2014 (2013: 7.5%, 2012 and 2011: 8%) and will be due in July 2015.*

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**21. PINJAMAN BANK JANGKA PANJANG (lanjutan)**

**d. PT Bank Artha Graha Internasional Tbk  
(BAG) (lanjutan)**

**PT Sukses Ocean Khatulistiwa Line (SOKL)  
(lanjutan)**

Saldo pinjaman pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011 masing-masing sebesar AS\$962.500, AS\$1.306.250, AS\$2.131.250 dan AS\$2.956.251.

Berdasarkan Akta Notaris Irma Bonita, S.H. No. 12 tanggal 12 Januari 2011, SOKL melakukan perjanjian kredit dengan BAG berupa tambahan fasilitas pinjaman *Fixed Loan II* sebesar maksimal AS\$4.550.000. Fasilitas ini digunakan untuk pembiayaan 1 (satu) unit kapal tanker dengan jangka waktu pinjaman 5 tahun. Pinjaman ini dikenakan bunga sebesar 7,5% - 8% per tahun pada periode 2014 (2013: 7,5%, 2012 dan 2011: 8%) dan akan jatuh tempo pada tanggal 12 Januari 2016.

Saldo pinjaman pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011 masing-masing sebesar AS\$1.499.802, AS\$1.995.614, AS\$2.953.508 dan AS\$3.911.403.

Berdasarkan Akta Notaris Emmy Halim, S.H., MKn., No. 88 tanggal 21 November 2011, SOKL melakukan perjanjian kredit dengan BAG berupa tambahan fasilitas pinjaman *Fixed Loan III* sebesar maksimal AS\$2.000.000. Fasilitas ini digunakan untuk tambahan modal kerja dengan jangka waktu pinjaman 4 tahun. Pinjaman ini dikenakan bunga sebesar 7,5% - 8% per tahun pada periode 2014 (2013: 7,5%, 2012 dan 2011: 8%) dan akan jatuh tempo pada tanggal 21 November 2015.

Saldo pinjaman pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011 adalah sebesar AS\$1.000.000, AS\$1.277.778, AS\$1.944.445 dan AS\$2.000.000.

**21. LONG-TERM BANK LOANS (continued)**

**d. PT Bank Artha Graha Internasional Tbk  
(BAG) (continued)**

**PT Sukses Ocean Khatulistiwa Line (SOKL)  
(continued)**

The outstanding loan balance as of June 30, 2014, December 31, 2013, 2012 and 2011 amounted to USD962,500, USD1,306,250, USD2,131,250 and USD2,956,251, respectively.

Based on Notarial Deed No. 12 of Irma Bonita, S.H., dated January 12, 2011, SOKL entered into a loan agreement with BAG which is additional *Fixed Loan II* credit facility with maximum credit limit of USD4,550,000. This facility is used to refinance 1 (one) unit tanker vessel with loan period of 5 years. The loan bears interest rate at 7.5% - 8% per annum for period 2014 (2013: 7.5%, 2012 and 2011: 8%) and will mature on January 12, 2016.

The outstanding loan balance as of June 30, 2014, December 31, 2013, 2012 and 2011 amounted to USD1,499,802, USD1,995,614, USD2,953,508 and USD3,911,403, respectively.

Based on Notarial Deed No. 88 of Emmy Halim, S.H., MKn., dated November 21, 2011, SOKL entered into a loan agreement with BAG which is additional *Fixed Loan III* credit facility with maximum credit limit of USD2,000,000. This facility is used for additional working capital with loan period of 4 years. The loan bears interest rate at 7.5% - 8% per annum for period 2014 (2013: 7.5%, 2012 and 2011: 8%) and will mature on November 21, 2015.

The outstanding loan balance as of June 30, 2014, December 31, 2013, 2012 and 2011 amounted to USD1,000,000, USD1,277,778, USD1,944,445 and USD2,000,000, respectively.

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**21. PINJAMAN BANK JANGKA PANJANG (lanjutan)**

**d. PT Bank Artha Graha Internasional Tbk  
(BAG) (lanjutan)**

**PT Sukses Osean Khatulistiwa Line (SOKL)  
(lanjutan)**

Berdasarkan Akta Notaris Emmy Halim, S.H., MKn., No. 96 tanggal 19 September 2012, SOKL melakukan perjanjian kredit dengan BAG berupa tambahan fasilitas pinjaman *Fixed Loan IV* sebesar maksimal AS\$4.373.600. Fasilitas ini digunakan untuk tambahan modal kerja dengan jangka waktu pinjaman 5 tahun termasuk *grace period* 6 bulan terhitung sejak tanggal 19 September 2012. Pinjaman ini dikenakan bunga sebesar 7,5% - 8% per tahun pada periode 2014 (2013: 7,5%, 2012 dan 2011: 8%) dan akan jatuh tempo pada tanggal 19 September 2017.

Saldo pinjaman pada tanggal 30 Juni 2014, 31 Desember 2013 dan 2012 masing-masing sebesar AS\$3.239.701, AS\$3.644.665 dan AS\$4.373.600.

Berdasarkan Akta Notaris Emmy Halim, S.H., MKn., No. 46 tanggal 11 April 2013, SOKL melakukan perjanjian kredit dengan BAG berupa tambahan fasilitas pinjaman *Fixed Loan V* sebesar maksimal Rp74.690.000.000. Fasilitas ini digunakan untuk tambahan modal kerja dengan jangka waktu pinjaman 6 tahun, termasuk *grace period* 6 bulan terhitung sejak tanggal 15 April 2013. Pinjaman ini dikenakan bunga sebesar 14,5% - 15,25% per tahun pada periode 2014 (2013: 12% - 14%) dan akan jatuh tempo pada tanggal 15 April 2019.

Saldo pinjaman pada tanggal 30 Juni 2014 dan 31 Desember 2013 adalah sebesar Rp44.946.666.664 (ekuivalen AS\$3.755.257) dan Rp51.736.666.666 (ekuivalen AS\$4.244.537).

Seluruh fasilitas pinjaman dari BAG tersebut dijamin dengan kapal-kapal milik SOKL, IEL, PUL dan AMO (Catatan 12), jaminan pribadi dari Hartono Utomo, Go Darmadi, Paulus Utomo, Agus Utomo, Linawaty, Pieters Adyana Utomo, Johannes Utomo, Barli Hasan, Handara Adyana Utomo (pihak-pihak berelasi) dan jaminan dari Perusahaan.

**21. LONG-TERM BANK LOANS (continued)**

**d. PT Bank Artha Graha Internasional Tbk  
(BAG) (continued)**

**PT Sukses Osean Khatulistiwa Line (SOKL)  
(continued)**

Based on Notarial Deed No. 96 of Emmy Halim, S.H., MKn., dated September 19, 2012, SOKL entered into a loan agreement with BAG which is additional *Fixed Loan IV* credit facility with maximum credit limit of USD4,373,600. This facility is used for additional working capital with loan period of 5 years, including *grace period* of 6 months starting on September 19, 2012. The loan bears interest rate at 7.5% - 8% per annum for period 2014 (2013: 7.5%, 2012 and 2011: 8%) and will mature on September 19, 2017.

The outstanding loan balance as of June 30, 2014, December 31, 2013 and 2012 amounted to USD3,239,701, USD3,644,665 and USD4,373,600, respectively.

Based on Notarial Deed No. 46 of Emmy Halim, S.H., MKn., dated April 11, 2013, SOKL entered into a loan agreement with BAG which is additional *Fixed Loan V* credit facility with maximum credit limit of Rp74,690,000,000. This facility is used for additional working capital with loan period of 6 years, including *grace period* of 6 months starting on April 15, 2013. The loan bears interest rate at 14.5% - 15.25% per annum for period 2014 (2013: 12% - 14%) and will mature on April 15, 2019.

The outstanding loan balance as of June 30, 2014 and December 31, 2013 amounted to Rp44,946,666,664 (equivalent AS\$3,755,257) and Rp51,736,666,666 (equivalent to USD4,244,537).

All loan facilities from BAG are secured by tanker vessels owned by SOKL, IEL, PUL and AMO (Note 12), personal guarantees from Hartono Utomo, Go Darmadi, Paulus Utomo, Agus Utomo, Linawaty, Pieters Adyana Utomo, Johannes Utomo, Barli Hasan, Handara Adyana Utomo (related parties) and Corporate guarantee.

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**21. PINJAMAN BANK JANGKA PANJANG (lanjutan)**

**d. PT Bank Artha Graha Internasional Tbk (BAG) (lanjutan)**

**PT Sukses Osean Khatulistiwa Line (SOKL) (lanjutan)**

Selama periode perjanjian kredit, SOKL tanpa pemberitahuan tertulis kepada BAG tidak boleh melakukan hal-hal antara lain menerima kredit dalam bentuk apapun dari bank lain atau pihak lain, mengikatkan diri sebagai penjamin/ penanggung terhadap hutang pihak lain atau menjaminkan/mengagunkan kepada pihak lain lain seluruh atau sebagian harta kekayaan yang telah dijaminkan kepada BAG, menjual dan/atau memindah-tangankan atau dengan cara apapun juga melepaskan sebagian dan/atau seluruh harta kekayaan SOKL yang telah dijaminkan kepada BAG, menyerahkan kepada pihak lain seluruh atau sebagian dari hak atau kewajiban SOKL, melakukan perubahan terhadap bidang usaha SOKL, mengadakan peleburan atau merger atau penggabungan usaha atau konsolidasi dengan badan hukum lain, membubarkan SOKL, memindahtangankan SOKL dalam bentuk atau dengan nama apapun dan dengan maksud apapun, menyewakan SOKL, memohon dinyatakan pailit atau mengajukan penundaan kewajiban pembayaran hutang, merubah anggaran dasar, merubah susunan Direksi, Komisaris, dan pemegang saham, mengadakan perjanjian bantuan teknik atau manajemen dengan pihak ketiga, mengeluarkan saham-saham baru dan membayar hutangnya kepada para pemegang saham dan/atau para perseronya.

Pada tanggal 3 Desember 2012, BAG memberikan persetujuan (*waiver*) kepada SOKL berkaitan dengan perubahan modal dasar dan modal disetor, perubahan komposisi pemegang saham dan pembagian dividen di 2012.

Selain *waiver* tersebut di atas, manajemen SOKL berpendapat bahwa seluruh persyaratan kepatuhan telah dipenuhi pada tanggal laporan posisi keuangan konsolidasian.

**e. PT Bank Internasional Indonesia Tbk (BII)**

**PT Inti Energi Line (IEL)**

Berdasarkan Akta Notaris F.X. Budi Santoso Isbandi, S.H., No. 80 tanggal 20 Mei 2010, IEL melakukan perjanjian kredit dengan BII berupa fasilitas pinjaman Kredit Berjangka maksimal sebesar AS\$7.000.000. Pinjaman ini dikenakan tingkat bunga 7% per tahun dan akan jatuh tempo pada tanggal 20 Mei 2015.

**21. LONG-TERM BANK LOANS (continued)**

**d. PT Bank Artha Graha Internasional Tbk (BAG) (continued)**

**PT Sukses Osean Khatulistiwa Line (SOKL) (continued)**

During the period of the loan, SOKL without written notification to BAG is not allowed to carry out the activities, such as obtain credit in any form from other banks or parties, act as guarantor/underwriter for other parties' debts or pledge/collateralize to other parties all or part of the assets which already collateralized to BAG, sell and/or hand over or by any mean release a part and/or all SOKL assets that has been collateralized to BAG, transfer to other parties all or partially SOKL's rights and obligations, make any changes in SOKL business fields, do merger or business combination or consolidation with other legal entity, dissolve SOKL, transfer SOKL in any form or by any name and by any purposes, rent out SOKL, file a petition for bankruptcy or propose obligation payment delay, amend Articles of Association, change the composition of directors, commisioners and shareholders, enter into technical management agreement with third parties, issue new shares and pay debt to shareholders.

On December 3, 2012, BAG gave approval (*waiver*) to SOKL related to changes in authorized and fully paid capital, changes in shareholder's composition and dividend payment in 2012.

Except for the waiver stated above, SOKL's management is of the opinion that all compliance are met as of consolidated statement of financial position date.

**e. PT Bank Internasional Indonesia Tbk (BII)**

**PT Inti Energi Line (IEL)**

Based on Notarial Deed No. 80 of F.X. Budi Santoso Isbandi, S.H., dated May 20, 2010, IEL entered into a loan agreement with BII which is Term Loan credit facility with maximum credit limit of USD7,000,000. The loan bears interest rate at 7% per annum and will mature on May 20, 2015.

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**21. PINJAMAN BANK JANGKA PANJANG (lanjutan)**

**e. PT Bank Internasional Indonesia Tbk (BII)  
(lanjutan)**

**PT Inti Energi Line (IEL) (lanjutan)**

Pinjaman ini dijamin dengan rekening escrow dan operasional milik IEL dan SOKL (Catatan 6) dan piutang usaha milik IEL dan SOKL (Catatan 7). Selain itu, kapal milik SOKL (Catatan 12) digunakan sebagai jaminan silang (*cross collateral*) dengan SOKL, jaminan pribadi dari Handara Adyana Utomo dan semua pemegang saham IEL dan SOKL dan jaminan perusahaan dari SOKL.

Saldo pinjaman pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011 masing-masing sebesar AS\$2.166.608, AS\$2.931.787, AS\$4.344.428 dan AS\$4.933.028.

Selama periode perjanjian kredit, IEL tanpa ijin tertulis dari BII tidak boleh melakukan hal-hal antara lain mengubah pengelolaan dan pemegang saham, menarik setiap saham modal yang dilunasi, membayar kembali pinjaman pemegang saham, membayar dividen, melakukan cidera janji atas setiap perjanjian pinjaman lainnya, menjual atau setuju untuk menjual mayoritas usaha atau aset dan mengubah isi atau menunjuk pihak lain dalam kontrak sewa menurut waktu dari kapal yang dibiayai.

Pada tanggal 14 Desember 2012, BII memberikan persetujuan kepada IEL berkaitan dengan perubahan modal dasar dan modal disetor, perubahan komposisi pemegang saham dan pembagian dividen di 2012.

IEL harus menjaga rasio keuangan antara lain total utang terhadap modal, maksimal sebesar 4 (empat) kali dan *Current Ratio*, minimal sebesar 1 (satu) kali.

Pada tanggal 23 Oktober 2013, BII memberikan persetujuan (*waiver*) kepada IEL terhadap pengenyampingan pembatasan dalam perjanjian kredit sehubungan dengan rencana Perusahaan melakukan *Initial Public Offering* (IPO).

**21. LONG-TERM BANK LOANS (continued)**

**e. PT Bank Internasional Indonesia Tbk (BII)  
(continued)**

**PT Inti Energi Line (IEL) (continued)**

The loan is secured by escrow and operational accounts owned by IEL and SOKL (Note 6) and IEL's and SOKL's trade receivables (Note 7). Furthermore, this facility is secured by vessel owned by SOKL (Note 12) as cross collateral with SOKL, and personal guarantees from Handara Adyana Utomo and all IEL's and SOKL's shareholders and corporate guarantees from SOKL.

The outstanding loan balance as of June 30, 2014, December 31, 2013, 2012 and 2011 amounted to USD2,166,608, USD2,931,787 and USD4,344,428 and USD4,933,028, respectively.

During the period of the loan, IEL without written notification to BII is not allowed to carry out the activities, such as change the management and the shareholders, draw every fully paid capital, repay shareholders' loan, distribute dividend, breach of Contract on every other loan agreement, sell or agree to sell majority of business or assets and change the content or appoint other party in the rental contract of the financed vessel.

On December 14, 2012, BII gave approval to IEL related to change in authorized and fully paid capital, change in shareholder's composition, and dividend payment in 2012.

IEL must maintain the financial ratios, such as Debt to Equity Ratio, maximum of 4 (four) times and Current Ratio, minimum of 1 (one) times.

On October 23, 2013, BII gave approval (*waiver*) to IEL related with restrictions in loan agreement in connection with the Company's plan to file an Initial Public Offering (IPO).

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**21. PINJAMAN BANK JANGKA PANJANG (lanjutan)**

**e. PT Bank Internasional Indonesia Tbk (BII)  
(lanjutan)**

**PT Inti Energi Line (IEL) (lanjutan)**

Selain *waiver* tersebut diatas, manajemen IEL berpendapat bahwa seluruh persyaratan kepatuhan telah dipenuhi pada tanggal laporan posisi keuangan konsolidasian.

**f. PT Bank ICB Bumiputera Tbk (Bumiputera)**

**PT Sukses Ocean Khatulistiwa Line (SOKL)**

Berdasarkan Akta Notaris Arikanti Natakusumah, S.H., No. 77 tanggal 9 Juli 2008, SOKL melakukan perjanjian kredit dengan Bumiputera berupa fasilitas pinjaman investasi maksimal sebesar AS\$5.143.600. Fasilitas ini digunakan untuk pembiayaan 3 (tiga) unit kapal dengan jangka waktu 61 bulan (termasuk *grace period*). Pinjaman ini dikenakan bunga sebesar 7% per tahun. Saldo pinjaman pada tanggal 31 Desember 2011 adalah sebesar AS\$1.714.521. Pinjaman ini telah dilunasi pada tanggal 25 September 2012.

Pinjaman ini dijamin dengan kapal-kapal milik SOKL (Catatan 12), piutang usaha SOKL (Catatan 7), tanah dan bangunan milik Paulus Utomo dan juga dijamin oleh jaminan pribadi dari Paulus Utomo dan Go Darmadi.

**g. PT Bank Mega Tbk (Mega)**

**PT Sukses Ocean Khatulistiwa Line (SOKL)**

Berdasarkan Akta Notaris Esther Mercia Sulaiman, S.H., No. 29 tanggal 12 Januari 2007, SOKL melakukan perjanjian kredit dengan Mega berupa fasilitas pinjaman *Term Loan-Fixed Payment* maksimal sebesar AS\$487.875. Fasilitas pinjaman akan berakhir dalam 60 bulan sejak digunakan. Pinjaman ini dikenakan bunga sebesar 12% per tahun dan dijamin dengan 1 unit kantor di Plaza Marein lantai 21 (Catatan 12). Saldo pinjaman pada tanggal 31 Desember 2011 adalah sebesar AS\$8.131. Pinjaman ini telah dilunasi pada tanggal 12 Januari 2012.

**21. LONG-TERM BANK LOANS (continued)**

**e. PT Bank Internasional Indonesia Tbk (BII)  
(continued)**

**PT Inti Energi Line (IEL) (continued)**

Except for the waiver stated above, IEL's management is of the opinion that all compliance requirements are met as of consolidated statements of financial position date.

**f. PT Bank ICB Bumiputera Tbk (Bumiputera)**

**PT Sukses Ocean Khatulistiwa Line (SOKL)**

Based on Notarial Deed No. 77 of Arikanti Natakusumah, S.H., dated July 9, 2008, SOKL entered into a loan agreement with Bumiputera which is investment credit facility with maximum credit limit of USD5,143,600. This facility is use for financing 3 (three) unit vessels with period of 61 months (includes grace period). The loan bears interest rate at 7% per annum. The outstanding loan balance as of December 31, 2011 amounted to USD1,714,521. The loan has been fully paid on September 25, 2012.

This loan is secured by SOKL's vessels (Note 12), SOKL's trade receivables (Note 7), lands and buildings owned by Paulus Utomo and also personal guarantees from Paulus Utomo and Go Darmadi.

**g. PT Bank Mega Tbk (Mega)**

**PT Sukses Ocean Khatulistiwa Line (SOKL)**

Based on Notarial Deed No. 29 of Esther Mercia Sulaiman, S.H., dated January 12, 2007, SOKL entered into a loan agreement with Mega which is *Term Loan-Fixed Payment* credit facility with maximum credit limit of USD487,875. The facility will mature in 60 months after first utilization. The loan bears interest rate at 12% per annum and is secured by the office located at Plaza Marein 21th floor (Note 12). The outstanding loan balance as of December 31, 2011 amounted to USD8,131. The loan was fully paid on January 12, 2012.

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**22. LIABILITAS IMBALAN KERJA**

Grup memberikan imbalan kerja jangka panjang kepada karyawan sesuai dengan imbalan berdasarkan Undang-undang Ketenagakerjaan No. 13/2003 (UU No. 13/2003). Imbalan tersebut tidak didanai. Tabel berikut menyajikan komponen dari beban imbalan neto yang diakui dalam laporan laba rugi komprehensif konsolidasian dan jumlah yang diakui dalam laporan posisi keuangan konsolidasian untuk liabilitas diestimasi imbalan kerja yang dihitung oleh PT Sakura Aktualita Indonesia, aktuaris independen untuk periode yang berakhir pada tanggal 30 Juni 2014 dan tahun yang berakhir pada tanggal-tanggal 31 Desember 2013, 2012 dan 2011, berdasarkan laporannya masing-masing pada tanggal 15 Agustus 2014, 21 April 2014, 24 Mei 2013 dan 10 Mei 2012.

Penilaian aktuaris dihitung dengan menggunakan metode *Projected Unit Credit* yang berdasarkan asumsi-asumsi berikut:

	30 Juni/June 30,		31 Desember/December 31,			
	2014	2013	2013	2012	2011	
Tingkat bunga aktuarial	9%	6%-7%	9%	6%-7%	7%	Actuarial discount rate
Tingkat kenaikan gaji dan upah	8-10%	8-10%	8%-10%	10%	10%	Salary and wages increase rate
Umur pensiun	55 tahun/years	Retirement age				
Tingkat kematian	Commissioners Standard Ordinary 1980 (CSO '80)	Mortality rate				
Tingkat cacat	4-5% CSO '80	Disability rate				

**22. EMPLOYEES' BENEFITS LIABILITIES**

The Group provides long-term employee benefits to its employees in accordance benefits under Labor Law No. 13/2003 (Law No. 13/2003). The benefits are unfunded. The following tables summarize the components of net benefits expense recognized in the consolidated statements of comprehensive income and the amounts recognized in the consolidated statements of financial position for the estimated liabilities for employees' benefits as calculated by an independent actuary, PT Sakura Aktualita Indonesia for the period ended June 30, 2014, years ended December 31, 2013, 2012 and 2011, in its reports dated August 15, 2014, April 21, 2014, May 24, 2013 and May 10, 2012, respectively.

The actuarial valuations were determined using the *Projected Unit Credit* method which considered the following assumptions:

a. Beban imbalan kerja:

	30 Juni/June 30,		31 Desember/December 31,			
	2014	2013	2013	2012	2011	
Beban jasa kini	19.973	64.811	84.112	244.999	83.436	Current service cost
Beban bunga	11.613	13.553	22.006	35.274	19.053	Interest cost
Kerugian aktuarial yang diakui	8.973	23.218	19.029	2.072	125	Actuarial losses recognized
Amortisasi atas beban jasa lalu yang belum diakui- non vested	2.927	3.528	2.874	2.815	3.864	Amortization of unrecognized past services costs- non vested
Dampak kurtailmen	-	-	-	-	(6.857)	Travel expense
<b>Neto</b>	<b>43.486</b>	<b>105.110</b>	<b>128.021</b>	<b>285.160</b>	<b>99.621</b>	<b>Net</b>

a. *Employees' benefits expense:*

b. Liabilitas imbalan kerja:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
Nilai kini liabilitas imbalan kerja	793.108	747.134	1.016.054	388.945	Present value of employee benefits liabilities
Kerugian aktuarial yang belum diakui-neto	(156.378)	(10.305)	(434.277)	(68.691)	Unrecognized actuarial losses-net
Biaya jasa lalu yang belum diakui	(8.192)	(189.450)	(30.484)	(22.923)	Unrecognized past service cost
Laba selisih kurs	3.178	30.238	15.420	2.915	Foreign exchange gain
<b>Total</b>	<b>631.716</b>	<b>577.617</b>	<b>566.713</b>	<b>300.246</b>	<b>Total</b>

b. *Employees' benefits liabilities:*

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**22. LIABILITAS IMBALAN KERJA (lanjutan)**

**22. EMPLOYEES' BENEFITS LIABILITIES (continued)**

c. Mutasi liabilitas imbalan kerja:

c. The movements in the employees' benefits liabilities:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
Saldo awal	577.617	566.713	300.246	202.344	Beginning balance
Beban imbalan kerja (Catatan 28)	43.486	128.021	285.160	99.621	Employees' benefits expense (Note 28)
Rugi (laba) selisih kurs	10.613	(117.117)	(18.693)	(1.719)	Foreign exchange loss (gains)
<b>Saldo Akhir</b>	<b>631.716</b>	<b>577.617</b>	<b>566.713</b>	<b>300.246</b>	<b>Ending balance</b>

d. Perubahan atas nilai kini liabilitas imbalan pasti:

d. The changes in the present value of defined benefit obligation:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
Saldo awal	747.134	1.016.054	388.945	256.389	Beginning balance
Beban jasa kini	19.973	84.112	244.999	83.436	Current service cost
Beban bunga	11.613	22.006	35.274	19.053	Interest cost
Kerugian (keuntungan) aktuarial	12.762	(231.546)	384.050	33.302	Actuarial losses (gains)
Rugi (laba) selisih kurs	1.626	(143.492)	(37.214)	(3.235)	Foreign exchange loss (gains)
<b>Total</b>	<b>793.108</b>	<b>747.134</b>	<b>1.016.054</b>	<b>388.945</b>	<b>Total</b>

e. Jumlah yang terkait dengan liabilitas imbalan kerja adalah sebagai berikut:

e. The amounts relating to the employees' benefits liabilities are as follows:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
Liabilitas imbalan pasti	793.108	747.134	1.016.054	388.945	Defined benefit obligation
Defisit	793.108	747.134	1.016.054	388.945	Deficit
Penyesuaian atas liabilitas imbalan pasti	12.762	(231.546)	384.050	33.302	Experienced adjustments on defined benefit obligation

Penyesuaian atas liabilitas imbalan pasti merupakan kerugian (keuntungan) aktuarial yang berasal dari selisih antara nilai perhitungan liabilitas imbalan pasti dengan hasil realisasinya.

Experience adjustments on employee benefit liabilities represent the actuarial losses (gains) resulting from the differences between realized and calculated values for the defined benefit obligations.

Analisa sensitivitas untuk risiko tingkat diskonto

Sensitivity analysis for discount rate risk

Pada tanggal 30 Juni 2014, jika tingkat diskonto meningkat sebesar 1 persen dengan semua variabel konstan, maka liabilitas imbalan kerja lebih rendah sebesar AS\$48.261, sedangkan jika tingkat diskonto menurun 1 persen, maka liabilitas imbalan kerja lebih tinggi sebesar AS\$57.903.

As of June 30, 2014, if the discount rate is higher one percent with all other variables held constant, the employee benefits liabilities would have been USD48,261 lower, while if the discount rate is lower one percent, the employee benefits liabilities would have been USD57,903 higher.

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**22. LIABILITAS IMBALAN KERJA (lanjutan)**

Manajemen Grup telah mereviu asumsi yang digunakan dan berpendapat bahwa asumsi tersebut sudah memadai. Manajemen berkeyakinan bahwa liabilitas imbalan kerja tersebut telah memadai untuk menutupi liabilitas imbalan kerja Grup.

**22. EMPLOYEES' BENEFITS LIABILITIES (continued)**

The management of the Group has reviewed the assumptions used and agrees that these assumptions are adequate. Management believes that the liability for employees' benefits is sufficient to cover the Group's liabilities for its employees' benefits.

**23. MODAL SAHAM DAN SALDO LABA YANG DICADANGKAN**

Susunan pemegang saham Perusahaan dan kepemilikan sahamnya pada tanggal 30 Juni 2014 adalah sebagai berikut:

**23. SHARE CAPITAL AND APPROPRIATED RETAINED EARNINGS**

The details of the Company's shareholders and their respective percentage of ownership as of June 30, 2014 are as follows:

Pemegang Saham	Lembar saham/ Number of Shares	Persentase kepemilikan/ Percentage of Ownership	Nilai nominal dalam Rupiah/ Nominal Value in Rupiah	Ekuivalen dalam Dolar AS/ Equivalent in US Dollar	Shareholders
PT Soechi Group	5.640.000.000	94,00%	564.000.000.000	53.662.738	PT Soechi Group
Paulus Utomo	120.000.000	2,00%	12.000.000.000	1.133.747	Paulus Utomo
Hartono Utomo	120.000.000	2,00%	12.000.000.000	1.133.747	Hartono Utomo
Go Darmadi	120.000.000	2,00%	12.000.000.000	1.134.124	Go Darmadi
<b>Total</b>	<b>6.000.000.000</b>	<b>100%</b>	<b>600.000.000.000</b>	<b>57.064.356</b>	<b>Total</b>

Berdasarkan Akta Notaris Doddy Natadihardja, S.H., M.Kn. No. 16 tanggal 30 Juni 2014, pemegang saham Perusahaan memberikan persetujuan, antara lain untuk:

Based on Notarial Deed No. 16 of Doddy Natadihardja, S.H., M.Kn., dated June 30, 2014, the Company's shareholders agreed to, among others:

- meningkatkan modal dasar Perusahaan dari semula sebesar Rp1.400.000.000.000 menjadi sebesar Rp2.300.000.000.000.
- meningkatkan modal ditempatkan dan modal disetor Perusahaan dari semula sebesar Rp357.208.100.100 menjadi sebesar Rp600.000.000.000.

- increase the Company's authorized capital from Rp1,400,000,000,000 to Rp2,300,000,000,000.
- increase the Company's issued and paid capital from Rp357,208,100,100 to Rp600,000,000,000.

Peningkatan modal disetor tersebut seluruhnya dilakukan dengan konversi utang Perusahaan kepada para pemegang saham.

The increase of paid-in capital was made through conversion of the Company's payable to its shareholders.

Susunan pemegang saham Perusahaan dan kepemilikan sahamnya pada tanggal 31 Desember 2013 adalah sebagai berikut:

The details of the Company's shareholders and their respective percentage of ownership as of December 31, 2013 are as follows:

Pemegang Saham	Lembar saham/ Number of Shares	Persentase kepemilikan/ Percentage of Ownership	Nilai nominal dalam Rupiah/ Nominal Value in Rupiah	Ekuivalen dalam Dolar AS/ Equivalent in US Dollar	Shareholders
PT Soechi Group	3.357.756.141	94,00%	335.775.614.100	34.644.039	PT Soechi Group
Paulus Utomo	71.441.620	2,00%	7.144.162.000	729.094	Paulus Utomo
Hartono Utomo	71.441.620	2,00%	7.144.162.000	729.094	Hartono Utomo
Go Darmadi	71.441.620	2,00%	7.144.162.000	729.471	Go Darmadi
<b>Total</b>	<b>3.572.081.001</b>	<b>100%</b>	<b>357.208.100.100</b>	<b>36.831.698</b>	<b>Total</b>

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**23. MODAL SAHAM DAN SALDO LABA YANG  
DICADANGKAN (lanjutan)**

Berdasarkan Akta Notaris Yulia, S.H. No. 192 tanggal 21 Juni 2013, pemegang saham Perusahaan memberikan persetujuan, antara lain untuk:

- meningkatkan modal dasar Perusahaan dari semula sebesar Rp400.000.000.000 menjadi sebesar Rp1.400.000.000.000.
- meningkatkan modal ditempatkan dan modal disetor Perusahaan dari semula sebesar Rp107.208.100.100 menjadi sebesar Rp357.208.100.100.

Susunan pemegang saham Perusahaan pada tanggal 31 Desember 2012 adalah sebagai berikut:

Pemegang Saham	Lembar saham/ Number of Shares	Persentase kepemilikan/ Percentage of Ownership
PT Soechi Group	1.007.756.141	94,00%
Paulus Utomo	21.441.620	2,00%
Hartono Utomo	21.441.620	2,00%
Go Darmadi	21.441.620	2,00%
<b>Total</b>	<b>1.072.081.001</b>	<b>100,00%</b>

Berdasarkan Akta Notaris Yulia, S.H. No. 52 tanggal 13 Desember 2012, pemegang saham Perusahaan memberikan persetujuan, antara lain untuk:

- mengubah nilai nominal saham dari semula Rp1.000.000 per lembar saham menjadi Rp100 per lembar saham.
- meningkatkan modal dasar Perusahaan dari semula sebesar Rp200.000.000.000 menjadi sebesar Rp400.000.000.000.
- meningkatkan modal ditempatkan dan modal disetor Perusahaan dari semula sebesar Rp50.050.000.000 menjadi sebesar Rp107.208.100.100.

Susunan pemegang saham Perusahaan dan kepemilikan sahamnya pada tanggal 31 Desember 2011 adalah sebagai berikut:

Pemegang Saham	Lembar saham/ Number of Shares	Persentase kepemilikan/ Percentage of Ownership
PT Soechi Group	50.000	99,90%
Go Darmadi	50	0,10%
<b>Total</b>	<b>50.050</b>	<b>100,00%</b>

Berdasarkan Rapat Umum Pemegang Saham tanggal 20 Mei 2014, pemegang saham Perusahaan menetapkan cadangan laba ditahan sesuai Pasal 70 UU Perseroan Terbatas sejumlah AS\$7.284.280.

**23. SHARE CAPITAL AND APPROPRIATED  
RETAINED EARNINGS (continued)**

Based on Notarial Deed No. 192 of Yulia, S.H., dated June 21, 2013, the Company's shareholders agreed to, among others:

- increase the Company's authorized capital from Rp400,000,000,000 to Rp1,400,000,000,000.
- increase the Company's issued and paid capital from Rp107,208,100,100 to Rp357,208,100,100.

The details of the shareholders as of December 31, 2012 are as follows:

Nilai nominal dalam Rupiah/ Nominal Value in Rupiah	Ekuivalen dalam Dolar AS/ Equivalent in US Dollar	Shareholders
100.775.614.100	10.827.277	PT Soechi Group
2.144.162.000	222.354	Paulus Utomo
2.144.162.000	222.354	Hartono Utomo
2.144.162.000	222.731	Go Darmadi
<b>107.208.100.100</b>	<b>11.494.716</b>	<b>Total</b>

Based on Notarial Deed No. 52 of Yulia, S.H., dated December 13, 2012, the Company's shareholders agreed to, among others:

- change nominal value per share from Rp1,000,000 per share to Rp100 per share.
- increase the Company's authorized capital from Rp200,000,000,000 to Rp400,000,000,000.
- increase the Company's issued and paid capital from Rp50,050,000,000 to Rp107,208,100,100.

The details of the Company's shareholders and their respective ownership as of December 31, 2011 are as follows:

Nilai nominal dalam Rupiah/ Nominal Value in Rupiah	Ekuivalen dalam Dolar AS/ Equivalent in US Dollar	Shareholders
50.000.000.000	5.561.735	PT Soechi Group
50.000.000	5.562	Go Darmadi
<b>50.050.000.000</b>	<b>5.567.297</b>	<b>Total</b>

Based on General Meetings of the Shareholders dated May 20, 2014, the Company's shareholders established appropriated retained earnings USD7,284,280.

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**24. LABA PER SAHAM**

Perhitungan laba per saham dasar adalah sebagai berikut:

Periode/Tahun	Laba Periode/ Tahun Berjalan Yang Dapat Diatribusikan Kepada Pemilik Entitas Induk/ Total Income for The Period/Year Attributable to Owners of the Parent Entity	Rata-rata Tertimbang Saham Biasa yang beredar/ Weighted-Average Number of Ordinary Shares Outstanding	Laba per Saham/ Earnings per Share	Period/Year
30 Juni 2014	15.590.074	3.572.081.001	0,0044	June 30, 2014
30 Juni 2013	10.194.948	1.072.081.001	0,0095	June 30, 2013
31 Desember 2013	30.219.330	2.322.081.001	0,0130	December 31, 2013
31 Desember 2012	2.751.584	548.131.750	0,0050	December 31, 2012
31 Desember 2011	3.390.119	500.500.000	0,0068	December 31, 2011

**24. EARNINGS PER SHARE**

The computation of basic earnings per share is as follows:

Jumlah rata-rata tertimbang saham untuk perhitungan laba per saham dasar pada tahun 2012 dan 2011 sudah mempertimbangkan dampak dari perubahan nilai nominal saham dari Rp1.000.000 menjadi Rp100 yang dilaksanakan pada tanggal 13 Desember 2012.

The weighted average number of shares used in calculating basic earning per share in 2012 and 2011 was impacted by the change in nominal value per share from Rp1,000,000 to Rp100 on December 13, 2012.

Perusahaan tidak memiliki efek berpotensi saham biasa yang bersifat dilutif pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011, dan oleh karenanya, laba per saham dilusian tidak dihitung dan disajikan pada laporan laba rugi komprehensif konsolidasian.

The Company has no outstanding dilutive potential ordinary shares as of June 30, 2014, December 31, 2013, 2012 and 2011, and accordingly, no diluted earnings per share is calculated and presented in the consolidated statements of comprehensive income.

**25. KEPENTINGAN NONPENGENDALI**

Kepentingan nonpengendali atas aset neto Entitas Anak adalah sebagai berikut:

**25. NON-CONTROLLING INTERESTS**

The non-controlling interests in Subsidiaries' net assets are as follows:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
PT Sukses Osean					PT Sukses Osean
Khatulistiwa Line	108.364	97.408	82.767	12.251.120	Khatulistiwa Line
PT Armada Bumi Pratiwi Lines	23.285	20.816	17.471	-	PT Armada Bumi Pratiwi Lines
PT Inti Energi Line	7.976	10.187	6.662	-	PT Inti Energi Line
PT Multi Ocean Shipyard	3.756	4.289	4.211	-	PT Multi Ocean Shipyard
PT Putra Utama Line	2.239	6.430	6.389	-	PT Putra Utama Line
PT Armada Maritime Offshore	1.320	10.250	1.200	-	PT Armada Maritime Offshore
PT Sukses Maritime Line	169	2.611	-	-	PT Sukses Maritime Line
<b>Total</b>	<b>147.109</b>	<b>151.991</b>	<b>118.700</b>	<b>12.251.120</b>	<b>Total</b>

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**25. KEPENTINGAN NONPENGENDALI (lanjutan)**

Mutasi kepentingan nonpengendali atas aset neto Entitas Anak adalah sebagai berikut:

	30 Juni/ June 30, 2014	31 Desember/December 31,		
		2013	2012	2011
Saldo awal	151.991	118.700	12.251.120	10.895.053
Akuisisi entitas anak	-	103	2.702.647	-
Laba komprehensif	24.146	34.880	906.729	1.356.067
Pembagian dividen	-	-	(600.565)	-
Efek dilusi saham	(29.028)	(1.692)	(15.141.231)	-
<b>Saldo akhir</b>	<b>147.109</b>	<b>151.991</b>	<b>118.700</b>	<b>12.251.120</b>

**25. NON-CONTROLLING INTERESTS (continued)**

The movements of non-controlling interests in Subsidiaries' net assets are as follows:

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
Saldo awal	151.991	118.700	12.251.120	10.895.053	Beginning balance
Akuisisi entitas anak	-	103	2.702.647	-	Acquisition of subsidiaries
Laba komprehensif	24.146	34.880	906.729	1.356.067	Comprehensive income
Pembagian dividen	-	-	(600.565)	-	Dividend distribution
Efek dilusi saham	(29.028)	(1.692)	(15.141.231)	-	Effect of share dilution
<b>Saldo akhir</b>	<b>147.109</b>	<b>151.991</b>	<b>118.700</b>	<b>12.251.120</b>	<b>Ending balance</b>

**26. PENDAPATAN NETO**

Akun ini terdiri dari:

	30 Juni/June 30,		31 Desember/December 31,			
	2014	2013	2013	2012	2011	
Pihak Ketiga						Third Parties
Charter	34.547.334	25.514.345	58.341.936	52.295.151	44.778.512	Charter
Spot	12.493.191	18.340.390	40.801.995	18.172.124	20.353.255	Spot
Galangan	5.053.909	221.904	3.906.506	435.876	-	Shipyard
Sub-total	52.094.434	44.076.639	103.050.437	70.903.151	65.131.767	Sub-total
Pihak Berelasi						Related Parties
Charter (Catatan 20)	2.676.600	2.205.783	3.354.137	488.322	-	Charter (Note 20)
<b>Total</b>	<b>54.771.034</b>	<b>46.282.422</b>	<b>106.404.574</b>	<b>71.391.473</b>	<b>65.131.767</b>	<b>Total</b>

**26. NET REVENUES**

This account consists of:

Rincian pendapatan dari pelanggan yang melebihi 10% dari total pendapatan neto konsolidasian adalah sebagai berikut:

The detail of revenues from individual customers exceeding 10% of total consolidated net revenues is as follows:

	30 Juni/June 30,		31 Desember/December 31,			
	2014	2013	2013	2012	2011	
PT Pertamina (Persero)	30.221.792	19.506.991	49.247.263	48.692.806	43.704.025	PT Pertamina (Persero)
Persentase	55%	42%	46%	68%	67%	Percentage

**27. BEBAN POKOK PENDAPATAN**

Akun ini terdiri dari:

	30 Juni/June 30,		31 Desember/December 31,			
	2014	2013	2013	2012	2011	
Operasional kapal	10.730.612	15.735.699	36.475.242	21.796.401	19.419.602	Vessel operational
Penyusutan (Catatan 12)	5.469.565	6.047.310	11.053.449	11.174.999	10.160.312	Depreciation (Note 12)
Beban pembangunan kapal	4.020.499	-	2.861.455	-	-	Shipbuilding expenses
Gaji dan tunjangan	3.131.838	3.948.321	7.269.387	4.737.366	3.818.885	Salaries and allowances
Docking	2.143.101	1.823.619	3.803.997	3.451.861	3.690.459	Docking
Asuransi	1.622.707	1.776.616	3.679.612	3.780.585	3.592.808	Insurance
Beban sewa kapal	1.436.273	165.493	3.390.402	316.933	646.734	Vessel rental expenses
Beban manajemen pengelolaan kapal	388.258	405.718	1.225.234	558.940	921.506	Management fee for vessel operation
Lain-lain	486.533	402.784	774.425	2.445.467	1.099.106	Others
<b>Total</b>	<b>29.429.386</b>	<b>30.305.560</b>	<b>70.533.203</b>	<b>48.262.552</b>	<b>43.349.412</b>	<b>Total</b>

**27. COST OF REVENUES**

This account consists of:

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**27. BEBAN POKOK PENDAPATAN (lanjutan)**

Tidak ada pembelian kepada pemasok yang melebihi 10% dari total pendapatan neto konsolidasian untuk periode yang berakhir pada tanggal 30 Juni 2014 dan tahun yang berakhir pada tanggal-tanggal 31 Desember 2013, 2012 dan 2011.

**27. COST OF REVENUES (continued)**

There is no purchases to individual suppliers exceeding 10% of the total consolidated net revenues for the period ended June 30, 2014, years ended December 31, 2013, 2012 and 2011.

**28. BEBAN USAHA**

Akun ini terdiri dari:

**28. OPERATING EXPENSES**

This account consists of:

	30 Juni/June 30,		31 Desember/December 31,			
	2014	2013	2013	2012	2011	
<u>Beban umum dan administrasi</u>						<u>General and administrative expenses</u>
Gaji dan tunjangan	975.572	912.681	2.098.283	1.744.128	1.746.147	Salaries and allowances
Perjalanan dinas	297.245	281.476	600.879	418.057	397.558	Travel expense
Penyusutan (Catatan 12)	184.374	161.579	335.053	308.209	600.995	Depreciation (Note 12)
Listrik, air dan telekomunikasi	140.905	169.843	327.133	369.032	304.595	Electricity, water and telecommunications
Perjamuan dan sumbangan	123.469	161.934	400.514	164.057	205.931	Entertainment and donation
Perbaikan dan pemeliharaan	117.024	104.189	216.809	177.965	331.394	Repair and maintenance
Perjinan dan pajak	79.131	60.180	231.894	335.954	314.592	License and tax
Jasa profesional	66.014	179.261	356.829	324.643	222.615	Professional fees
Imbalan kerja (Catatan 22)	43.486	105.110	128.021	285.160	99.621	Employee benefits (Note 22)
Lain-lain	498.150	471.425	1.997.190	1.393.503	835.274	Others
<b>Total</b>	<b>2.525.370</b>	<b>2.607.678</b>	<b>6.692.605</b>	<b>5.520.708</b>	<b>5.058.722</b>	<b>Total</b>

**29. BEBAN KEUANGAN**

Rincian beban keuangan adalah sebagai berikut:

**29. FINANCE COSTS**

The details of finance costs are as follows:

	30 Juni/June 30,		31 Desember/December 31,			
	2014	2013	2013	2012	2011	
Beban bunga pinjaman bank	7.599.172	6.168.261	14.586.380	11.355.692	11.072.170	Interest expense on bank loans
Beban bunga sewa pembiayaan	35.812	47.671	88.803	69.164	27.301	Interest expense on finance lease
Sub-total	7.634.984	6.215.932	14.675.183	11.424.856	11.099.471	Sub-total
Beban keuangan yang dikapitalisasi (Catatan 12)	(2.471.306)	(2.351.059)	(5.068.761)	(2.529.815)	(2.530.412)	Capitalized finance costs (Note 12)
Beban keuangan yang dibebankan pada laporan laba rugi komprehensif konsolidasian	5.163.678	3.864.873	9.606.422	8.895.041	8.569.059	Finance cost charged to consolidated statements of comprehensive income

**30. MANAJEMEN RISIKO KEUANGAN DAN PENGELOLAAN MODAL**

**Manajemen Risiko Keuangan**

Grup mendefinisikan risiko keuangan sebagai kemungkinan kerugian atau laba yang hilang, yang disebabkan oleh faktor internal dan eksternal yang berpotensi negatif terhadap pencapaian tujuan Grup.

**30. FINANCIAL RISKS MANAGEMENT AND CAPITAL MANAGEMENT**

**Financial Risks Management**

The Group defines financial risk as the possibility of losses or profits foregone, which may be caused by internal or external factors which might have negative potential impact to the achievement of the Group's objectives.

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**30. MANAJEMEN RISIKO KEUANGAN DAN  
PENGELOLAAN MODAL (lanjutan)**

**Manajemen Risiko Keuangan (lanjutan)**

Dalam menjalankan aktivitas operasi, investasi dan pendanaan, Grup menghadapi risiko keuangan yaitu: risiko pasar (termasuk risiko suku bunga dan risiko mata uang asing), risiko kredit dan risiko likuiditas.

**a. Risiko pasar**

**(i) Risiko suku bunga**

Risiko suku bunga adalah risiko dimana nilai wajar atau arus kas masa datang dari suatu instrumen keuangan akan berfluktuasi akibat perubahan suku bunga pasar. Eksposur Grup terhadap risiko perubahan suku bunga pasar terutama terkait dengan pinjaman bank jangka pendek dan jangka panjangnya. Fluktuasi suku bunga mempengaruhi biaya atas pinjaman baru dan bunga atas saldo pinjaman Grup yang dikenakan suku bunga mengambang.

Grup memiliki pinjaman dengan bunga variabel. Grup akan memonitor secara ketat pergerakan suku bunga di pasar dan apabila suku bunga mengalami kenaikan yang signifikan, maka Grup akan menegosiasikan ulang suku bunga tersebut dengan para pemberi pinjaman.

Grup menganalisis tingkat suku bunga mereka secara dinamis. Berbagai skenario simulasi dengan mempertimbangkan pembiayaan kembali, pembaharuan posisi yang ada dan pendanaan alternatif. Berdasarkan skenario tersebut, Grup menghitung dampak pada laporan laba rugi komprehensif dari perubahan suku bunga yang ditetapkan. Pinjaman bank jangka pendek dan jangka panjang Grup adalah dalam mata uang Rupiah dan Dolar AS.

Tabel berikut menyajikan nilai tercatat, jatuh tempo, instrumen keuangan Grup yang rentan terhadap risiko suku bunga:

**30. FINANCIAL RISKS MANAGEMENT AND  
CAPITAL MANAGEMENT (continued)**

**Financial Risks Management (continued)**

*In its operating, investing and financing activities, the Group is exposed to the following financial risks: market risk (including interest rate risk and foreign currency risk), credit risk and liquidity risk.*

**a. Market risk**

**(i) Interest rate risk**

*Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to the risk of changes in market interest rates relates primarily to its short-term and long-term bank loans. Interest rate fluctuations influence the cost of new loans and the interest on the outstanding floating rate loans of the Group.*

*The Group has loans with variable interest rates. The Group will strictly monitor the market interest rate fluctuation and if the interest rates increased significantly, the Group will renegotiate the interest rates to the lenders.*

*The Group analyzes its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, the Group calculates the impact on statements of comprehensive income of a defined interest rate shift. The Group's short-term and long-term bank loans are denominated in Rupiah and US Dollar.*

*The following table sets out the carrying amount, by maturity, of the Group's financial instruments that are exposed to interest rate risk:*

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**30. MANAJEMEN RISIKO KEUANGAN DAN**  
**PENGELOLAAN MODAL (lanjutan)**

**30. FINANCIAL RISKS MANAGEMENT AND**  
**CAPITAL MANAGEMENT (continued)**

**Manajemen Risiko Keuangan (lanjutan)**

**Financial Risks Management (continued)**

**a. Risiko pasar (lanjutan)**

**a. Market risk (continued)**

**(i) Risiko suku bunga (lanjutan)**

**(i) Interest rate risk (continued)**

Suku bunga mengambang

Floating rate

30 Juni/June 30, 2014

	Dalam 1 tahun/ Within 1 year	1-2 tahun/ 1-2 years	Lebih dari 2 tahun/ More than 2 years	Total/ Total	
<b>Aset keuangan</b>					<b>Financial assets</b>
Kas di bank dan deposito berjangka	10.309.492	-	-	10.309.492	Cash in banks and time deposits
Kas yang dibatasi penggunaannya	14.980	-	-	14.980	Restricted cash
<b>Liabilitas keuangan</b>					<b>Financial liabilities</b>
Pinjaman bank jangka pendek	6.386.810	-	-	6.386.810	Short-term bank loans
Pinjaman bank jangka panjang	35.603.408	35.156.068	94.802.724	165.562.200	Long-term bank loans

31 Desember/December 31, 2013

	Dalam 1 tahun/ Within 1 year	1-2 tahun/ 1-2 years	Lebih dari 2 tahun/ More than 2 years	Total/ Total	
<b>Aset keuangan</b>					<b>Financial assets</b>
Kas di bank dan deposito berjangka	2.937.769	-	-	2.937.769	Cash in banks and time deposits
Kas yang dibatasi penggunaannya	74.228	-	-	74.228	Restricted cash
<b>Liabilitas keuangan</b>					<b>Financial liabilities</b>
Pinjaman bank jangka pendek	12.633.950	-	-	12.633.950	Short-term bank loans
Pinjaman bank jangka panjang	31.912.329	43.476.361	93.221.300	168.609.990	Long-term bank loans

31 Desember/December 31, 2012

	Dalam 1 tahun/ Within 1 year	1-2 tahun/ 1-2 years	Lebih dari 2 tahun/ More than 2 years	Total/ Total	
<b>Aset keuangan</b>					<b>Financial assets</b>
Kas di bank dan deposito berjangka	3.797.583	-	-	3.797.583	Cash in banks and time deposits
Kas yang dibatasi penggunaannya	202.506	-	-	202.506	Restricted cash
<b>Liabilitas keuangan</b>					<b>Financial liabilities</b>
Pinjaman bank jangka pendek	14.037.368	-	-	14.037.368	Short-term bank loans
Pinjaman bank jangka panjang	27.421.524	85.946.379	35.253.655	148.621.558	Long-term bank loans

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**30. MANAJEMEN RISIKO KEUANGAN DAN  
PENGELOLAAN MODAL (lanjutan)**

**30. FINANCIAL RISKS MANAGEMENT AND  
CAPITAL MANAGEMENT (continued)**

**Manajemen Risiko Keuangan (lanjutan)**

**Financial Risks Management (continued)**

**a. Risiko pasar (lanjutan)**

**a. Market risk (continued)**

**(i) Risiko suku bunga (lanjutan)**

**(i) Interest rate risk (continued)**

Suku bunga mengambang (lanjutan)

Floating rate (continued)

	31 Desember/December 31, 2011				
	Dalam 1 tahun/ Within 1 year	1-2 tahun/ 1-2 years	Lebih dari 2 tahun/ More than 2 years	Total/ Total	
<b>Aset keuangan</b>					<b>Financial assets</b>
Kas di bank dan deposito berjangka	3.420.852	-	-	3.420.852	Cash in banks and time deposits
Kas yang dibatasi penggunaannya	105.515	-	-	105.515	Restricted cash
<b>Liabilitas keuangan</b>					<b>Financial liabilities</b>
Pinjaman bank jangka pendek	5.251.360	-	-	5.251.360	Short-term bank loans
Pinjaman bank jangka panjang	23.873.598	44.915.729	48.099.131	116.888.458	Long-term bank loans

Analisa sensitivitas untuk risiko suku  
bunga

Sensitivity analysis for interest rate risk

Pada tanggal 30 Juni 2014, jika tingkat suku bunga pinjaman meningkat/menurun sebesar 50 basis poin dengan semua variabel konstan, laba sebelum manfaat (beban) pajak konsolidasian untuk tahun yang berakhir pada tanggal tersebut lebih rendah/tinggi sebesar AS\$402.382 terutama sebagai akibat kenaikan/penurunan biaya bunga atas pinjaman dengan tingkat bunga mengambang.

As of June 30, 2014, if the interest rates of the loans have been 50 basis points higher/lower with all other variables held constant, the consolidated income before tax benefit (expense) for the year then ended would have been USD402,382 lower/higher, mainly as a result of higher/lower interest expense on loans with floating interest rates.

**(ii) Risiko mata uang asing**

**(ii) Foreign currency risk**

Risiko mata uang adalah risiko dimana nilai wajar atau arus kas masa datang dari suatu instrumen keuangan akan berfluktuasi akibat perubahan nilai tukar mata uang asing. Eksposur Grup terhadap fluktuasi nilai tukar terutama berasal dari pinjaman bank jangka pendek dan jangka panjang, piutang usaha dari pendapatan dalam mata uang asing dan utang usaha dari pembelian dalam mata uang asing.

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposures to exchange rate fluctuations results primarily from short term and long term bank loans, trade receivables from revenues in foreign currency and trade payables from purchases in foreign currency.

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**30. FINANCIAL RISKS MANAGEMENT AND  
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**Manajemen Risiko Keuangan (lanjutan)**

**Financial Risks Management (continued)**

**a. Risiko pasar (lanjutan)**

**a. Market risk (continued)**

**(ii) Risiko mata uang asing (lanjutan)**

**(ii) Foreign currency risk (continued)**

Untuk memitigasi risiko terkait risiko perubahan mata uang asing, Grup melakukan *monitoring* arus kas non Dolar AS. Tidak ada aktivitas lindung nilai mata uang asing secara formal pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011.

To mitigate the Group's exposure to foreign currency risk, non US Dollar cash flows are monitored. There is no formal currency hedging activities in place as of June 30, 2014, December 31, 2013, 2012 and 2011.

Tabel berikut menyajikan posisi aset dan liabilitas moneter konsolidasian dalam mata uang asing pada tanggal 30 Juni 2014:

The following table shows consolidated monetary assets and liabilities in foreign currencies as of June 30, 2014:

	Mata uang Original/ Original Currency	Ekuivalen Dolar AS/ U.S Dollar Equivalent	
<b>Aset</b>			<b>Assets</b>
Kas dan setara kas	Rp 47.280.446.498	3.950.242	Cash and cash equivalents
	SGD 21.006	16.818	
	CNY 2.812	457	
Kas yang dibatasi penggunaannya	Rp 17.223.391	1.439	Restricted cash
Piutang usaha - neto	Rp 5.854.251.475	489.118	Trade receivables - net
Piutang lain-lain	Rp 1.363.629.714	113.930	Other receivables
	SGD 3.527	2.824	
	Rp 54.515.551.078		
	SGD 24.533		
	CNY 2.812		
<b>Sub-total</b>		<b>4.574.828</b>	<b>Sub-total</b>
<b>Liabilitas</b>			<b>Liabilities</b>
Pinjaman bank jangka pendek	Rp 4.792.435.476	400.404	Short-term bank loans
Utang usaha	Rp 21.274.789.779	1.777.492	Trade payables
	SGD 2.731.760	2.187.103	
	JPY 27.893.427	275.342	
	EUR 163.562	223.198	
	GBP 1.654	2.816	
	SAR 134.840	35.953	
	NOK 121.126	19.764	
	HKD 64.358	8.303	
Utang lain-lain	Rp 9.424.917.236	787.444	Other payables
	SGD 2.922.679	2.339.956	
	THB 9.213	284	
	CNY 5.138	835	
Beban yang masih harus dibayar	Rp 32.380.908.662	2.705.398	Accrued expenses
Pinjaman bank jangka panjang	Rp 762.541.112.044	63.709.676	Long-term bank loans
Utang sewa pembiayaan dan pembiayaan konsumen	Rp 7.392.365.594	617.626	Finance lease and consumer financing payables
	Rp 837.806.528.791		
	SGD 5.654.439		
	JPY 27.893.427		
	EUR 163.562		
	SAR 134.840		
	GBP 1.654		
	NOK 121.126		
	HKD 64.358		
	CNY 5.138		
	THB 9.213		
<b>Sub-total</b>		<b>(75.091.594)</b>	<b>Sub-total</b>

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**30. FINANCIAL RISKS MANAGEMENT AND**  
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**Manajemen Risiko Keuangan (lanjutan)**

**Financial Risks Management (continued)**

**a. Risiko pasar (lanjutan)**

**a. Market risk (continued)**

**(ii) Risiko mata uang asing (lanjutan)**

**(ii) Foreign currency risk (continued)**

	Mata uang Original/ Original Currency	Ekuivalen Dolar AS/ U.S Dollar Equivalent	
	(Rp 783.290.977.713)		
	(SGD 5.629.906)		
	(JPY 27.893.427)		
	(EUR 163.562)		
	(SAR 134.840)		
	(GBP 1.654)		
	(NOK 121.126)		
	(HKD 64.358)		
	(CNY 2.326)		
<b>Liabilitas moneter - neto</b>	<b>(THB 9.213)</b>	<b>(70.516.766)</b>	<b>Net monetary liabilities</b>

Pada tanggal 9 Oktober 2014, kurs tengah yang dikeluarkan oleh Bank Indonesia adalah AS\$0,00008203 untuk Rp1, AS\$1,27300410 untuk EUR1, AS\$0,78647498 untuk SGD1, AS\$0,00925207 untuk JPY1, AS\$0,03081 untuk THB1, AS\$0,26660 untuk SAR1, AS\$1,61720 untuk GBP1, AS\$0,16271 untuk CNY1, AS\$0,155 untuk NOK1 dan AS\$0,12894 untuk HKD1. Apabila kurs tersebut digunakan pada tanggal 30 Juni 2014, maka liabilitas moneter neto akan naik sebesar AS\$1.302.982.

As of October 9, 2014, the rates of exchange published by Bank Indonesia was USD0.00008203 to Rp1, USD1.27300410 to EUR1, USD0.78647498 to SGD1, USD0.00925207 to JPY1, USD0.03081 to THB1, USD0.26660 to SAR1, USD1.61720 to GBP1, USD0.16271 to CNY1, USD0.155 to NOK1 and USD0.12894 to HKD1. If such exchange rates had been used as of June 30, 2014, the net monetary liabilities will increase by USD1,302,982.

Analisa sensitivitas untuk risiko mata uang asing

Sensitivity analysis for foreign exchange risk

Pada tanggal 30 Juni 2014, jika nilai tukar Dolar AS terhadap mata uang asing meningkat sebanyak 10% dengan semua variabel konstan, laba sebelum manfaat (beban) pajak konsolidasian untuk periode yang berakhir pada tanggal tersebut lebih rendah sebesar AS\$7.051.677, sedangkan jika nilai tukar Dolar AS terhadap mata uang asing menurun sebanyak 10%, maka laba sebelum manfaat (beban) pajak untuk periode yang berakhir pada tanggal tersebut lebih tinggi sebesar AS\$7.051.677, terutama sebagai akibat kerugian/keuntungan liabilitas neto dalam mata uang asing.

As of June 30, 2014, if the exchange rates of US Dollar against foreign currencies increased by 10% with all other variables held constant, the consolidated income before tax benefit (expense) for the period then ended would have been USD7,051,677 lower, while, if the exchange rates of US Dollar against foreign currencies decreased by 10%, the income before tax benefit (expense) for the period then ended would have been USD7,051,677 higher, mainly as result of foreign exchange losses/gains on the translation of net liabilities in foreign currencies.

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**30. MANAJEMEN RISIKO KEUANGAN DAN PENGELOLAAN MODAL (lanjutan)**

**Manajemen Risiko Keuangan (lanjutan)**

**b. Risiko kredit**

Risiko kredit adalah risiko dimana salah satu pihak atas instrumen keuangan akan gagal memenuhi liabilitasnya dan menyebabkan pihak lain mengalami kerugian keuangan.

Grup mempunyai kebijakan dan prosedur kredit untuk memastikan evaluasi kredit yang berkesinambungan dan pemantauan saldo secara aktif. Grup mengelola risiko kredit yang terkait dengan simpanan di bank dengan memonitor reputasi, peringkat kredit dan membatasi risiko agregat dari masing-masing pihak dalam kontrak. Untuk mengelola risiko kredit terkait dengan piutang usaha, Grup melakukan hubungan usaha hanya dengan pihak ketiga yang diakui dan kredibel. Grup memiliki kebijakan untuk semua pelanggan yang akan melakukan perdagangan secara kredit harus melalui prosedur verifikasi kredit. Sebagai tambahan, jumlah piutang dipantau secara terus menerus untuk mengurangi risiko piutang yang tidak tertagih.

Tabel berikut ini menunjukkan informasi mengenai eksposur risiko kredit berdasarkan evaluasi penurunan nilai pada aset keuangan Grup per tanggal 30 Juni 2014:

	Belum jatuh tempo maupun mengalami penurunan nilai/ <i>Neither past due nor impaired</i>	Telah jatuh tempo namun tidak mengalami penurunan nilai/ <i>Past due but not impaired</i>	Telah jatuh tempo dan mengalami penurunan nilai/ <i>Past due and impaired</i>	Total	
Kas di bank dan deposito berjangka	10.309.492	-	-	10.309.492	Cash in banks and time deposits
Kas yang dibatasi penggunaannya	14.980	-	-	14.980	Restricted cash
Piutang usaha	4.734.322	1.298.926	260.121	6.293.369	Trade receivables
Piutang lain-lain	20.562	706.200	238.481	965.243	Other receivables
Pendapatan yang masih harus ditagih	2.212.849	-	-	2.212.849	Unbilled revenues
<b>Total</b>	<b>17.292.205</b>	<b>2.005.126</b>	<b>498.602</b>	<b>19.795.933</b>	<b>Total</b>
<b>Jatuh tempo/Past Due</b>					
	<b>1 - 30 hari/ days</b>	<b>31 - 90 hari/ days</b>	<b>&gt; 90 hari/ days</b>	<b>Total/ Total</b>	
Piutang usaha	83.003	212.415	1.263.629	1.559.047	Trade receivables
Piutang lain-lain	53.216	19.868	871.597	944.681	Other receivables
<b>Total</b>	<b>136.219</b>	<b>232.283</b>	<b>2.135.226</b>	<b>2.503.728</b>	<b>Total</b>

**30. FINANCIAL RISKS MANAGEMENT AND CAPITAL MANAGEMENT (continued)**

**Financial Risks Management (continued)**

**b. Credit risk**

Credit risk is the risk that one party of financial instruments will fail to discharge its obligation and will incur a financial loss to other party.

The Group has in place credit policies and procedures to ensure the ongoing credit evaluation and active account monitoring. The Group manages credit risk exposed from its deposit with banks by monitoring reputation, credit ratings and limiting the aggregate risk to any individual counterparty. To manage credit risk related to trade receivables, the Group trades only with recognized and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis to reduce the exposure to bad debts.

The following table provides information regarding the credit risk exposure based on impairment assessment on the Group's financial assets as of June 30, 2014:

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**Manajemen Risiko Keuangan (lanjutan)**

**c. Risiko likuiditas**

Risiko likuiditas adalah risiko dimana Grup tidak dapat memenuhi kewajiban pembayaran pada saat jatuh tempo. Grup telah menelaah, memantau, serta menetapkan kebijakan syarat pembayaran yang sesuai dengan penerimaan penjualan Grup. Secara umum, kebutuhan dana untuk pelunasan kewajiban yang jatuh tempo diperoleh dari pelunasan piutang dari pelanggan serta melalui fleksibilitas penggunaan pinjaman bank dan pinjaman lainnya.

Tabel dibawah merupakan profil liabilitas keuangan Grup berdasarkan kontrak pembayaran.

**30. FINANCIAL RISKS MANAGEMENT AND  
CAPITAL MANAGEMENT (continued)**

**Financial Risks Management (continued)**

**c. Liquidity risk**

Liquidity risk is the risk which the Group is unable to meet its obligations when they fall due. The Group has reviewed, monitored also set the policy of term of payments in accordance with the proceeds from sales of the Group. In general, funding to pay due obligations are coming from the settlements of accounts receivable from the customers and flexibility through as of bank loans and other borrowings.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual payments.

30 Juni/June 30, 2014

	Dibawah 1 tahun/ Below 1 year	Lebih dari 1 tahun sampai dengan 2 tahun/ Over 1 year up to 2 years	Lebih dari 2 tahun/ Over 2 years	Total/ Total	
<b>Liabilitas Keuangan</b>					<b>Financial Liabilities</b>
Utang usaha	8.701.690	-	-	8.701.690	Trade payables
Utang lain-lain	3.390.056	-	-	3.390.056	Other payables
Beban yang masih harus dibayar	4.870.686	-	-	4.870.686	Accrued expenses
Pinjaman bank jangka pendek	6.386.810	-	-	6.386.810	Short-term bank loans
Utang kepada pihak-pihak berelasi	10.839.738	-	-	10.839.738	Due to related parties
Pinjaman jangka panjang	36.006.009	35.280.020	94.893.797	166.179.826	Long-term loans
<b>Total</b>	<b>70.194.989</b>	<b>35.280.020</b>	<b>94.893.797</b>	<b>200.368.806</b>	<b>Total</b>

31 Desember/December 31, 2013

	Dibawah 1 tahun/ Below 1 year	Lebih dari 1 tahun sampai dengan 2 tahun/ Over 1 year up to 2 years	Lebih dari 2 tahun/ Over 2 years	Total/ Total	
<b>Liabilitas Keuangan</b>					<b>Financial Liabilities</b>
Utang usaha	9.082.418	-	-	9.082.418	Trade payables
Utang lain-lain	2.995.088	-	-	2.995.088	Other payables
Beban yang masih harus dibayar	4.469.704	-	-	4.469.704	Accrued expenses
Pinjaman bank jangka pendek	12.633.950	-	-	12.633.950	Short-term bank loans
Utang kepada pihak-pihak berelasi	35.528.480	-	-	35.528.480	Due to related parties
Pinjaman jangka panjang	32.249.351	43.633.716	93.245.299	169.128.366	Long-term loans
<b>Total</b>	<b>96.958.991</b>	<b>43.633.716</b>	<b>93.245.299</b>	<b>233.838.006</b>	<b>Total</b>

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**30. FINANCIAL RISKS MANAGEMENT AND  
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**Manajemen Risiko Keuangan (lanjutan)**

**Financial Risks Management (continued)**

**c. Risiko likuiditas (lanjutan)**

**c. Liquidity risk (continued)**

31 Desember/December 31, 2012

	Dibawah 1 tahun/ Below 1 year	Lebih dari 1 tahun sampai dengan 2 tahun/ Over 1 year up to 2 years	Lebih dari 2 tahun/ Over 2 years	Total/ Total	
<b>Liabilitas Keuangan</b>					<b>Financial Liabilities</b>
Utang usaha	5.582.156	-	-	5.582.156	Trade payables
Utang lain-lain	3.896.532	-	-	3.896.532	Other payables
Beban yang masih harus dibayar	3.470.317	-	-	3.470.317	Accrued expenses
Pinjaman bank jangka pendek	14.037.368	-	-	14.037.368	Short-term bank loans
Utang kepada pihak-pihak berelasi	34.701.884	-	-	34.701.884	Due to related parties
Pinjaman jangka panjang	27.851.109	86.295.376	35.378.343	149.524.828	Long-term loans
<b>Total</b>	<b>89.539.366</b>	<b>86.295.376</b>	<b>35.378.343</b>	<b>211.213.085</b>	<b>Total</b>

31 Desember/December 31, 2011

	Dibawah 1 tahun/ Below 1 year	Lebih dari 1 tahun sampai dengan 2 tahun/ Over 1 year up to 2 years	Lebih dari 2 tahun/ Over 2 years	Total/ Total	
<b>Liabilitas Keuangan</b>					<b>Financial Liabilities</b>
Utang usaha	3.234.231	-	-	3.234.231	Trade payables
Utang lain-lain	1.912.363	-	-	1.912.363	Other payables
Beban yang masih harus dibayar	3.338.706	-	-	3.338.706	Accrued expenses
Pinjaman bank jangka pendek	5.251.360	-	-	5.251.360	Short-term bank loans
Utang kepada pihak-pihak berelasi	35.701.950	-	-	35.701.950	Due to related parties
Pinjaman jangka panjang	24.100.050	45.127.355	48.210.678	117.438.083	Long-term loans
<b>Total</b>	<b>73.538.660</b>	<b>45.127.355</b>	<b>48.210.678</b>	<b>166.876.693</b>	<b>Total</b>

**Pengelolaan Modal**

**Capital Management**

Grup bertujuan mencapai struktur modal yang optimal untuk memenuhi tujuan usaha, di antaranya dengan mempertahankan rasio modal yang sehat dan maksimalisasi nilai pemegang saham.

The Group aims to achieve an optimal capital structure in pursuit of its business objectives, which include maintaining healthy capital ratios and maximizing shareholder value.

Manajemen memantau modal dengan menggunakan beberapa ukuran leverage keuangan seperti rasio utang terhadap ekuitas.

Management monitors capital using several financial leverage measurements such as debt to equity ratio.

The original consolidated financial statements included herein are in Indonesian language.

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**31. NILAI WAJAR ASET DAN LIABILITAS KEUANGAN**

Tabel berikut menyajikan nilai tercatat dan nilai wajar aset dan liabilitas keuangan pada tanggal 30 Juni 2014, 31 Desember 2013, 2012 dan 2011:

	<b>30 Juni/June 30, 2014</b>	
	<b>Nilai tercatat/ Carrying amount</b>	<b>Nilai wajar/ Fair value</b>
<b>Aset Keuangan</b>		
Kas dan setara kas	10.334.038	10.334.038
Kas yang dibatasi penggunaannya	14.980	14.980
Piutang usaha - neto	6.033.248	6.033.248
Piutang lain-lain	726.762	726.762
Pendapatan yang masih harus ditagih	2.212.849	2.212.849
<b>Total</b>	<b>19.321.877</b>	<b>19.321.877</b>
<b>Liabilitas Keuangan</b>		
Utang usaha	8.701.690	8.701.690
Utang lain-lain	3.390.056	3.390.056
Beban yang masih harus dibayar	4.870.686	4.870.686
Pinjaman bank jangka pendek	6.386.810	6.386.810
Utang kepada pihak-pihak berelasi	10.839.738	10.839.738
Pinjaman jangka panjang jatuh tempo dalam satu tahun:		
Pinjaman bank	35.603.408	35.603.408
Utang sewa pembiayaan	197.414	197.414
Utang pembiayaan konsumen	205.187	205.187
Pinjaman jangka panjang - setelah dikurangi bagian jatuh tempo dalam satu tahun:		
Pinjaman bank	129.958.792	129.958.792
Utang pembiayaan konsumen	215.025	215.025
<b>Total</b>	<b>200.368.806</b>	<b>200.368.806</b>

**31. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES**

The following table sets out the carrying amount and fair value of the Group's financial assets and liabilities as of June 30, 2014, December 31, 2013, 2012 and 2011:

	<b>30 Juni/June 30, 2014</b>	
	<b>Nilai tercatat/ Carrying amount</b>	<b>Nilai wajar/ Fair value</b>
<b>Financial Assets</b>		
Cash and cash equivalents		
Restricted cash		
Trade receivables - net		
Other receivables		
Unbilled revenues		
<b>Total</b>		
<b>Financial Liabilities</b>		
Trade payables		
Other payables		
Accrued expenses		
Short-term bank loans		
Due to related parties		
Current maturities of long-term loans:		
Bank loans		
Finance lease payables		
Consumer financing payables		
Long-term loans - net of current maturities:		
Bank loans		
Consumer financing payables		
<b>Total</b>		

	<b>31 Desember/December 31, 2013</b>	
	<b>Nilai tercatat/ Carrying amount</b>	<b>Nilai wajar/ Fair value</b>
<b>Aset Keuangan</b>		
Kas dan setara kas	2.972.951	2.972.951
Kas yang dibatasi penggunaannya	74.228	74.228
Piutang usaha - neto	17.340.055	17.340.055
Piutang lain-lain	537.590	537.590
Pendapatan yang masih harus ditagih	1.770.248	1.770.248
<b>Total</b>	<b>22.695.072</b>	<b>22.695.072</b>

	<b>31 Desember/December 31, 2013</b>	
	<b>Nilai tercatat/ Carrying amount</b>	<b>Nilai wajar/ Fair value</b>
<b>Financial Assets</b>		
Cash and cash equivalents		
Restricted cash		
Trade receivables - net		
Other receivables		
Unbilled revenues		
<b>Total</b>		

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**31. NILAI WAJAR ASET DAN LIABILITAS**  
**KEUANGAN (lanjutan)**

**31. FAIR VALUE OF FINANCIAL ASSETS AND**  
**LIABILITIES (continued)**

	31 Desember/December 31, 2013		
	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair value	
<b>Liabilitas Keuangan</b>			<b>Financial Liabilities</b>
Utang usaha	9.082.418	9.082.418	Trade payables
Utang lain-lain	2.995.088	2.995.088	Other payables
Beban yang masih harus dibayar	4.469.704	4.469.704	Accrued expenses
Pinjaman bank jangka pendek	12.633.950	12.633.950	Short-term bank loans
Utang kepada pihak-pihak berelasi	35.528.480	35.528.480	Due to related parties
Pinjaman jangka panjang jatuh tempo dalam satu tahun:			Current maturities of long-term loans:
Pinjaman bank	31.912.329	31.912.329	Bank loans
Utang sewa pembiayaan	204.425	204.425	Finance lease payables
Utang pembiayaan konsumen	132.597	132.597	Consumer financing payables
Pinjaman jangka panjang - setelah dikurangi bagian jatuh tempo dalam satu tahun:			Long-term loans - net of current maturities:
Pinjaman bank	136.697.661	136.697.661	Bank loans
Utang sewa pembiayaan	80.624	80.624	Finance lease payables
Utang pembiayaan konsumen	100.730	100.730	Consumer financing payables
<b>Total</b>	<b>233.838.006</b>	<b>233.838.006</b>	<b>Total</b>

	31 Desember/December 31, 2012		
	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair value	
<b>Aset Keuangan</b>			<b>Financial Assets</b>
Kas dan setara kas	3.957.591	3.957.591	Cash and cash equivalents
Kas yang dibatasi penggunaannya	202.506	202.506	Restricted cash
Piutang usaha - neto	4.499.307	4.499.307	Trade receivables - net
Piutang lain-lain	1.195.623	1.195.623	Other receivables
Pendapatan yang masih harus ditagih	2.863.219	2.863.219	Unbilled revenues
Piutang dari pihak-pihak berelasi	2.106	2.106	Due from related parties
<b>Total</b>	<b>12.720.352</b>	<b>12.720.352</b>	<b>Total</b>

<b>Liabilitas Keuangan</b>			<b>Financial Liabilities</b>
Utang usaha	5.582.156	5.582.156	Trade payables
Utang lain-lain	3.896.532	3.896.532	Other payables
Beban yang masih harus dibayar	3.470.317	3.470.317	Accrued expenses
Pinjaman bank jangka pendek	14.037.368	14.037.368	Short-term bank loans
Utang kepada pihak-pihak berelasi	34.701.884	34.701.884	Due to related parties
Pinjaman jangka panjang jatuh tempo dalam satu tahun:			Current maturities of long-term loans:
Pinjaman bank	27.421.524	27.421.524	Bank loans
Utang sewa pembiayaan	278.017	278.017	Finance lease payables
Utang pembiayaan konsumen	151.568	151.568	Consumer financing payables
Pinjaman jangka panjang - setelah dikurangi bagian jatuh tempo dalam satu tahun:			Long-term loans - net of current maturities:
Pinjaman bank	121.200.034	121.200.034	Bank loans
Utang sewa pembiayaan	306.084	306.084	Finance lease payables
Utang pembiayaan konsumen	167.601	167.601	Consumer financing payables
<b>Total</b>	<b>211.213.085</b>	<b>211.213.085</b>	<b>Total</b>

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**31. NILAI WAJAR ASET DAN LIABILITAS  
KEUANGAN (lanjutan)**

**31. FAIR VALUE OF FINANCIAL ASSETS AND  
LIABILITIES (continued)**

	31 Desember/December 31, 2011		
	Nilai tercatat/ Carrying amount	Nilai wajar/ Fair value	
<b>Aset Keuangan</b>			<b>Financial Assets</b>
Kas dan setara kas	3.528.067	3.528.067	Cash and cash equivalents
Kas yang dibatasi penggunaannya	105.515	105.515	Restricted cash
Piutang usaha	3.714.251	3.714.251	Trade receivables
Piutang lain-lain	31.893	31.893	Other receivables
Piutang dari pihak-pihak berelasi	510.957	510.957	Due from related parties
<b>Total</b>	<b>7.890.683</b>	<b>7.890.683</b>	<b>Total</b>
<b>Liabilitas Keuangan</b>			<b>Financial Liabilities</b>
Utang usaha	3.234.231	3.234.231	Trade payables
Utang lain-lain	1.912.363	1.912.363	Other payables
Beban yang masih harus dibayar	3.338.706	3.338.706	Accrued expenses
Pinjaman bank jangka pendek	5.251.360	5.251.360	Short-term bank loans
Utang kepada pihak-pihak berelasi	35.701.950	35.701.950	Due to related parties
Pinjaman jangka panjang jatuh tempo dalam satu tahun:			Current maturities of long-term loans:
Pinjaman bank	23.873.598	23.873.598	Bank loans
Utang sewa pembiayaan	154.014	154.014	Finance lease payables
Utang pembiayaan konsumen	72.438	72.438	Consumer financing payables
Pinjaman jangka panjang - setelah dikurangi bagian jatuh tempo dalam satu tahun:			Long-term loans - net of current maturities:
Pinjaman bank	93.014.860	93.014.860	Bank loans
Utang sewa pembiayaan	255.607	255.607	Finance lease payables
Utang pembiayaan konsumen	67.566	67.566	Consumer financing payables
<b>Total</b>	<b>166.876.693</b>	<b>166.876.693</b>	<b>Total</b>

Nilai wajar aset dan liabilitas keuangan disajikan dalam jumlah dimana instrumen tersebut dapat dipertukarkan dalam transaksi ini antara pihak-pihak yang berkeinginan ("willing parties"), bukan dalam penjualan akibat kesulitan keuangan atau likuidasi yang dipaksakan.

The fair values of the financial assets and liabilities are presented at the amounts which instrument could be exchanged in a current transaction between willing parties, not in a forced sale or liquidation.

Metode dan asumsi berikut ini digunakan untuk mengestimasi nilai wajar untuk setiap kelompok instrumen keuangan yang praktis untuk memperkirakan nilai tersebut:

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

- Kas dan setara kas, kas yang dibatasi penggunaannya, piutang usaha, piutang lain-lain, pendapatan yang masih harus ditagih, dan piutang dari pihak-pihak berelasi.

- Cash and cash equivalents, restricted cash, trade receivables, other receivables, unbilled revenues and due from related parties.

Seluruh aset keuangan tersebut diatas merupakan aset keuangan yang memiliki jatuh tempo kurang dari satu tahun sehingga nilai tercatat instrumen keuangan tersebut kurang lebih telah mencerminkan nilai wajarnya.

All the financial assets are due within one year, thus the carrying value of the financial assets approximate their fair values.

- Utang usaha, utang lain-lain, beban yang masih harus dibayar, pinjaman bank jangka pendek, utang kepada pihak-pihak berelasi.

- Trade payables, other payables, accrued expenses, short-term bank loans, due to related parties.

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**31. NILAI WAJAR ASET DAN LIABILITAS  
KEUANGAN (lanjutan)**

Seluruh liabilitas keuangan di atas merupakan liabilitas jangka pendek yang akan jatuh tempo dalam waktu 12 bulan sehingga nilai tercatat liabilitas keuangan tersebut kurang lebih telah mencerminkan nilai wajarnya.

iii. Pinjaman bank jangka panjang.

Liabilitas keuangan tersebut merupakan pinjaman yang dikenakan suku bunga mengambang yang disesuaikan dengan pergerakan suku bunga pasar sehingga nilai tercatat liabilitas keuangan tersebut kurang lebih telah mencerminkan nilai wajarnya.

iv. Utang sewa pembiayaan dan pembiayaan konsumen.

Liabilitas keuangan tersebut disajikan dalam biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

**32. SEGMENT OPERASI**

Grup beroperasi di Indonesia dan memiliki dua divisi operasi utama yaitu pelayaran dan galangan kapal. Divisi-divisi tersebut menjadi dasar pelaporan informasi segmen Perusahaan.

**31. FAIR VALUE OF FINANCIAL ASSETS AND  
LIABILITIES (continued)**

All of the above financial liabilities are due within 12 months, thus the carrying values of the financial liabilities have approximated their fair values.

iii. Long-term bank loans.

The above financial liability is loan at floating interest rates which is in line with the movements of market interest rates, thus the carrying value of the financial liability approximate its fair value.

iv. Finance lease and consumer financing payables.

This financial liabilities is carried at amortized costs using the effective interest rate method.

**32. OPERATING SEGMENT**

The Group operates in Indonesia and has two main operating divisions, which are shipping and shipyard. Those divisions form the basis for the segment reporting of the Company.

30 Juni/June 30, 2014

	Pelayaran/ Shipping	Galangan Kapal/ Shipyard	Eliminasi/ Elimination	Total/ Total	
<b>PENDAPATAN NETO</b>	53.951.925	5.053.909	(4.234.800)	54.771.034	<b>NET REVENUES</b>
<b>BEBAN POKOK PENDAPATAN</b>	29.208.861	4.022.305	(3.801.780)	29.429.386	<b>COST OF REVENUES</b>
<b>LABA BRUTO</b>	<b>24.743.064</b>	<b>1.031.604</b>	<b>(433.020)</b>	<b>25.341.648</b>	<b>GROSS PROFIT</b>
<b>BEBAN USAHA</b>	2.340.425	353.945	(169.000)	2.525.370	<b>OPERATING EXPENSES</b>
<b>LABA USAHA</b>	<b>22.402.639</b>	<b>677.659</b>	<b>(264.020)</b>	<b>22.816.278</b>	<b>INCOME FROM OPERATIONS</b>
<b>PENGHASILAN (BEBAN) LAIN-LAIN</b>					<b>OTHER INCOME (EXPENSES)</b>
Pendapatan keuangan	1.544	1.163	-	2.707	Finance income
Beban keuangan	(5.088.115)	(75.563)	-	(5.163.678)	Finance costs
Rugi selisih kurs - neto	(518.736)	(583.431)	-	(1.102.167)	Loss on foreign exchange - net
Lain-lain - neto	(37.421)	15	-	(37.406)	Others - net
<b>BEBAN LAIN-LAIN - NETO</b>	<b>(5.642.728)</b>	<b>(657.816)</b>	<b>-</b>	<b>(6.300.544)</b>	<b>OTHER EXPENSES - NET</b>
<b>LABA SEBELUM MANFAAT (BEBAN) PAJAK PENGHASILAN</b>	<b>16.759.911</b>	<b>19.843</b>	<b>(264.020)</b>	<b>16.515.734</b>	<b>INCOME BEFORE INCOME TAX BENEFIT (EXPENSE)</b>

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**32. SEGMENT OPERASI (lanjutan)**

**32. OPERATING SEGMENT (continued)**

30 Juni/June 30, 2014					
	Pelayaran/ Shipping	Galangan Kapal/ Shipyards	Eliminasi/ Elimination	Total/ Total	
<b>MANFAAT (BEBAN)</b>					<b>INCOME TAX</b>
<b>PAJAK PENGHASILAN</b>					<b>BENEFIT (EXPENSE)</b>
Final	(562.326)	-	-	(562.326)	Final
Kini	(18.599)	-	-	(18.599)	Current
Tangguhan	384	(320.973)	-	(320.589)	Deferred
Beban Pajak Penghasilan - Neto	(580.541)	(320.973)	-	(901.514)	Income Tax Expense - Net
<b>LABA (RUGI)</b>					<b>INCOME (LOSS)</b>
<b>PERIODE BERJALAN</b>	<b>16.179.370</b>	<b>(301.130)</b>	<b>(264.020)</b>	<b>15.614.220</b>	<b>FOR THE PERIOD</b>
<b>LABA PERIODE BERJALAN</b>					<b>INCOME FOR THE PERIOD</b>
<b>YANG DAPAT</b>					<b>ATTRIBUTABLE TO:</b>
<b>DIATRIBUSIKAN KEPADA:</b>					Owners of the parent entity
Pemilik entitas induk				15.590.074	Non-controlling interests
Keperentingan nonpengendali				24.146	
<b>TOTAL</b>				<b>15.614.220</b>	<b>TOTAL</b>
<b>LABA PER SAHAM</b>					<b>BASIC EARNINGS</b>
<b>DASAR YANG</b>					<b>PER SHARE</b>
<b>DIATRIBUSIKAN KEPADA</b>					<b>ATTRIBUTABLE TO</b>
<b>PEMILIK ENTITAS</b>					<b>OWNERS OF THE</b>
<b>INDUK</b>				<b>0,0044</b>	<b>PARENT ENTITY</b>
<b>INFORMASI LAINNYA</b>					<b>OTHER INFORMATION</b>
Aset Segmen	427.297.551	132.607.358	(182.666.382)	377.238.527	Segment Assets
Liabilitas Segmen	196.191.198	80.009.564	(73.326.451)	202.874.311	Segment Liabilities
Penyusutan	5.654.719	779.688	(780)	6.433.627	Depreciation
Informasi Lain atas Pendapatan Neto (Pelanggan yang melebihi 10% dari total pendapatan neto):					Other Information on Net Revenue (Customers exceeding 10% of total net revenues):
	Pelayaran/ Shipping	Galangan Kapal/ Shipyards	Total		
<b>Pendapatan neto:</b>					<b>Net revenues:</b>
PT Pertamina (Persero)	25.171.792	5.050.000	30.221.792		PT Pertamina (Persero)

30 Juni/June 30, 2013					
	Pelayaran/ Shipping	Galangan Kapal/ Shipyards	Eliminasi/ Elimination	Total/ Total	
<b>PENDAPATAN NETO</b>	50.154.555	221.904	(4.094.037)	46.282.422	<b>NET REVENUES</b>
<b>BEBAN POKOK</b>					<b>COST OF REVENUES</b>
<b>PENDAPATAN</b>	33.963.088	113.472	(3.771.000)	30.305.560	
<b>LABA BRUTO</b>	<b>16.191.467</b>	<b>108.432</b>	<b>(323.037)</b>	<b>15.976.862</b>	<b>GROSS PROFIT</b>
<b>BEBAN USAHA</b>	2.689.716	148.657	(230.695)	2.607.678	<b>OPERATING EXPENSES</b>
<b>LABA USAHA</b>	<b>13.501.751</b>	<b>(40.225)</b>	<b>(92.342)</b>	<b>13.369.184</b>	<b>INCOME FROM OPERATIONS</b>

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**32. SEGMENT OPERASI (lanjutan)**

**32. OPERATING SEGMENT (continued)**

30 Juni/June 30, 2013

	Pelayaran/ Shipping	Galangan Kapal/ Shipyards	Eliminasi/ Elimination	Total/ Total	
<b>PENGHASILAN (BEBAN) LAIN-LAIN</b>					<b>OTHER INCOME (EXPENSES)</b>
Laba selisih kurs - neto	27.223	1.467.473	-	1.494.696	Gain on foreign exchange - net
Pendapatan keuangan	1.867	3.301	-	5.168	Finance income
Rugi pelepasan aset tetap	(135.344)	-	(24.935)	(160.279)	Loss on disposal of fixed assets
Beban keuangan	(3.776.674)	(88.199)	-	(3.864.873)	Finance costs
Lain-lain - neto	(32.458)	-	1.828	(30.630)	Others
<b>PENDAPATAN (BEBAN) LAIN-LAIN - NETO</b>	<b>(3.915.386)</b>	<b>1.382.575</b>	<b>(23.107)</b>	<b>(2.555.918)</b>	<b>OTHER INCOME (EXPENSES) - NET</b>
<b>LABA SEBELUM MANFAAT (BEBAN) PAJAK PENGHASILAN</b>	<b>9.586.365</b>	<b>1.342.350</b>	<b>(115.449)</b>	<b>10.813.266</b>	<b>INCOME BEFORE INCOME TAX BENEFIT (EXPENSE)</b>
<b>MANFAAT (BEBAN) PAJAK PENGHASILAN</b>					<b>INCOME TAX BENEFIT (EXPENSE)</b>
Final	(514.704)	-	-	(514.704)	Final
Kini	(130.037)	-	-	(130.037)	Current
Tangguhan	7.575	31.047	-	38.622	Deferred
Beban Pajak Penghasilan - Neto	(637.166)	31.047	-	(606.119)	Income Tax Expense - Net
<b>LABA (RUGI) PERIODE BERJALAN</b>	<b>8.949.199</b>	<b>1.373.397</b>	<b>(115.449)</b>	<b>10.207.147</b>	<b>INCOME (LOSS) FOR THE PERIOD</b>
<b>LABA PERIODE BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:</b>					<b>INCOME FOR THE PERIOD ATTRIBUTABLE TO:</b>
Pemilik entitas induk				10.194.948	Owners of the parent entity
Keperluan nonpengendali				12.199	Non-controlling interests
<b>TOTAL</b>				<b>10.207.147</b>	<b>TOTAL</b>
<b>LABA PER SAHAM DASAR YANG DIATRIBUSIKAN KEPADA PEMILIK ENTITAS INDUK</b>				<b>0,0095</b>	<b>BASIC EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT ENTITY</b>
<b>INFORMASI LAINNYA</b>					<b>OTHER INFORMATION</b>
Aset Segmen	353.705.318	100.687.492	(131.584.721)	322.808.089	Segment Assets
Liabilitas Segmen	215.327.917	67.250.094	(78.240.201)	204.337.810	Segment Liabilities
Penyusutan	6.209.019	629.903	(130)	6.838.792	Depreciation
Informasi Lain atas Pendapatan Neto (Pelanggan yang melebihi 10% dari total pendapatan neto):					<b>Other information on Net Revenue (Customers exceeding 10% of total net revenues):</b>
	<b>Pelayaran/ Shipping</b>	<b>Galangan Kapal/ Shipyards</b>	<b>Total</b>		
Pendapatan neto: PT Pertamina (Persero)	19.506.991	-	19.506.991		<b>Net revenues: PT Pertamina (Persero)</b>

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**32. SEGMENT OPERASI (lanjutan)**

**32. OPERATING SEGMENT (continued)**

	31 Desember/December 31, 2013				
	Pelayaran/ Shipping	Galangan Kapal/ Shipyards	Eliminasi/ Elimination	Total/ Total	
<b>PENDAPATAN NETO</b>	111.402.501	3.906.506	(8.904.433)	106.404.574	<b>NET REVENUES</b>
<b>BEBAN POKOK PENDAPATAN</b>	75.930.543	2.862.570	(8.259.910)	70.533.203	<b>COST OF REVENUES</b>
<b>LABA BRUTO</b>	<b>35.471.958</b>	<b>1.043.936</b>	<b>(644.523)</b>	<b>35.871.371</b>	<b>GROSS PROFIT</b>
<b>BEBAN USAHA</b>	6.541.921	593.249	(442.565)	6.692.605	<b>OPERATING EXPENSES</b>
<b>LABA USAHA</b>	<b>28.930.037</b>	<b>450.687</b>	<b>(201.958)</b>	<b>29.178.766</b>	<b>INCOME FROM OPERATIONS</b>
<b>PENGHASILAN (BEBAN) LAIN-LAIN</b>					<b>OTHER INCOME (EXPENSES)</b>
Laba selisih kurs - neto	5.433.889	9.151.377	-	14.585.266	Gain on foreign exchange - net
Pendapatan keuangan	5.359	5.742	-	11.101	Finance income
Rugi pelepasan aset tetap dan penurunan nilai aset tidak lancar yang dimiliki untuk dijual	(4.136.719)	-	(24.935)	(4.161.654)	Loss on disposal of fixed asset and impairment of non- current asset held for sale
Beban keuangan	(9.438.337)	(168.085)	-	(9.606.422)	Finance costs
Lain-lain - neto	(64.278)	313.992	-	249.714	Others - net
<b>PENGHASILAN (BEBAN) LAIN-LAIN - NETO</b>	<b>(8.200.086)</b>	<b>9.303.026</b>	<b>(24.935)</b>	<b>1.078.005</b>	<b>OTHER INCOME (EXPENSES) - NET</b>
<b>LABA SEBELUM MANFAAT (BEBAN) PAJAK PENGHASILAN</b>	<b>20.729.951</b>	<b>9.753.713</b>	<b>(226.893)</b>	<b>30.256.771</b>	<b>INCOME BEFORE INCOME TAX BENEFIT (EXPENSE)</b>
<b>MANFAAT (BEBAN) PAJAK PENGHASILAN</b>					<b>INCOME TAX BENEFIT (EXPENSE)</b>
Final	(1.082.557)	-	-	(1.082.557)	Final
Kini	(9.586)	-	-	(9.586)	Current
Tangguhan	8.373	1.081.209	-	1.089.582	Deferred
Manfaat (Beban) Pajak Penghasilan - Neto	(1.083.770)	1.081.209	-	(2.561)	Income Tax Benefit (Expense) - Net
<b>LABA TAHUN BERJALAN</b>	<b>19.646.181</b>	<b>10.834.922</b>	<b>(226.893)</b>	<b>30.254.210</b>	<b>INCOME FOR THE YEAR</b>
<b>LABA TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:</b>					<b>INCOME FOR THE YEAR ATTRIBUTABLE TO:</b>
Pemilik entitas induk				30.219.330	Owners of the parent entity
Kepentingan nonpengendali				34.880	Non-controlling interests
<b>TOTAL</b>				<b>30.254.210</b>	<b>TOTAL</b>
<b>LABA PER SAHAM DASAR YANG DIATRIBUSIKAN KEPADA PEMILIK ENTITAS INDUK</b>				<b>0,0130</b>	<b>BASIC EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT ENTITY</b>
<b>INFORMASI LAINNYA</b>					<b>OTHER INFORMATION</b>
Aset Segmen	437.488.158	123.361.678	(186.202.720)	374.647.116	Segment Assets
Liabilitas Segmen	268.393.849	80.462.754	(112.726.825)	236.129.778	Segment Liabilities
Penyusutan	11.389.412	1.206.297	(910)	12.594.799	Depreciation

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**32. OPERATING SEGMENT (continued)**

31 Desember/December 31, 2013					
	Pelayaran/ Shipping	Galangan Kapal/ Shipyards	Eliminasi/ Elimination	Total/ Total	
Informasi Lain atas Pendapatan Neto (Pelanggan yang melebihi 10% dari total pendapatan neto):					Other Information on Net Revenue (Customers exceeding 10% of total net revenues):
	Pelayaran/ Shipping	Galangan Kapal/ Shipyards	Total		
<b>Pendapatan neto:</b>					<b>Net revenues:</b>
PT Pertamina (Persero)	45.652.997	3.594.266	49.247.263		PT Pertamina (Persero)
31 Desember/December 31, 2012					
	Pelayaran/ Shipping	Galangan Kapal/ Shipyards	Eliminasi/ Elimination	Total/ Total	
<b>PENDAPATAN NETO</b>	73.578.264	2.031.520	(4.218.311)	71.391.473	<b>NET REVENUES</b>
<b>BEBAN POKOK PENDAPATAN</b>	49.160.044	1.407.697	(2.305.189)	48.262.552	<b>COST OF REVENUES</b>
<b>LABA BRUTO</b>	<b>24.418.220</b>	<b>623.823</b>	<b>(1.913.122)</b>	<b>23.128.921</b>	<b>GROSS PROFIT</b>
<b>BEBAN USAHA</b>	5.303.655	341.645	(124.592)	5.520.708	<b>OPERATING EXPENSES</b>
<b>LABA USAHA</b>	<b>19.114.565</b>	<b>282.178</b>	<b>(1.788.530)</b>	<b>17.608.213</b>	<b>INCOME FROM OPERATIONS</b>
<b>PENGHASILAN (BEBAN) LAIN-LAIN</b>					<b>OTHER INCOME (EXPENSES)</b>
Laba selisih kurs - neto	197.981	3.288.297	(6.149)	3.480.129	Gain on foreign exchange - net
Pendapatan keuangan	5.857	12.744	-	18.601	Finance income
Rugi pelepasan aset tetap (743.659)	(743.659)	-	-	(743.659)	Loss on disposal of fixed assets
Beban keuangan (8.747.996)	(8.747.996)	(147.045)	-	(8.895.041)	Finance costs
Lain-lain - neto (169.188)	(169.188)	1.633	-	(167.555)	Others - net
<b>PENGHASILAN (BEBAN) LAIN-LAIN - NETO</b>	<b>(9.457.005)</b>	<b>3.155.629</b>	<b>(6.149)</b>	<b>(6.307.525)</b>	<b>OTHER INCOME (EXPENSES) - NET</b>
<b>LABA SEBELUM MANFAAT (BEBAN) PAJAK PENGHASILAN</b>	<b>9.657.560</b>	<b>3.437.807</b>	<b>(1.794.679)</b>	<b>11.300.688</b>	<b>INCOME BEFORE INCOME TAX BENEFIT (EXPENSE)</b>
<b>MANFAAT (BEBAN) PAJAK PENGHASILAN</b>					<b>INCOME TAX BENEFIT (EXPENSE)</b>
Final	(855.090)	-	-	(855.090)	Final
Kini	(7.855)	-	-	(7.855)	Current
Tangguhan	-	87.633	-	87.633	Deferred
Manfaat (Beban) Pajak Penghasilan - Neto	(862.945)	87.633	-	(775.312)	Income Tax Benefit (Expense) - Net
<b>LABA SEBELUM PENYESUAIAN LABA PROFORMA YANG TERJADI DARI TRANSAKSI RESTRUKTURISASI ENTITAS SEPENGENDALI</b>	<b>8.794.615</b>	<b>3.525.440</b>	<b>(1.794.679)</b>	<b>10.525.376</b>	<b>INCOME BEFORE PROFORMA INCOME ADJUSTMENTS ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL</b>
<b>LABA PROFORMA DARI TRANSAKSI RESTRUKTURISASI ENTITAS SEPENGENDALI</b>	<b>(600.722)</b>	<b>-</b>	<b>(6.266.341)</b>	<b>(6.867.063)</b>	<b>PROFORMA INCOME ARISING FROM RESTRUCTURING TRANSACTIONS OF ENTITIES UNDER COMMON CONTROL</b>
<b>LABA TAHUN BERJALAN</b>	<b>8.193.893</b>	<b>3.525.440</b>	<b>(8.061.020)</b>	<b>3.658.313</b>	<b>INCOME FOR THE YEAR</b>

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**32. SEGMENT OPERASI (lanjutan)**

**32. OPERATING SEGMENT (continued)**

		31 Desember/December 31, 2012				
		Pelayaran/ Shipping	Galangan Kapal/ Shipyards	Eliminasi/ Elimination	Total/ Total	
<b>LABA TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:</b>						<b>INCOME FOR THE YEAR ATTRIBUTABLE TO:</b>
Pemilik entitas induk					2.751.584	Owners of the parent entity
Kepentingan nonpengendali					906.729	Non-controlling interests
<b>TOTAL</b>					<b>3.658.313</b>	<b>TOTAL</b>
<b>LABA PER SAHAM DASAR YANG DIATRIBUSIKAN KEPADA PEMILIK ENTITAS INDUK</b>					<b>0,0050</b>	<b>BASIC EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT ENTITY</b>
<b>INFORMASI LAINNYA</b>						<b>OTHER INFORMATION</b>
Aset Segmen		318.729.169	89.621.687	(113.318.951)	295.031.905	Segment Assets
Liabilitas Segmen		197.412.285	82.602.766	(67.908.843)	212.106.208	Segment Liabilities
Penyusutan		11.483.208	873.523	-	12.356.731	Depreciation
Informasi Lain atas Pendapatan Neto (Pelanggan yang melebihi 10% dari total pendapatan neto):						Other Information on Net Revenue (Customers exceeding 10% of total net revenues):
		Pelayaran/ Shipping	Galangan Kapal/ Shipyards	Total		
Pendapatan neto: PT Pertamina (Persero)		48.692.806	-	48.692.806		Net revenues: PT Pertamina (Persero)

		31 Desember/December 31, 2011				
		Pelayaran/ Shipping	Galangan Kapal/ Shipyards	Eliminasi/ Elimination	Total/ Total	
<b>PENDAPATAN NETO</b>		66.061.377	-	(929.610)	65.131.767	<b>NET REVENUES</b>
<b>BEBAN POKOK PENDAPATAN</b>		44.254.761	-	(905.349)	43.349.412	<b>COST OF REVENUES</b>
<b>LABA BRUTO</b>		<b>21.806.616</b>	-	<b>(24.261)</b>	<b>21.782.355</b>	<b>GROSS PROFIT</b>
<b>BEBAN USAHA</b>		4.079.772	978.950	-	5.058.722	<b>OPERATING EXPENSES</b>
<b>LABA (RUGI) USAHA</b>		<b>17.726.844</b>	<b>(978.950)</b>	<b>(24.261)</b>	<b>16.723.633</b>	<b>INCOME (LOSS) FROM OPERATIONS</b>
<b>PENGHASILAN (BEBAN) LAIN-LAIN</b>						<b>OTHER INCOME (EXPENSES)</b>
Laba (rugi) selisih kurs - neto		2.495.540	(173.928)	-	2.321.612	Gain (loss) on foreign exchange - net
Pendapatan keuangan		1.622	10.091	-	11.713	Finance income
Rugi pelepasan aset tetap		(2.198.835)	-	-	(2.198.835)	Loss on disposal of fixed assets
Beban keuangan		(8.455.669)	(113.390)	-	(8.569.059)	Finance costs
Lain-lain - neto		(10.964)	21	-	(10.943)	Others - net
<b>BEBAN LAIN-LAIN - NETO</b>		<b>(8.168.306)</b>	<b>(277.206)</b>	-	<b>(8.445.512)</b>	<b>OTHER EXPENSES - NET</b>
<b>LABA (RUGI) SEBELUM MANFAAT (BEBAN) PAJAK PENGHASILAN</b>		<b>9.558.538</b>	<b>(1.256.156)</b>	<b>(24.261)</b>	<b>8.278.121</b>	<b>INCOME (LOSS) BEFORE INCOME TAX BENEFIT (EXPENSES)</b>

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**32. OPERATING SEGMENT (continued)**

	31 Desember/December 31, 2011			
	Pelayaran/ Shipping	Galangan Kapal/ Shipyards	Eliminasi/ Elimination	Total/ Total
<b>MANFAAT (BEBAN) PAJAK PENGHASILAN</b>				<b>INCOME TAX BENEFIT (EXPENSE)</b>
Final	(792.864)	-	-	(792.864)
Kini	-	-	-	-
Tangguhan	-	266.996	-	266.996
Manfaat (Beban) Pajak Penghasilan - Neto	(792.864)	266.996	-	(525.868)
<b>RUGI (LABA) SEBELUM PENYESUAIAN RUGI (LABA) PROFORMA YANG TERJADI DARI TRANSAKSI RESTRUKTURISASI ENTITAS SEPENGENDALI</b>	<b>8.765.674</b>	<b>(989.160)</b>	<b>(24.261)</b>	<b>7.752.253</b>
<b>RUGI (LABA) PROFORMA DARI TRANSAKSI RESTRUKTURISASI ENTITAS SEPENGENDALI</b>	<b>997.923</b>	<b>-</b>	<b>(4.003.990)</b>	<b>(3.006.067)</b>
<b>LABA (RUGI) TAHUN BERJALAN</b>	<b>9.763.597</b>	<b>(989.160)</b>	<b>(4.028.251)</b>	<b>4.746.186</b>
<b>LABA TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:</b>				<b>INCOME FOR THE YEAR ATTRIBUTABLE TO:</b>
Pemilik entitas induk				3.390.119
Keperluan nonpengendali				1.356.067
<b>TOTAL</b>				<b>4.746.186</b>
<b>LABA PER SAHAM DASAR YANG DIATRIBUSIKAN KEPADA PEMILIK ENTITAS INDUK</b>				<b>0,0068</b>
<b>INFORMASI LAINNYA</b>				<b>OTHER INFORMATION</b>
Aset Segmen	277.012.391	57.159.190	(98.845.387)	235.326.194
Liabilitas Segmen	177.711.991	57.813.796	(66.181.134)	169.344.653
Penyusutan	10.160.312	600.995	-	10.761.307
<b>Informasi Lain atas Pendapatan Neto (Pelanggan yang melebihi 10% dari total pendapatan neto):</b>				<b>Other Information on Net Revenue (Customers exceeding 10% of total net revenues):</b>
	<b>Pelayaran/ Shipping</b>	<b>Galangan Kapal/ Shipyards</b>	<b>Total</b>	
<b>Pendapatan neto: PT Pertamina (Persero)</b>	<b>43.704.025</b>	<b>-</b>	<b>43.704.025</b>	<b>Net revenues: PT Pertamina (Persero)</b>

Kebijakan akuntansi segmen operasi adalah sama sebagaimana dijelaskan pada ikhtisar kebijakan akuntansi yang signifikan pada Catatan 2.

The accounting policy of the operating segments is the same with the summary of significant accounting policies in Note 2.

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**33. IKATAN**

**PT Multi Ocean Shipyard (MOS)**

- a. Pada tanggal 7 Juni 2013, MOS melakukan perjanjian konstruksi kapal dengan PT Pertamina (Persero) (Pertamina). MOS setuju untuk merancang, membangun, meluncurkan, melengkapi, menguji, menyelesaikan, dan menyerahkan 1 (satu) buah kapal tanker minyak olahan 17,500 LTDW. Berdasarkan perjanjian tersebut, kapal tersebut harus diserahkan di galangan MOS 24 (dua puluh empat) bulan sejak tanggal efektif perjanjian.
- b. Pada tanggal 7 Mei 2014, MOS melakukan perjanjian konstruksi kapal dengan PT Pertamina (Persero) (Pertamina). MOS setuju untuk merancang, membangun, meluncurkan, melengkapi, menguji, menyelesaikan, dan menyerahkan 1 (satu) buah kapal tanker minyak mentah 17.500 LTDW. Berdasarkan perjanjian tersebut, kapal tersebut harus diserahkan di galangan MOS 24 (dua puluh empat) bulan sejak tanggal efektif perjanjian.
- c. Pada tanggal 7 Mei 2014, MOS melakukan perjanjian konstruksi kapal dengan PT Pertamina (Persero) (Pertamina). MOS setuju untuk merancang, membangun, meluncurkan, melengkapi, menguji, menyelesaikan, dan menyerahkan 1 (satu) buah kapal tanker avtur 17.500 LTDW. Berdasarkan perjanjian tersebut, kapal tersebut harus diserahkan di galangan MOS 24 (dua puluh empat) bulan sejak tanggal efektif perjanjian.

Rincian biaya kontrak dan tagihan kemajuan kontrak adalah sebagai berikut:

	<b>30 Juni/ June 30, 2014</b>	<b>31 Des/ Dec 31, 2013</b>	
Akumulasi biaya kontrak konstruksi	5.998.749	2.458.687	<i>Accumulated construction cost</i>
Akumulasi laba diakui	1.762.450	732.811	<i>Accumulated recognized profit</i>
Akumulasi pendapatan	7.761.199	3.191.498	<i>Accumulated revenue</i>
Dikurangi:			<i>Deduction:</i>
Tagihan kemajuan kontrak	(9.340.000)	(4.670.000)	<i>Progress billings</i>
Selisih lebih tagihan kemajuan kontrak di atas estimasi pendapatan	(1.578.801)	(1.478.502)	<i>Billings in excess of estimated earnings on contracts</i>

**33. COMMITMENTS**

**PT Multi Ocean Shipyard (MOS)**

- a. On June 7, 2013, MOS entered into shipbuilding construction agreements with PT Pertamina (Persero) (Pertamina). MOS agreed to design, construct, launch, equip, test, complete and deliver 1 (one) unit of 17,500 LTDW Product Oil Tanker. Based on the contract, the vessel must be delivered at MOS's shipyard by 24 (twenty four) months from the effective date of the contract.
- b. On May 7, 2014, MOS entered into shipbuilding construction agreements with PT Pertamina (Persero) (Pertamina). MOS agreed to design, construct, launch, equip, test, complete and deliver 1 (one) unit of 17,500 LTDW Crude Oil Tanker. Based on the contract, the vessel must be delivered at MOS's shipyard by 24 (twenty four) months from the effective date of the contract.
- c. On May 7, 2014, MOS entered into shipbuilding construction agreements with PT Pertamina (Persero) (Pertamina). MOS agreed to design, construct, launch, equip, test, complete and deliver 1 (one) unit of 17,500 LTDW Avtur Oil Tanker. Based on the contract, the vessel must be delivered at MOS's shipyard by 24 (twenty four) months from the effective date of the contract.

Following are the details of construction costs and billed invoices related to the contracts:

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**34. PERISTIWA SETELAH PERIODE PELAPORAN**

- a. Berdasarkan Akta Notaris Irma Bonita S.H., No. 14, tanggal 19 Agustus 2014, pemegang saham Perusahaan telah menyetujui antara lain sebagai berikut:
- Perubahan status Perseroan dari Perseroan Terbatas Tertutup/Non Publik menjadi Perseroan Terbuka/Publik serta merubah nama Perusahaan menjadi PT Soechi Lines Tbk.
  - Perubahan maksud dan tujuan Perseroan sebagaimana tercantum dalam Pasal 3 Anggaran Dasar Perusahaan.
  - Penawaran Umum Perdana saham-saham Perusahaan sampai sebanyak-banyaknya 2.571.428.500 (dua milyar lima ratus tujuh puluh satu juta empat ratus dua puluh delapan ribu lima ratus) saham dari seluruh saham Perseroan setelah pelaksanaan Penawaran Umum Perdana.
  - Pelaksanaan *Employee Stock Allocation* (ESA) dalam rangka Penawaran Umum Perdana saham Perusahaan dengan jumlah maksimal 3% dari jumlah seluruh saham yang ditawarkan pada Penawaran Umum Perdana Perusahaan.
  - Perubahan susunan Direksi dan Dewan Komisaris Perusahaan menjadi sebagai berikut:

**Dewan Komisaris**

Komisaris Utama	:	Paulus Utomo	:
Komisaris	:	Johanes Utomo	:
Komisaris Independen	:	Edy Sugito	:

**Direksi**

Direktur Utama	:	Go Darmadi	:
Direktur	:	Hartono Utomo	:
Direktur	:	Pieters Adyana Utomo	:
Direktur	:	Paula Marlina	:
Direktur Independen	:	Liem Joe Hoo	:

- Menyetujui seluruh Anggaran Dasar Perusahaan untuk disesuaikan dengan ketentuan Anggaran Dasar Perusahaan Publik.

Perubahan tersebut telah mendapat persetujuan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-06828.40.20.2014 tanggal 21 Agustus 2014.

**34. EVENTS AFTER REPORTING PERIOD**

- a. Based on the Notarial Deed No. 14 of Notaris Irma Bonita S.H., dated August 19, 2014, the Company's shareholders have approved among others, as follows:
- Change the Company's status from Private/Non Public Company to Public Company and change the Company's name to become PT Soechi Lines Tbk.
  - Change the Company's objectives and scope of activities as defined in the Article 3 of the Company's Article of Association.
  - Conduct Initial Public Offering of the Company's shares up to maximum of 2,571,428,500 (two billion five hundred seventy one million four hundred twenty eight thousand five hundred) shares of all the Company's shares after Initial Public Offering.
  - Implement the Employee Stock Allocation (ESA) in relation with the Company's Initial Public Offering with maximum 3% of total shares offered in the Company's Initial Public Offering.
  - Change the composition Board of Directors and Commissioners to become as follows:

**Board of Commissioners**

President Commissioner
Commissioner
Independent Commissioner

**Directors**

President Director
Director
Director
Director
Independent Director

- Approve all the Company's Articles of Association to comply with the Articles of Association of Public Company.

The amendment has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-06828.40.20.2014 dated August 21, 2014.

**PT SOECHI LINES TBK DAN ENTITAS ANAK  
CATATAN ATAS LAPORAN KEUANGAN  
KONSOLIDASIAN**  
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**PT SOECHI LINES TBK AND SUBSIDIARIES  
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**34. PERISTIWA SETELAH PERIODE PELAPORAN  
(lanjutan)**

- b. Pada tanggal 1 Oktober 2014, PUL melakukan perjanjian sewa menyewa kapal dengan PT Adiraja Armada Maritim, pihak berelasi. PT Adiraja Armada Maritim setuju untuk menyewakan 1 (satu) buah kapal tanker kepada PUL dengan jangka waktu 3 (tiga) tahun dimulai sejak tanggal didapatkannya kontrak antara PUL dengan pihak lain.
- c. Pada tanggal 1 Oktober 2014, IEL melakukan perjanjian sewa menyewa kapal dengan PT Global Karya Indonesia, pihak berelasi. PT Global Karya Indonesia setuju untuk menyewakan 1 (satu) buah kapal tanker kepada IEL dengan jangka waktu 3 (tiga) tahun dimulai sejak tanggal didapatkannya kontrak antara IEL dengan pihak lain.

**34. EVENTS AFTER REPORTING PERIOD  
(continued)**

- b. On October 1, 2014, PUL entered into vessel rental agreement with PT Adiraja Armada Maritim, related party. PT Adiraja Armada Maritim agreed to rent 1 (one) unit of vessel tanker to PUL with rental period 3 (three) years from the date of the contract between PUL with other parties.
- c. On October 1, 2014, IEL entered into vessel rental agreement with PT Global Armada Indonesia, related party. PT Global Armada Indonesia agreed to rent 1 (one) unit of vessel tanker to IEL with rental period 3 (three) years from the date of the contract between IEL with other parties.

**35. TRANSAKSI NON KAS**

Pada periode/tahun yang berakhir pada tanggal-tanggal 30 Juni 2014 dan 2013, 31 Desember 2013, 2012 dan 2011, Grup melakukan transaksi investasi dan pendanaan yang tidak menggunakan kas dan tidak termasuk dalam laporan arus kas konsolidasian dengan rincian sebagai berikut:

**35. NON-CASH TRANSACTIONS**

During the period/years ended June 30, 2014 and 2013, December 31, 2013, 2012 and 2011, the Group had investing and financing transactions which did not require the use of cash and were excluded from the consolidated statements of cash flows as follows:

	30 Juni/June 30,		31 Desember/December 31,			
	2014	2013	2013	2012	2011	
<b>AKTIVITAS INVESTASI YANG TIDAK MEMPENGARUHI KAS</b>						<b>NON-CASH INVESTING ACTIVITIES</b>
Kapitalisasi beban keuangan dan overhead ke aset dalam penyelesaian	4.798.766	4.587.034	9.239.019	5.528.565	2.530.411	Capitalization of financing costs and overhead into construction in progress
Penambahan aset tetap melalui:						Additions of fixed assets through:
Utang sewa pembiayaan dan pembiayaan konsumen	261.718	117.597	184.970	805.954	695.718	Finance lease and consumer financing payables
Liabilitas	44.830	-	-	2.391.215	1.033.375	Liabilities
Reklasifikasi uang muka pembelian aset tetap ke aset tetap	562.041	-	-	-	-	Reclassification of advance for purchase of fixed asset to fixed asset
Reklasifikasi aset tetap ke aset tidak lancar yang dimiliki untuk dijual	-	-	12.883.733	-	-	Reclassification of fixed asset to non-current assets held for sale
<b>AKTIVITAS PENDANAAN YANG TIDAK MEMPENGARUHI KAS</b>						<b>NON-CASH FINANCING ACTIVITIES</b>
Peningkatan tambahan modal disetor melalui selisih nilai transaksi restrukturisasi entitas sependangali	29.028	2.040	65.112.248	-	-	Increase of additional paid-in capital through differences in value arising from restructuring of entities under common control
Penambahan modal disetor melalui konversi utang kepada pihak berelasi	20.232.658	-	-	-	-	Additional paid-in capital through conversion of due to a related party

**PT SOECHI LINES TBK DAN ENTITAS ANAK  
CATATAN ATAS LAPORAN KEUANGAN  
KONSOLIDASIAN**  
Periode Enam Bulan yang Berakhir pada Tanggal-  
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**PT SOECHI LINES TBK AND SUBSIDIARIES  
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**Six-Month Periods Ended  
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and Years Ended  
December 31, 2013, 2012 and 2011**  
(Expressed in US Dollar, unless Otherwise Stated)

**36. PENERBITAN KEMBALI LAPORAN KEUANGAN  
KONSOLIDASIAN**

Perusahaan telah menerbitkan laporan keuangan konsolidasian untuk periode enam bulan yang berakhir pada tanggal 30 Juni 2014 dan 2013 dan tahun yang berakhir pada tanggal-tanggal 31 Desember 2013, 2012 dan 2011. Laporan keuangan konsolidasian tersebut untuk periode enam bulan yang berakhir pada tanggal 30 Juni 2014 dan 2013 dan tahun yang berakhir pada tanggal-tanggal 31 Desember 2013, 2012 dan 2011 telah diaudit oleh Kantor Akuntan Publik Kosasih, Nurdiyaman, Tjahjo & Rekan dengan laporan auditor independen No. KNT&R-0476/14 tanggal 25 Agustus 2014. Sehubungan dengan rencana Perusahaan untuk melakukan Penawaran Umum Perdana Saham Perusahaan dan untuk memenuhi persyaratan OJK, maka laporan keuangan konsolidasian tersebut diterbitkan kembali dengan disertai perubahan maupun tambahan pengungkapan pada catatan atas laporan keuangan konsolidasian sebagai berikut:

1. Catatan 1, sehubungan dengan pengungkapan komite audit;
2. Catatan 13, sehubungan dengan pengungkapan aset tidak berwujud;
3. Catatan 17, sehubungan dengan pengungkapan utang lain-lain;
4. Catatan 33, sehubungan dengan pengungkapan ikatan; dan
5. Catatan 34, sehubungan dengan peristiwa setelah periode pelaporan.

**37. INFORMASI KEUANGAN TERSENDIRI  
PERUSAHAAN**

Informasi keuangan tersendiri Entitas Induk menyajikan informasi laporan posisi keuangan, laporan laba rugi komprehensif, laporan perubahan ekuitas dan laporan arus kas, dimana penyertaan saham pada Entitas Anak dicatat dengan metode biaya.

Informasi keuangan tersendiri Entitas Induk disajikan sebagai lampiran pada laporan keuangan konsolidasian ini.

**36. REISSUANCE OF CONSOLIDATED FINANCIAL  
STATEMENTS**

The Company issued its consolidated financial statements for the six-month period ended June 30, 2014 and 2013 and for the years ended December 31, 2013, 2012 and 2011. The consolidated financial statements for the six-month period ended June 30, 2014 and 2013 and for the years ended December 31, 2013, 2012 and 2011 were audited by Kosasih, Nurdiyaman, Tjahjo & Rekan, Public Accounting Firm with independent auditors' report No. KNT&R-0476/14 dated August 25, 2014. In relation with the Company's plan to conduct Initial Public Offering and to meet the OJK requirement, the consolidated financial statements has been reissued with changes and additional disclosures in the notes to the consolidated financial statements as follows:

1. Note 1, regarding audit committee disclosure;
2. Note 13, regarding intangible asset disclosure;
3. Note 17, regarding other payables disclosure;
4. Note 33, regarding commitments disclosure; and
5. Note 34, regarding events after reporting period.

**37. THE COMPANY'S SEPARATE FINANCIAL  
STATEMENTS**

Separate financial information of the Parent Entity presents statement of financial position, statements of comprehensive income, changes in equity and cash flows, which the investment in Subsidiaries are recorded using cost method.

The separate financial information of the Parent Entity is presented as attachment to these consolidated financial statements.

## Lampiran I

## Attachment I

**PT SOECHI LINES TBK**  
**(ENTITAS INDUK SAJA)**  
**LAPORAN POSISI KEUANGAN**  
**30 Juni 2014, 31 Desember 2013, 2012 dan 2011**  
**(Disajikan Dalam Dolar AS, kecuali Dinyatakan Lain)**

**PT SOECHI LINES TBK**  
**(PARENT ENTITY ONLY)**  
**STATEMENTS OF FINANCIAL POSITION**  
**June 30, 2014, December 31, 2013, 2012 and 2011**  
**(Expressed in US Dollar, unless Otherwise Stated)**

	31 Desember/December 31,			
	30 Juni/ June 30, 2014	2013	2012	
<b>ASET</b>				<b>ASSETS</b>
<b>ASET LANCAR</b>				<b>CURRENT ASSETS</b>
Kas dan bank	11.706	22.082	6.890	- Cash on hands and in banks
Piutang usaha	-	187.920	-	- Trade receivables
Piutang lain-lain	2.240	-	-	- Other receivables
Piutang dari pihak-pihak berelasi	41.414.536	64.072.694	34.636.195	- Due from related parties
Pajak dibayar di muka	18.597	12.376	11.726	- Prepaid tax
Uang muka dan beban dibayar dimuka	1.265	752	126.400	- Advances and prepaid expenses
Pendapatan masih harus ditagih	25.000	-	-	- Unbilled revenue
<b>TOTAL ASET LANCAR</b>	<b>41.473.344</b>	<b>64.295.824</b>	<b>34.781.211</b>	<b>TOTAL CURRENT ASSETS</b>
<b>ASET TIDAK LANCAR</b>				<b>NON-CURRENT ASSETS</b>
Investasi saham	73.535.580 <sup>1)</sup>	53.535.580 <sup>1)</sup>	28.439.219 <sup>1)</sup>	- Investments in shares
Aset tetap - neto	30.107	36.561	48.785	- Fixed assets - net
Aset takberwujud - neto	134.146	159.237	39.963	- Intangible asset- net
Aset pajak tangguhan	8.757	8.373	-	- Deferred tax assets
Aset tidak lancar lainnya	556.418	323.038	-	- Other non-current assets
<b>TOTAL ASET TIDAK LANCAR</b>	<b>74.265.008</b>	<b>54.062.789</b>	<b>28.527.967</b>	<b>TOTAL NON-CURRENT ASSETS</b>
<b>TOTAL ASET</b>	<b>115.738.352</b>	<b>118.358.613</b>	<b>63.309.178</b>	<b>TOTAL ASSETS</b>

<sup>1)</sup> Investasi saham dicatat dengan menggunakan metode biaya dengan rincian sebagai berikut:  
*Investment in shares are accounted for using the cost method with details as follows:*

	% Kepemilikan/ % Ownership	Biaya perolehan/ Cost	
<b>2014</b>			<b>2014</b>
PT Multi Ocean Shipyard	99,99%	40.294.703	PT Multi Ocean Shipyard
PT Sukses Osean Khatulistiwa Line	99,80%	15.992.320	PT Sukses Osean Khatulistiwa Line
PT Putra Utama Line	99,99%	6.555.533	PT Putra Utama Line
PT Inti Energi Line	99,93%	6.549.775	PT Inti Energi Line
PT Sukses Maritime Line	99,99%	2.051.279	PT Sukses Maritime Line
PT Armada Bumi Pratiwi Lines	99,91%	1.036.377	PT Armada Bumi Pratiwi Lines
PT Armada Maritime Offshore	99,98%	555.593	PT Armada Maritime Offshore
Success International Marine Pte. Ltd.	99,99%	500.000	Success International Marine Pte. Ltd.
<b>Total</b>		<b>73.535.580</b>	<b>Total</b>
<b>2013</b>			<b>2013</b>
PT Multi Ocean Shipyard	99,99%	30.294.703	PT Multi Ocean Shipyard
PT Sukses Osean Khatulistiwa Line	99,80%	15.992.320	PT Sukses Osean Khatulistiwa Line
PT Inti Energi Line	99,86%	4.049.775	PT Inti Energi Line
PT Putra Utama Line	99,93%	1.555.533	PT Putra Utama Line
PT Armada Bumi Pratiwi Lines	99,91%	1.036.377	PT Armada Bumi Pratiwi Lines
Success International Marine Pte. Ltd.	99,99%	500.000	Success International Marine Pte. Ltd.
PT Armada Maritime Offshore	99,80%	55.593	PT Armada Maritime Offshore
PT Sukses Maritime Line	99,80%	51.279	PT Sukses Maritime Line
<b>Total</b>		<b>53.535.580</b>	<b>Total</b>
<b>2012</b>			<b>2012</b>
PT Sukses Osean Khatulistiwa Line	99,80%	15.992.320	PT Sukses Osean Khatulistiwa Line
PT Multi Ocean Shipyard	99,94%	5.249.621	PT Multi Ocean Shipyard
PT Inti Energi Line	99,86%	4.049.775	PT Inti Energi Line
PT Putra Utama Line	99,93%	1.555.533	PT Putra Utama Line
PT Armada Bumi Pratiwi Lines	99,91%	1.036.377	PT Armada Bumi Pratiwi Lines
Success International Marine Pte. Ltd.	99,99%	500.000	Success International Marine Pte. Ltd.
PT Armada Maritime Offshore	99,80%	55.593	PT Armada Maritime Offshore
<b>Total</b>		<b>28.439.219</b>	<b>Total</b>
<b>2011</b>			<b>2011</b>
PT Sukses Osean Khatulistiwa Line	71,43%	5.622.104	PT Sukses Osean Khatulistiwa Line

## Lampiran II

## Attachment II

**PT SOECHI LINES TBK  
(ENTITAS INDUK SAJA)  
LAPORAN POSISI KEUANGAN (lanjutan)  
30 Juni 2014, 31 Desember 2013, 2012 dan 2011  
(Disajikan Dalam Dolar AS, kecuali Dinyatakan Lain)**

**PT SOECHI LINES TBK  
(PARENT ENTITY ONLY)  
STATEMENTS OF FINANCIAL POSITION (continued)  
June 30, 2014, December 31, 2013, 2012 and 2011  
(Expressed in US Dollar, unless Otherwise Stated)**

	30 Juni/ June 30, 2014	31 Desember/December 31,			
		2013	2012	2011	
<b>LIABILITAS DAN EKUITAS</b>					<b>LIABILITIES AND EQUITY</b>
<b>LIABILITAS JANGKA PENDEK</b>					<b>CURRENT LIABILITIES</b>
Utang usaha	-	-	68.256	-	Trade payables
Utang lain-lain	208.096	241.875	2.187	-	Other payables
Utang pajak	6.986	8.117	5.918	-	Taxes payable
Beban yang masih harus dibayar	17.253	16.000	35.000	-	Accrued expenses
Utang kepada pihak-pihak berelasi	41.707.976	64.519.043	34.735.975	35.334.823	Due to related parties
<b>TOTAL LIABILITAS JANGKA PENDEK</b>	<b>41.940.311</b>	<b>64.785.035</b>	<b>34.847.336</b>	<b>35.334.823</b>	<b>TOTAL CURRENT LIABILITIES</b>
<b>LIABILITAS JANGKA PANJANG</b>					<b>NON-CURRENT LIABILITY</b>
Liabilitas imbalan kerja	35.644	33.492	-	-	Employees' benefits liability
<b>TOTAL LIABILITAS</b>	<b>41.975.955</b>	<b>64.818.527</b>	<b>34.847.336</b>	<b>35.334.823</b>	<b>TOTAL LIABILITIES</b>
<b>EKUITAS</b>					<b>EQUITY</b>
Modal saham - nilai nominal Rp100 per saham pada tanggal 30 Juni 2014, 31 Desember 2013 dan 2012; Rp1.000.000 per saham pada tanggal 31 Desember 2011					Share capital - par value of Rp100 per share as of June 30, 2014, December 31, 2013 and 2012; Rp1,000,000 per share as of December 31, 2011
Modal dasar - 23.000.000.000 saham pada tanggal 30 Juni 2014, 14.000.000.000 saham pada tanggal 31 Desember 2013, 4.000.000.000 saham pada tanggal 31 Desember 2012 dan 200.000 saham pada tanggal 31 Desember 2011					Authorized - 23,000,000,000 shares as of June 30, 2014, 14,000,000,000 shares as of December 31, 2013, 4,000,000,000 shares as of December 31, 2012 and 200,000 shares as of December 31, 2011
Modal ditempatkan dan disetor penuh - 6.000.000.000 saham pada tanggal 30 Juni 2014, 3.572.081.001 saham pada tanggal 31 Desember 2013, 1.072.081.001 saham pada tanggal 31 Desember 2012 dan 50.050 saham pada tanggal 31 Desember 2011	57.064.356	36.831.698	11.494.716	5.567.297	Issued and fully paid - 6,000,000,000 shares as of June 30, 2014, 3,572,081,001 shares as of December 31, 2013, 1,072,081,001 shares as of December 31, 2012 and 50,050 shares as of December 31, 2011
Saldo laba	16.698.041	16.708.388	16.967.126	60.320	Retained earnings
<b>TOTAL EKUITAS</b>	<b>73.762.397</b>	<b>53.540.086</b>	<b>28.461.842</b>	<b>5.627.617</b>	<b>TOTAL EQUITY</b>
<b>TOTAL LIABILITAS DAN EKUITAS</b>	<b>115.738.352</b>	<b>118.358.613</b>	<b>63.309.178</b>	<b>40.962.440</b>	<b>TOTAL LIABILITIES AND EQUITY</b>

## Lampiran IV

## Attachment IV

**PT SOECHI LINES TBK**  
**(ENTITAS INDUK SAJA)**  
**LAPORAN PERUBAHAN EKUITAS**  
 Periode Enam Bulan yang Berakhir pada  
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 dan Tahun yang Berakhir pada Tanggal-tanggal  
 31 Desember 2013, 2012 dan 2011  
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**PT SOECHI LINES TBK**  
**(PARENT ENTITY ONLY)**  
**STATEMENTS OF CHANGES IN EQUITY**  
 Six-Month Periods Ended  
 June 30, 2014 and 2013  
 and Years Ended  
 December 31, 2013, 2012 and 2011  
 (Expressed in US Dollar, unless Otherwise Stated)

	30 Juni/June 30,		31 Desember/December 31,			
	2014	2013	2013	2012	2011	
PENDAPATAN	169.000	230.565	442.565	124.592	-	REVENUES
BEBAN POKOK PENDAPATAN	-	-	-	-	-	COST OF REVENUES
LABA BRUTO	169.000	230.565	442.565	124.592	-	GROSS PROFIT
BEBAN USAHA	173.385	207.773	467.732	76.728	-	OPERATING EXPENSES
LABA (RUGI) USAHA	(4.385)	22.792	(25.167)	47.864	-	INCOME (LOSS) FROM OPERATIONS
PENGHASILAN (BEBAN) LAIN-LAIN						OTHER INCOME (EXPENSES)
Laba (rugi) selisih kurs - neto	(3.577)	(287.417)	(234.462)	215.588	(47)	Gain (loss) of foreign exchange - net
Pendapatan dividen	-	-	-	16.648.469	-	Dividend income
Lain-lain	511	52	1.206	704	-	Others
PENGHASILAN (BEBAN) LAIN-LAIN - NETO	(3.066)	(287.365)	(233.256)	16.864.761	(47)	OTHER INCOME (EXPENSES) - NET
LABA (RUGI) SEBELUM BEBAN (MANFAAT) PAJAK PENGHASILAN	(7.451)	(264.573)	(258.423)	16.912.625	(47)	INCOME (LOSS) BEFORE INCOME TAX EXPENSE (BENEFIT)
MANFAAT (BEBAN) PAJAK PENGHASILAN						INCOME TAX BENEFIT (EXPENSE)
Kini	(3.280)	(6.598)	(8.688)	(5.819)	-	Current
Tangguhan	384	7.575	8.373	-	-	Deferred
Beban pajak penghasilan - neto	(2.896)	977	(315)	(5.819)	-	Income tax expense - net
LABA (RUGI) PERIODE/ TAHUN BERJALAN	(10.347)	(263.596)	(258.738)	16.906.806	(47)	INCOME (LOSS) FOR THE PERIOD/YEAR
PENDAPATAN KOMPREHENSIF LAIN	-	-	-	-	-	OTHER COMPREHENSIVE INCOME
TOTAL LABA (RUGI) KOMPREHENSIF PERIODE/ TAHUN BERJALAN	(10.347)	(263.596)	(258.738)	16.906.806	(47)	TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD/YEAR

## Lampiran IV

## Attachment IV

**PT SOECHI LINES TBK**  
**(ENTITAS INDUK SAJA)**  
**LAPORAN PERUBAHAN EKUITAS**  
 Periode Enam Bulan yang Berakhir pada  
 Tanggal-tanggal 30 Juni 2014 dan 2013  
 dan Tahun yang Berakhir pada Tanggal-tanggal  
 31 Desember 2013, 2012 dan 2011  
 (Disajikan Dalam Dolar AS, kecuali Dinyatakan Lain)

**PT SOECHI LINES TBK**  
**(PARENT ENTITY ONLY)**  
**STATEMENTS OF CHANGES IN EQUITY**  
 Six-Month Periods Ended  
 June 30, 2014 and 2013  
 and Years Ended  
 December 31, 2013, 2012 and 2011  
 (Expressed in US Dollar, unless Otherwise Stated)

	Laba Ditahan/Retained Earnings			Total/ Total	
	Modal Saham/ Share Capital	Dicadangkan/ Appropriated	Belum Dicadangkan/ Unappropriated		
Saldo 1 Januari 2011	5.567.297	-	60.367	5.627.664	Balance as of January 1, 2011
Total rugi komprehensif tahun berjalan	-	-	(47)	(47)	Total comprehensive loss for the year
Saldo 31 Desember 2011	5.567.297	-	60.320	5.627.617	Balance as of December 31, 2011
Peningkatan modal disetor	5.927.419	-	-	5.927.419	Additional share capital
Total laba komprehensif tahun berjalan	-	-	16.906.806	16.906.806	Total comprehensive income for the year
Saldo 31 Desember 2012	11.494.716	-	16.967.126	28.461.842	Balance as of December 31, 2012
Peningkatan modal disetor	25.336.982	-	-	25.336.982	Additional share capital
Total rugi komprehensif tahun berjalan	-	-	(263.595)	(263.595)	Total comprehensive loss for the year
<b>Saldo 30 Juni 2013</b>	<b>36.831.698</b>	<b>-</b>	<b>16.703.531</b>	<b>53.535.229</b>	<b>Balance as of June 30, 2013</b>
Saldo 31 Desember 2012	11.494.716	-	16.967.126	28.461.842	Balance as of December 31, 2012
Peningkatan modal disetor	25.336.982	-	-	25.336.982	Additional share capital
Total rugi komprehensif tahun berjalan	-	-	(258.738)	(258.738)	Total comprehensive loss for the year
Saldo 31 Desember 2013	36.831.698	-	16.708.388	53.540.086	Balance as of December 31, 2013
Peningkatan modal disetor	20.232.658	-	-	20.232.658	Additional share capital
Total rugi komprehensif tahun berjalan	-	-	(10.347)	(10.347)	Total comprehensive loss for the year
Cadangan saldo laba	-	7.284.280	(7.284.280)	-	Appropriate retained earnings
<b>Saldo 30 Juni 2014</b>	<b>57.064.356</b>	<b>7.284.280</b>	<b>9.413.761</b>	<b>73.762.397</b>	<b>Balance as of June 30, 2014</b>

## Lampiran V

## Attachment V

**PT SOECHI LINES TBK  
(ENTITAS INDUK SAJA)  
LAPORAN ARUS KAS**  
Periode Enam Bulan yang Berakhir pada  
Tanggal-tanggal 30 Juni 2014 dan 2013  
dan Tahun yang Berakhir pada Tanggal-tanggal  
31 Desember 2013, 2012 dan 2011  
(Disajikan Dalam Dolar AS, kecuali Dinyatakan Lain)

**PT SOECHI LINES TBK  
(PARENT ENTITY ONLY)  
STATEMENTS OF CASH FLOWS**  
Six-Month Periods Ended  
June 30, 2014 and 2013  
and Years Ended  
December 31, 2013, 2012 and 2011  
(Expressed in US Dollar, unless Otherwise Stated)

	30 Juni/June 30,		31 Desember/December 31,			
	2014	2013	2013	2012	2011	
<b>ARUS KAS DARI</b>						<b>CASH FLOWS FROM</b>
<b>AKTIVITAS OPERASI</b>						<b>OPERATING ACTIVITIES</b>
Penerimaan dari pelanggan	331.920	59.771	254.645	124.592	-	Receipts from customers
Penerimaan pendapatan keuangan	63	-	-	-	-	Receipts from interest income
Pembayaran kepada karyawan	(126.280)	(135.759)	(311.256)	(21.429)	-	Payments to employees
Pembayaran pajak penghasilan	(2.019)	(1.813)	(11.605)	(2.482)	-	Payments for income taxes
Penerimaan (pembayaran) lain-lain - neto	(526.295)	(491.638)	(342.096)	134.143	-	Other receipts (payments) - net
<b>Kas neto yang diperoleh dari (digunakan) untuk aktivitas operasi</b>	<b>(322.611)</b>	<b>(569.439)</b>	<b>(410.312)</b>	<b>234.824</b>	<b>-</b>	<b>Net cash provided by (used in) operating activities</b>
<b>ARUS KAS DARI</b>						<b>CASH FLOWS FROM</b>
<b>AKTIVITAS INVESTASI</b>						<b>INVESTING ACTIVITIES</b>
Penambahan penyertaan saham	(20.000.000)	(25.096.361)	(25.096.361)	(22.817.115)	-	Investment in share of stocks
Perolehan aset takberwujud	-	-	(160.762)	(39.963)	-	Additions of intangible asset
Perolehan aset tetap	(173)	(157.320)	(924)	(52.037)	-	Acquisitions of fixed assets
Penerimaan dividen kas	-	-	-	16.648.469	-	Receipts of cash dividend
<b>Kas neto yang digunakan untuk aktivitas investasi</b>	<b>(20.000.173)</b>	<b>(25.253.681)</b>	<b>(25.258.047)</b>	<b>(6.260.646)</b>	<b>-</b>	<b>Net cash used in investing activities</b>
<b>ARUS KAS DARI</b>						<b>CASH FLOWS FROM</b>
<b>AKTIVITAS PENDANAAN</b>						<b>FINANCING ACTIVITIES</b>
Peningkatan modal saham	20.232.658	25.336.982	25.336.982	5.927.419	-	Increase in share capital
Penerimaan (pembayaran) pinjaman pihak-pihak berelasi - neto	79.750	485.333	346.569	105.293	-	Receipts (payments) of related parties loans - net
<b>Kas neto yang diperoleh dari aktivitas pendanaan</b>	<b>20.312.408</b>	<b>25.822.315</b>	<b>25.683.551</b>	<b>6.032.712</b>	<b>-</b>	<b>Net cash provided by financing activities</b>
<b>KENAIKAN (PENURUNAN) NETO KAS DI BANK</b>	<b>(10.376)</b>	<b>(805)</b>	<b>15.192</b>	<b>6.890</b>	<b>-</b>	<b>NET INCREASE (DECREASE) IN CASH IN BANKS</b>
<b>KAS DI BANK PADA AWAL TAHUN</b>	<b>22.082</b>	<b>6.890</b>	<b>6.890</b>	<b>-</b>	<b>-</b>	<b>CASH IN BANKS AT THE BEGINNING OF YEAR</b>
<b>KAS DI BANK PADA AKHIR TAHUN</b>	<b>11.706</b>	<b>6.085</b>	<b>22.082</b>	<b>6.890</b>	<b>-</b>	<b>CASH IN BANKS AT THE BEGINNING OF YEAR</b>



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## XVIII. APPRAISAL REPORT

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**SUWENDHO RINALDY & REKAN**  
**KANTOR JASA PENILAI PUBLIK**  
**Nomor Izin Usaha KJPP: 2.09.0059**  
**Penilai Properti dan Bisnis**

Rasuna Office Park WO 01-02  
Rasuna Epicentrum  
Jl. H.R. Rasuna Said - Kuningan  
Jakarta Selatan 12960  
T (021) 8370-8026 / 3800-834 / 9390-3953  
7168-5051 / 7970913 / 799-4521  
F (021) 351-9544 / 9390-3952 / 797-3350  
E srr@srr.co.id  
Kantor Perwakilan: Bandung, Surabaya

No. : 141009.010/SRR/SR-A/SL/OR

October 9, 2014

Messrs.

**PT SOECHI LINES**  
**Plaza Marein, 21<sup>st</sup> Floor, Sudirman Plaza**  
**Jl. Jend. Sudirman Kav. 76-78**  
**Jakarta Selatan**

Attn. : **Directors**

Re : **Summary of Valuation of Assets of PT Soechi Lines and Subsidiaries**

Dear Sirs/Madams,

In accordance with the assignment given to us, Kantor Jasa Penilai Publik (KJPP) Suwendho Rinaldy & Rekan (“SRR” or “we”), by the management of PT Soechi Lines (“the Company”) to provide our opinion as an independent valuer on the market value of assets of/on the subsidiaries of the Company in the form of vessels, vehicles, office and household equipment, strata title unit, shipyard (land, buildings, machineries and heavy equipment, shipyard equipment, vehicles, and office and mess equipment), and construction in progress in the form of land, buildings, floating dock, erection yard, concrete wharf, launching yard, jetty, barge, tug boat, and other land improvements (“the Object of Valuation”) as stated in our offering letter No. 140325.002/SRR/SPN-A/SL/OR dated March 25, 2014 which was approved by the management of the Company, herewith we as an official KJPP with a Business License No. 2.09.0059 based on Decree of Minister of Finance No. 1056/KM.1/2009 dated August 20, 2009 and registered as capital market supporting profession in the Capital Market and Financial Institution Supervisory Agency (Badan Pengawas Pasar Modal dan Lembaga Keuangan or “Bapepam-LK”) with a Letter of Registration as Capital Market Supporting Profession (Surat Tanda Terdaftar [STTD] Profesi Penunjang Pasar Modal) from Bapepam-LK No. 02/BL/STTD-P/AB/2006 dated May 31, 2006 (Property Valuer and Business Valuer) declared that we have conducted a valuation of the Object of Valuation to deliver our opinion on the market value of the Object of Valuation as of June 30, 2014.

#### **THE OBJECT OF THE VALUATION**

The object being valued in this valuation is the Object of Valuation, with details as follows:



1. 6 (six) vessels (MT Soechi Anindya, MT Stephanie XVIII, MT Angelia XVI, MT Golden Pearl XIV, MT Andriana XX, and MT Soechi Asia XXIX), vehicles, and office and household equipment of/on the name of PT Armada Bumi Pratiwi Lines (“ABPL”),
2. 3 (three) vessels (MT Success Victory XXXIV, MT Success Challenger XXXVII, and TB Beaver), vehicles, and office and household equipment of/on the name of PT Armada Maritime Offshore (“AMO”),
3. 6 (six) vessels (MT Soechi Chemical XXI, MT Soechi Chemical IX, MT Alice XXV, MT Alina XXIII, MT Gas Soechi XXVIII, and MT Asumi XXVI), vehicles, and office and household equipment of/on the name of PT Inti Energi Line (“IEL”),
4. 6 (six) vessels (MT Almira XXII, Mos I (ex. Asl 39) barge, MT Success Total XXXI, MT Success Energy XXXII, Mos II tug boat, and MT Success Pioneer XXXV), vehicles, and office and household equipment of/on the name of PT Putra Utama Line (“PUL”),
5. Shipyard (land, buildings, machineries and heavy equipment, shipyard equipment, vehicles, and office and mess equipment) and construction in progress in the form of land, buildings, floating dock, erection yard, concrete wharf, launching yard, jetty, barge, tug boat, and other land improvements located at Kelurahan Pangke and Kelurahan Sungai Lakam, Kecamatan Meral and Kecamatan Karimun, Kabupaten Karimun, Propinsi Kepulauan Riau of/on the name of PT Multi Ocean Shipyard (“MOS”),
6. 1 (one) vessel (MT Sukses Pegasus XXXVI) and office and household equipment of/on the name of PT Sukses Maritime Lines (“SML”),
7. 1 (one) vessel (MT Success Marlina XXXIII) of/on the name of Success Marlina XXXIII S.A. (“SMSA”), and
8. 12 (twelve) vessels (MT Silvia XII, MT Soechi Prestasi, MT Soechi Chemical I, MT Soechi Chemical III, MT Soechi Chemical V, MT Soechi Chemical VII, MT Soechi Pratiwi, MT Sukses XI, MT Alisa XVII, MT Soechi Chemical XIX, MT Arenza XXVII, and MT Success Fortune XL), vehicles, office and household equipment, and strata title unit of/on the name of PT Sukses Osean Khatulistiwa Line (“SOKL”).

The Object of Valuation is classified as operating assets of the subsidiaries of the Company. According to Bapepam-LK’s Rule No. VIII.C.4 regarding “Guidance of Property Valuation and Preparation of Property Valuation Report for Capital Market” which was published in the Decree of the Chairman of Bapepam-LK No. Kep-478/BL/2009 dated December 31, 2009 (“Rule VIII.C.4”), operating assets is defined as “assets used in the operations of a company in a sustainable manner” (Rule VIII.C.4–1.a.9), whereas non-operating assets is defined as “assets which are separated from the



operations of a company and consist of assets that will be used in the future (reserve assets), Surplus Assets, or Investment Assets” (Rule VIII.C.4–1.a.10).

### **OBJECTIVE AND PURPOSE OF THE VALUATION**

The objective of the valuation of the Object of Valuation is to obtain an independent opinion regarding the market value of the Object of Valuation as of the effective date of valuation, i.e. June 30, 2014, stated in Rupiah currency. As an additional information, the middle exchange rate of Bank Indonesia (BI) for US\$ to Rupiah (Rp) as of June 30, 2014 is Rp 11,969.00 per US\$.

The purpose of the valuation of the Object of Valuation is to provide supporting data and information which will be used as reference by the Company in implementing the initial public offering of the shares of the Company.

In accordance with the Indonesian Valuation Standards (Standar Penilaian Indonesia) 2013 (SPI 2013), in this valuation we do not consider the expenses and taxes which will occur due to the sale and/or purchase of the Object of Valuation.

In this valuation we assume that:

1. The value stated in this report and any other values which constitute parts of the Object of Valuation are only valid in accordance with the objective and purpose of this valuation. The values stated in this report cannot be used for other valuation purposes to avoid misinterpretation.
2. The Object of Valuation is covered with land ownership documents which are legally valid, transferable, and free of any encumbrances, claims, or any limitation other than those stated in this report.
3. The Object of Valuation constitutes a whole business entity managed by competent management.
4. Other limitation, conditions, comments, and details are written in this report.

This valuation was conducted in compliance with the provisions of Rule VIII.C.4 and SPI 2013.

### **DEFINITION OF VALUE**

For the purposes of valuation of the Object of Valuation, the standard of value used in this report is the market value, which, based on Rule VIII.C.4, is defined as “the estimated amount of money on the date of valuation (cut off date), which can be obtained from a sale and purchase transaction or a result of an exchange of an object of valuation, between a willing buyer and a willing seller, in an arm’s-length transaction,



after proper marketing, wherein the parties had each acted knowledgeably, prudently, and without compulsion”.

#### **DATE OF INSPECTION AND DATE OF VALUATION**

The market value of the Object of Valuation is estimated as at June 30, 2014. This date was chosen based on the considerations of the objective and purpose of the valuation. The physical inspection of the Object of Valuation was conducted from July 4, 2014 to September 5, 2014.

In accordance with Rule VIII.C.4, this valuation report is valid for 6 (six) months from the date of valuation, i.e. June 30, 2013, unless there are circumstances which may can affect the value conclusion more than 5% (five percent).

#### **SUBSEQUENT EVENT**

From the date of valuation, i.e. June 30, 2014, until the date of issuance of this valuation report, there are no significant events that may affect the results of the valuation significantly.

#### **DESCRIPTION OF THE ASSIGNOR**

The assignor is the Company or PT Soechi Lines. The Company is a limited liability company engaging in import and export trading, consulting service, construction, transportation, workshop, printing, agriculture, workshop and other industries. The Company is headquartered at Plaza Marein 21<sup>st</sup> Floor, Sudirman Plaza, Jl. Jend. Sudirman Kav. 76-78, Jakarta Selatan, with telephone number (021) 5793 6883, facsimile number (021) 5793 6833, email address info@soechi.com, and website address www.soechi.com.

#### **VALUATION APPROACHES**

Approaches applied in this valuation are as follows:

- Market Approach

The market comparison approach considers the sales of similar or substitute properties and related market data, and establishes a value estimate by processes involving comparison. In general, a property being valued (a subject property) is compared with sales of similar properties that have been transacted in market. Listing and offerings may also be considered.



- Cost Approach

The cost approach is a valuation approach in which the value of a property is obtained based on cost of reproduction/replacement new on the date of valuation, after deducted with depreciation.

Cost of reproduction/replacement new is calculated by estimating the cost to obtain a new unit which is exactly or generally the same as the property valued, according to the present market price/cost of materials, labors, overhead, contractors' profit plus indirect costs, but not considering overtime or bonus for labors and premium for materials.

- Income Approach

The income approach is a valuation approach in which the value of a property is determined by the capability of the property to generate income in the future. This approach considers income and expenses data related to the property being valued and estimates value through a capitalization process.

We have personally inspected the Object of Valuation, investigated the local market condition, and given consideration to the:

Cost of replacement new of the Object of Valuation on the form of vessels, office and household equipment, shipyard, and construction in progress in accordance with the market price/cost at the date of valuation.

Depreciation was considered for:

- Physical Deterioration

Wear and tear, decay, dryrot, cracks, encrustation of structural defects; consideration given to age and observed physical condition;

- Functional Obsolescence

Poor plan, functional inadequacy or over adequacy due to size, style, age or otherwise;

- External Obsolescence

Caused by external changes on the property such as neighborhood infiltration of inharmonious people or property uses, legislation and the like.



### VALUATION CONCLUSION

Based on the foregoing and other factors relevant to the valuation it is our consideration that:

**Rp 4,442,981,300,000.00**

**( FOUR TRILLION FOUR HUNDRED AND FORTY-TWO BILLION NINE HUNDRED AND EIGHTY-ONE MILLION THREE HUNDRED THOUSAND RUPIAH )**

represents the market value of the Object of Valuation mentioned in this report as of June 30, 2014.

We did not investigate and we assume no responsibility for matters of a legal nature affecting the Object of Valuation or the title thereto.

We have no present or contemplated future interest in the Object of Valuation; and neither the employment to make the appraisal, nor the compensation for it, is contingent upon the appraised value of the Object of Valuation.

Yours faithfully,

**KJPP SUWENDHO RINALDY & REKAN**

**Ocky Rinaldy, MAPPI (Cert)**  
**Partner**

**Valuer License No. : PB-1.09.00242**  
**S T T D No. : 02/BL/STTD-P/AB/2006**  
**M A P P I No. : 95-S-00654**

OR/ap



## RESUME OF VALUATION

<b>No.</b>	<b>Description</b>	<b>Market Value (Rp ,000.00)</b>
I.	<b>6 (Six) Vessels, Vehicles, and Office and Household Equipment of/on the Name of ABPL</b>	<b>223,751,400</b>
II.	<b>3 (Three) Vessels, Vehicles, and Office and Household Equipment of/on the Name of AMO</b>	<b>223,032,500</b>
III.	<b>6 (Six) Vessels, Vehicles, and Office and Household Equipment of/on the Name of IEL</b>	<b>368,590,900</b>
IV.	<b>6 (Six) Vessels, Vehicles, and Office and Household Equipment of/on the Name of PUL</b>	<b>384,316,200</b>
V.	<b>Shipyard and Construction in Progress of/on the Name of MOS at Kelurahan Pangke and Kelurahan Sungai Lakam Kecamatan Meral and Kecamatan Karimun Kabupaten Karimun <u>Propinsi Kepulauan Riau</u></b>	<b>1,300,937,000</b>
V.	<b>1 (One) Vessel and Office and Household Equipment of/on the Name of SML</b>	<b>106,881,500</b>
VII.	<b>1 (One) Vessel of/on the Name of SMSA</b>	<b>177,624,400</b>



No.	Description	Market Value (Rp ,000.00)
VIII. 12	(Twelve) Vessels, Vehicles, Office and Household Equipment, and Strata Title Unit of/on the Name of SOKL	1,657,847,400
Total (I–VIII)		4,442,981,300

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## XIX. ARTICLES OF ASSOCIATION OF THE COMPANY

The Company's Articles of Association stipulated in this Prospectus is the Company's latest Articles of Association, which conforms to the prevailing laws and regulations, as set forth in Deed No. 14 dated 19 August 2014.

### NAME AND DOMICILE ARTICLE 1

1. The limited liability company shall be called: "PT SOECHI LINES Tbk" (hereinafter referred to as the "Company"), domiciled in South Jakarta.
2. The Company may open branches or representative offices in other locations, whether within or outside the jurisdiction of the Republic of Indonesia as determined by the Board of Directors, subject to the approval of the Board of Commissioners.

### PERIOD OF ESTABLISHMENT ARTICLE 2

The Company shall be established for an indefinite period.

### AIMS AND OBJECTIVES AND BUSINESS ACTIVITIES

#### ARTICLE 3

The aims and objectives of the Company are to engage in :

1. Trade, Services, Transportation, Manufacturing, Construction, Printing, Agriculture and Workshop;
2. To achieve the aforementioned aims and objectives, the Company may undertake the following business activities:

#### A. Main Business Activities

- Inter-island/region and local import and export of products manufactured by the Company or other companies, including, among others: electrical and mechanical equipment, building equipment, mining heavy equipment, mining products, office stationaries, laboratories equipment, sea produce, industrial products, household appliances, medical instruments; trading related to real estate business, i.e., sale and purchase of houses, office buildings, shophouses, apartment units, condominiums, office space and shop space, distributor and representative of other companies, either domestic or foreign companies;
- Carry out business activities in services, among others, employee skills and training consulting services, mining consulting services, engineering consulting services, ship management services, supervision, drilling, management, administration and business consulting, advertising services, restaurant services, catering services, with the exception of legal and tax consulting services;
- Provide transportation services;
- Carry out business activities in industries such as plastic and fiber, active carbon and charcoal, oil and gas, machineries, electronics, including computer
- Carry out business activities in construction, acts as developer, which included planning and execution, general contractor for, among others, real estate, industrial estate, apartment buildings, condominiums, offices and shopping malls; installation of electricity, gas, drinking water, telecommunication, AC; and civil engineering;
- Carry out business activities in printing, offsetting, graphic designs and prints, book binding and publishing;
- Carry out business activities in agriculture, farming, saltwater/freshwater fisheries, plantation and forestry;
- Carry out business activities in workshops, which includes, motor vehicles care, maintenance and repair.



B. Supporting Business Activities:

- Carry out business activities in production of tradable goods referred to in main business activities;
- Carry out businesses that support main business activities, including, but not limited to, management and business consulting services, property consulting services, architecture, landscape, design and interior design consulting services; civil engineering consulting services, contractor services, property agent services, property management services, with the exception of legal and tax consulting services;
- Trade and sell and rent the output of main business activities referred to above;
- Develop real estate and engaged in developer's activities, including acquisition/purchase, cultivation, ridging, filling of land, and building facilities and infrastructures; planning, developing, leasing, selling and management of real estate, integrated zone, office centers, buildings, housing complex, offices, apartment, industrial zone, hotels, hospitals, shopping malls, sport centers and supporting facilities, including but not limited to golf courses, clubs, restaurants, other entertainment centers and their facilities;
- Print, bind and publish books and magazines, including lease of printers; and binding;
- Purchase land to be used for agriculture, plantation and farming.

**CAPITAL**  
**ARTICLE 4**

1. The authorized capital of the Company is in the amount of **Rp. 2,300,000,000,000 (two trillion and three hundred billion Rupiah)**, consisting of **23,000,000,000 (twenty three billion)** shares, each having a nominal value of **Rp 100 (one hundred Rupiah)**.
2. Of such authorized capital, **26.09% (twenty six percent)** or **6.000.000.000 (six billion)** shares having a nominal value of **Rp. 600.000.000.000, (six hundred billion Rupiah)** have been issued and paid up by the shareholders who has subscribed to such shares, the detail and nominal value of which will be disclosed at the last section before the closing provision of this deed.
3. The shares in portfolio shall be issued by the Board of Directors in accordance with the Company's capital requirement, at the time and price and under the terms and conditions set forth by the Board of Directors Meeting with the approval of the General Meeting of Shareholders (hereinafter referred to as "GMS"), provided that the price is not lower than the par value, and with due consideration to the provisions of the Articles of Association, Law number 40 of 2007 (two thousand seven) of the Limited Liability Company ("Company Law") and the prevailing laws and regulations in the Republic of Indonesia, including the prevailing laws and regulations of the Capital Market and Stock Exchange in the Republic of Indonesia,.
4. Payment for shares can be made in cash or other forms. Payment for shares in forms other than cash, either tangible or intangible articles shall comply with the following provisions:
  - a. the objects to be made as capital contributions shall be announced to the public together with the announcement of invitation to convene the General Meeting of Shareholders concerning such deposit;
  - b. the objects to be made as capital contributions shall be appraised by an appraiser registered with the Capital Market and Financial Institutions Supervisory Board (*Badan Pengawas Pasar Modal dan Lembaga Keuangan*, hereinafter referred to as the "Bapepam and LK"), and shall be free of any encumbrance in any way whatsoever;
  - c. approved by the General Meeting of Shareholders;
  - d. in the event that the object to be deposited as capital contribution takes form in shares of companies listed at the Stock Exchange, such shares shall be valued at the fair market value; and
  - e. in the event that the capital contributions are derived from the Company's retained earnings, capital paid in excess of par value, net profit, and/or private capital, then the said retained earnings, capital paid in excess of par value, the Company's net profit, and/or private capital shall be reported in the last Annual Financial Statements audited by Accountants registered in Bapepam and LK with unqualified opinion;
5. The GMS convening to approve the Public Offering, shall approve:
  - a. the maximum number of shares in the portfolio which will be issued to the public; and
  - b. the delegation of authority to the Board of Commissioners to determine the definite number of shares to be issued in the Public Offering. The quorum and GMS resolution to approve the issuance of shares in portfolio through Public Offering must comply with Article 11 of this Articles of Association



- 
6. If the shares in portfolio are to be issued by means of rights offering (issue), then all shareholders whose names are registered in the Shareholders List on the date stipulated by or based on GMS resolutions, with due consideration to the prevailing laws and regulations of the Capital Market in the Republic of Indonesia, shall have pre-emptive rights to purchase such shares to be issued (hereinafter referred to as the "Pre-emptive Rights") and the shareholders concerned shall be entitled to purchase such shares in proportion to the number of shares they respectively own by making payment in cash within the period stipulated by or based on the GMS resolutions approving the issuance of such new shares. The pre-emptive rights shall be transferable and tradable within the period set by the relevant capital market regulation. Issuance of shares by means of rights offering (issue) shall acquire prior approval from the GMS, and shall be issued in the manner, price and terms and conditions stipulated by the Board of Directors in accordance with the GMS resolutions and with due consideration to the provisions of the Articles of Association, the prevailing laws and regulations in the Republic of Indonesia, including the prevailing laws and regulations in the Capital Market of the Republic of Indonesia. Pre-emptive rights shall be transferable and tradable within the period set forth under Rule No. IX.D.1 concerning Pre-emptive Rights.

In the event that during the period set forth by or based on the GMS resolution referred to above, any of the Company's shareholders or the holders of the pre-emptive rights fails to exercise the rights to purchase the shares offered to them by making full payment in cash, the Board of Directors shall have the liberty to issue such shares to the shareholders or the holders of the pre-emptive rights who are interested in purchasing them in the number exceeding the proportion of their exercised rights, provided that in the event that the number of shares to be subscribed in addition to the proportion of the pre-emptive rights are higher than the number of remaining shares available, then such remaining shares shall be allocated among the shareholders or holders of pre-emptive rights who are interested in purchasing additional shares, each in proportion to the number of pre-emptive rights exercised, with due consideration to the prevailing laws and regulations in the Capital Market of the Republic of Indonesia. In the event that subsequent to the allocation there are remaining shares available, such remaining shares will be issued by the Board of Directors to parties who have expressed their readiness to purchase such remaining shares at a price no lower than the offer price, with due consideration to the provisions of the Articles of Association and the prevailing laws and regulations in the Capital Market of the Republic of Indonesia. The provisions in Article 4 paragraph (3) referred to above shall apply, *mutatis mutandis*, in the event that the Company issues convertible bonds and/or warrants and /or other similar securities, with due consideration to the provisions of the Articles of Association and the prevailing laws and regulations in the Capital Market of the Republic of Indonesia.

7. On the execution of issuance of shares in portfolio to the holders of convertible bonds, warrants and / or other similar securities, the Board of Directors is authorized to issue such shares without granting the pre-emptive rights to the existing shareholders to purchase such shares in advance, with due consideration to the provisions of the Articles of Association and the prevailing laws and regulations in the Capital Market of the Republic of Indonesia; The Board of Directors is also authorized to issue shares in portfolio, convertible bonds, warrants and/or other convertible securities, without granting pre-emptive rights to existing shareholders, including through a limited offering (private placement) or a public offering, provided that such issuance of shares, convertible bonds, warrants and/or other convertible securities acquire prior approval of the GMS and is effected with due consideration to the prevailing laws and regulations in the Capital Market of the Republic of Indonesia.
8. The provisions set forth in paragraph (3), (4), (5) and (6) of this Article shall apply, *mutatis mutandis*, for the increase of authorized capital and followed by further issuance of shares..
9. The issuance of shares in the portfolio for the holders of Securities that are convertible into shares or securities containing the right to acquire shares, may be effected by the Company's Board of Directors based on the resolutions of the previous GMS approving the issuance of such Securities.
10. The increase in paid-in capital shall be effective upon payment, and the shares issued shall have equal rights to shares under the same classification issued by the Company, without prejudice to the Company's obligations to notify the Minister of Law and Human Rights of the Republic of Indonesia
11. The increase of authorized capital causing the issued and paid-up capital to become less than 25% (twenty five percent) of the authorized capital may be carried out provided that:



- a. approval from the General Meeting of Shareholders to increase the authorized capital has been obtained;
  - b. approval from the Minister of Law and Human Rights of the Republic of Indonesia has been obtained;
  - c. the increase of the issued and paid-up capital to become at least 25% (twenty five percent) of the authorized capital shall be conducted in no later than 6 (six) months subsequent to the approval of the Minister of Law and Human Rights of the Republic of Indonesia referred to in paragraph (11) point b of this Article;
  - d. in the event that the increase of paid-up capital referred to in paragraph (11) point c of this Article is not fully satisfied, the Company shall re-amend its Articles of Association to change the authorized and paid-up capital to meet the provisions of Article 33 section (1) and section (2) of Company Law, within 2 (two) months subsequent to the failure to fulfill the period stipulated under Paragraph (11) point c of this Article;
  - e. The GMS approval referred to in paragraph (11) point a of this Article shall include the approval to amend the Articles of Association as stipulated in paragraph (11) point d of this Article.
12. The amendment of Articles of Association with regard to the increase in authorized capital shall become effective after the payment of shares resulting in the paid-up capital to become at least 25% (twenty five percent) of the authorized capital takes place, and such shares shall bear equal rights as other shares issued by the Company, without prejudice to the Company's obligation to request the approval on the amendment of Articles of Association from the Minister of Law and Human Rights upon such increase of paid-up capital.
13. Issuance of equity securities without granting the pre-emptive rights to shareholders may be effected provided that such issuance:
- a. is designated to the Company's employees;
  - b. is designated to the holders of bonds or other equity convertible securities, which were issued with the approval of the General Meeting of Shareholders;
  - c. is effected in the course of reorganization and/or restructuring approved by the General Meeting of Shareholders; and/or;
  - d. is effected in accordance with the prevailing Capital Market laws and regulations allowing capital increase without pre-emptive rights.

## SHARES

### ARTICLE 5

1. All shares issued by the Company are registered shares and issued under the name of the owner that is registered in the Shareholder Register.
2. The Company may issue shares with or without nominal value.
3. Shares without a nominal value shall be issued in accordance with the prevailing Capital Market rules and regulation.
4. The Company shall only acknowledge one individual or one legal entity as the owner of each share, each share grants the owner one voting right. If a share, for any reasons, are owned jointly by several persons, then those who jointly own the share shall appoint in writing, one person among themselves or another person as their representative and only the name of the representative will be registered in the Shareholders Register and the said representative must be deemed as the legitimate shareholder of the share concerned and shall have the right to exercise all rights vested by law over that share.
5. Before the provision referred above is not satisfied, the shareholders shall not be entitled to cast vote in the General Meeting of Shareholders, and payment of dividends for such shares shall be deferred.
6. In the event that the Company's shares are not administered in the Collective Depository in the Securities Depository and Settlement Institution, the Company shall issue a share ownership evidence in the form of share certificate or collective share certificate to the shareholders.
7. In the event that a share certificate is issued, each shares shall be provided with a share certificate.
8. The Company shall have 2 (two) shareholders at the minimum.
9. A collective share certificate may be issued as evidence of ownership of 2 (two) or more shares owned by a single shareholder.



10. A share certificate must contain at least the following:
  - a. name and address of the shareholder;
  - b. share certificate serial number;
  - c. nominal value of the share;
  - d. issuance date of the share certificate.
11. A collective shares certificate must contain at least the following:
  - a. name and address of the shareholder;
  - b. collective share certificate serial number;
  - c. serial number and number of shares;
  - d. nominal value of the shares;
  - e. issuance date of the collective share certificate.
  - f. Others as deemed necessary by the Company and required by laws and regulations, without prejudice to the provisions
12. Each share certificate and/or collective share certificate shall be printed out in accordance with the laws and regulations of the Capital Market in the Republic of Indonesia and bearing signature of the President Director and a member of Board of Commissioner which is appointed by the Board of Commissioners and the said signatures can be directly printed on the said share certificate and/or the collective share.
13. In the case of shares administered by the Collective Depository at Securities Depository and Settlement Institution or at the Custodian Bank, the Company shall issue a certificate or a written confirmation to the Securities Depository and Settlement Institution or to the Custodian Bank, bearing the signature of the President Director or a member of Board of Director which is appointed by Board of Director meeting and a member of Board of Commissioner which is appointed by the Board of Commissioners meeting or bearing signatures that are directly printed on the said written confirmation.
14. The written confirmation issued by the Company for shares which are administered in the Collective Depository must contain at least the following:
  - a. name and address of the Securities Depository and Settlement Institution or the Custodian Bank administering the said Collective Depository;
  - b. issuance date of the written confirmation;
  - c. number of shares covered in the written confirmation;
  - d. nominal value of the shares covered in the written confirmation;
  - e. with respect to the Collective Depository, each share of the same type and class issued by the Company shall have equal status as and may be exchanged with one another;
  - f. requirements stipulated by the Board of Directors concerning the change of written confirmation.
15. According to the law, each shareholder shall comply with to the Articles of Association and all resolutions legitimately made in the GMS and the laws and regulations.
16. The Company's shares that are listed on the Stock Exchange in the Republic of Indonesia are subject to the prevailing Capital Market laws and regulations and the Company law in the Republic of Indonesia.
17. All shares issued by the Company can be encumbered as collateral with due adherence to the prevailing laws and regulations concerning the shares pledge, Capital Market Law, and the Company Law.

## REPLACEMENT OF SHARE CERTIFICATE

### ARTICLE 6

1. In the event that a share certificate is damaged, tattered, worn-out, or unusable, a replacement of the said share certificate can be issued provided that:
  - a. the applicant who files a written request for the said share replacement is the owner of the said share certificate; and
  - b. the Company has received the damaged share certificate.
2. The Company must destroy the damaged share certificate upon issuance of the replacement share certificate.
- 3.



4. In the event that a share certificate is lost, the replacement of the said share certificate can be issued provided that:
  - a. the applicant who files a written request for the said share replacement is the owner of the said share certificate;
  - b. the Company has obtained a police report from the Police of the Republic of Indonesia on the loss of the said share certificate;
  - c. the applicant who files a request of such share replacement provides a security as deemed adequate by the Company's Board of Directors; and
  - d. the plan for the issuance of a replacement of lost share certificate has been announced at the Stock Exchange where the Company's shares are listed by at least 14 (fourteen) days prior to the issuance of such share replacement of share certificate.
5. The provisions of paragraph (1), paragraph (2), and paragraph (3) shall also apply for the issuance of a replacement of collective share certificate or equity securities; Following the issuance of replacement of share certificate, the share certificate claimed as lost no longer applies to the Company.
6. All costs incurred for the issuance of a replacement share certificate shall be borne by the shareholder concerned.
7. Issuance of replacement of lost share certificate for shares listed on the Stock Exchange in the Republic of Indonesia is subject to the requirements stipulated in the prevailing Capital Market laws and regulation and the Stock Exchange regulation in the Republic of Indonesia, where the Company's shares are listed, and such issuance shall be announced at the Stock Exchange where the Company's shares are listed in accordance with the Stock Exchange regulations in the Republic of Indonesia where the Company's Shares are listed.
8. The provisions of paragraph (1) until paragraph (6) of this article shall apply, *mutatis mutandis*, for the issuance of a replacement of collective share certificate.

## **SHAREHOLDERS REGISTER AND SPECIAL REGISTER**

### **ARTICLE 7**

1. The Board of Directors shall prepare and maintain the Shareholder Register and Special Register in accordance with the provisions of Article 50, Article 100, Article 101, Article 116 of the Company Law and the law and regulations of the Capital Market and Securities Exchange where the shares of the Company are listed.
2. Each shareholder must notify the Board of Directors of the Company for any change of the shareholder's address. So far as such notice has not been rendered, all summons, and notices to the shareholder are valid if addressed to the shareholder's last address as recorded in the Shareholders Register.
3. Changes to the Shareholders Register must be approved by the Board of Directors, which shall be evidenced by the signing of the recording of such changes by the member(s) of the Board of Directors entitled to represent the Board of Directors in accordance with the provisions of the Articles of Association.
4. Each registration or recording in the Shareholders Register, including the recording of sale, transfer, mortgage lien or fiduciary lien and other form of encumbrances related to the shares or the rights or interests over the shares shall be effected in compliance with the provisions of this Articles of Association, and for shares listed in the Stock Exchange, the Capital Market and the Stock Exchange regulations where the shares are listed shall apply, with due consideration to the laws and regulations.

## **COLLECTIVE DEPOSITORY**

### **ARTICLE 8**

1. Shares administered in a Collective Depository under the Securities Depository and Settlement Institution shall be registered in the Shareholder Register under the name of the Securities Depository and Settlement Institution for the benefit of the holders of Securities Account in the Securities Depository and Settlement Institution.
2. Shares administered in a Collective Depository under a Custodian Bank or a Securities Company shall be registered in the Securities Account in the Securities Depository and Settlement Institution



- under the name of the respective Custodian Bank or Securities Company for the benefit of the holders of Securities Account in the respective Custodian Bank or Securities Company.
3. If the shares administered in the Collective Depository with the Custodian Bank constitute a part of a Mutual Fund Securities Portfolio in the form of a Collective Investment Contract and are not included in the Collective Depository at the Securities Depository and Settlement Institution, the Company shall register the shares in the Shareholder Register under the name of the Custodian Bank for the benefit of the unitholder of the said Mutual Fund in the form of Collective Investment Contract.
  4. The Company shall issue certificates or written confirmations to the Securities Depository and Settlement Institution as stipulated in paragraph 1 of this Article or to the Custodian Bank as stipulated in paragraph 3 of this Article, as evidence of registration in the Company's Shareholder Register.
  5. The Company shall transfer the shares administered in the Collective Custody that are registered under the name of the Security Depository and Settlement Institution or the Custodian Bank for Mutual Funds in the form of Collective Investment Contract in the Shareholders Register to the name of the parties appointed by the respective Securities Depository and Settlement Institution or Custodian Bank. Request for transfer shall be submitted in writing to the Securities Depository and Settlement Institution or the Custodian Bank appointed by the Company.
  6. The Securities Depository and Settlement Institution, Custodian Bank, or Securities Company shall issue a written confirmation to the Securities account holder as evidence of registration in the Securities account.
  7. With respect to the Collective Depository, each share of the same type and class issued by the Company shall have equal status as and exchangeable.
  8. The Company shall refuse registration of the shares in the Collective Depository in the event that the share certificate is lost or destroyed, unless the person requesting the transfer is able to provide sufficient evidence and/or guarantee that the person is the lawful owner of the lost/destroyed shared certificate and that the share certificate is truly lost or destroyed.
  9. The Company shall refuse registration of the shares in the Collective Depository if the shares are encumbered, forfeited based on court order, or is forfeited for the purpose of a criminal investigation.
  10. A Securities account holder whose shares are registered in the Collective Depository is entitled to be present and/or cast votes in a General Meeting of Shareholders of the Company in proportion to number of shares held in the respective Securities account.
  11. Securities account holders entitled to cast vote in the GMS are the persons registered as the holder of the Securities account at the Securities Depository and Settlement Institution or the persons that are registered as holders of the sub-Securities account in the Custodian Bank or Securities Company as of 1 (one) Business Day prior to the date of GMS notice.
  12. The Custodian Bank and Securities Company shall submit to the Company a list of securities accounts holders and the number of the Company's shares owned by each account holder by no later than 1 (one) Business Day prior to the date of GMS invitation to be registered in the Shareholders Register specifically prepared in relation to the GMS to be convened.
  13. The Investment Manager is entitled to be present and cast votes in the GMS by virtue of the Company's shares administered in Collective Depository at the Custodian Bank, which constitute a part of the Mutual Funds portfolio in the form of Collective Investment Contract and are not administered in the Collective Depository at the Securities Depository and Settlement Institution, provided that the respective Custodian Bank delivers the name of the Investment Manager by no later than 1 (one) Business Day prior to the notice of the General Meeting of Shareholders.
  14. The Company shall distribute dividends, bonus shares, or other shareholding-related entitlements on shares administered in the Collective Depository to the Securities Depository and Settlement Institution and subsequently the Securities Depository and Settlement Institution shall distribute dividends, bonus shares or other entitlements to the Custodian Bank and/or Securities Company registered as the account holders at the Securities Depository and Settlement Institution to be further distributed to the Securities account holders at the respective Custodian Bank and/or Securities Company.
  15. The Company shall distribute dividends, bonus shares, or other shareholding-related entitlements to the Custodian Bank with respect to shares administered in the Collective Depository at the Custodian



Bank, which constitute a part of the Mutual Funds portfolio in the form of Collective Investment Contract that are not included in the shares administered in the Collective Depository at the Securities Depository and Settlement Institution.

16. The time limit to determine whether the holders of Securities accounts are entitled to receive dividends, bonus shares or other shareholding-related entitlements with respect to shares administered in the Collective Depository shall be determined by or based on the resolutions of the General Meeting of Shareholders, provided that the Custodian Bank and Securities Company shall submit a list of Securities account holder and the number of the Company's shares owned by the respective Securities account holders to the Securities Depository and Settlement Institution, by no later than the date set forth as the basis to determine the shareholders entitled to receive dividends, bonus shares or other entitlements. The Securities Depository and Settlement Institution shall subsequently submit the consolidated list to the Board of Directors of the Company by 1 (one) business day after the date which has become the basis of determination for the shareholder entitled to obtain the dividends, bonus shares or other entitlements, at the latest.

## **TRANSFER OF SHARES**

### **ARTICLE 9**

1. In the event of a change of ownership of shares, the previous owner initially registered in the Shareholders Register shall be considered as the owner of such shares until the name of the new owner of the shares is registered in the Company's Shareholders Register, with due consideration to the provisions of laws and regulations and in the Indonesian Stock Exchange where the shares of the Company are listed.
2. The transfer of shares shall be based on the deed of transfer of rights signed by the transferor and the transferee or their lawful representatives or based on other documents to prove that the transfer of rights is adequate in opinion of the Board of Directors without prejudice to the provisions in these Articles.
3. Deed of transfer of rights or other documents as referred to paragraph 2 shall be in the form prescribed and / or acceptable by the Board of Directors and a copy or the original shall be submitted to the Company, provided that the supporting document for the transfer of shares listed on the Stock Exchange in Indonesia complies with the prevailing laws and regulations in the Capital Market in Indonesia, including the prevailing regulations in the Indonesian Stock Exchanges where the shares of the Company are listed.
4. Transfer of shares administered in the Collective Depository shall be effected by transfer from one securities account to another securities account at the Securities Depository and Settlement Institution, Custodian Bank, and Securities Company.
5. The transfer of shares shall be effected provided that all the provisions of the Articles of Association are satisfied.
6. The transfer of shares shall be recorded both in the Shareholders Register and the respective share certificate and collective share certificate; The record must be signed by the Board of Directors or by the Securities Administration Bureau appointed by the Board of Directors.
7. The Board of Directors in their sole discretion and by providing the reason thereof, may refuse to register a transfer of share in the Shareholders Register if any of the relevant provisions in this Articles of Association has not been satisfied or if any requirements for the transfer of share has not been satisfied.
8. In the event that the Board of Directors refuses to register the transfer of shares, the Board of Directors shall deliver a notification of refusal to the persons intending to effect the transfer within 30 (thirty) days following the receipt of the request for such transfer by the Board of Directors, provided that in the case of the Company's shares listed with the Indonesian Stock Exchange the relevant laws and regulations prevailing in Indonesia must be duly observed.
9. The Shareholders Register shall be closed on 1 (one) Business Day of the Indonesian Stock Exchange prior to the date of notice of GMS, in order to assign the names of the shareholders entitled to be present in such GMS.
10. Any person receiving a transfer of shares due to the death of a shareholder or due to any other reason which causes the ownership of the shares to change by law, and submits evidence of the



person's right to receive the transfer as required by the Board of Directors, will be registered as the owner of such shares. Registration may be put into effect only upon the Board of Directors' acceptance of the evidence of transfer by the Board of Directors, without prejudice to the relevant provisions of this Articles of Association and the prevailing laws and regulations in the Indonesian Capital Market.

11. Any limitations, restriction, and provisions in this Articles of Association concerning right to transfer of title of shares and registration of the transfer of shares shall apply, *mutatis mutandis*, to every transfer of title as stipulated in paragraph (10) of this article.

## **GENERAL MEETINGS OF SHAREHOLDERS**

### **ARTICLE 10**

1. GMS, consists of:
  - a. annual GMS;
  - b. other forms of GMS, which shall be referred to as Extraordinary GMS in this Articles of Association.
2. The term GMS as used in this Articles of Association shall mean both the annual GMS and the extraordinary GMS, unless expressly stated otherwise.
3. During the annual GMS:
  - a. Directors are required to submit annual reports that has been assessed by the Board of Commissioners for the approval of the GMS; which shall contain at the minimum:
    - Report on the Company's activities;
    - The Company's Financial Statements;
    - Ratification of the company's financial statements providing full release and discharge to the members of the Company's Board of Directors and the Board of Commissioners for the management and supervision undertaken during their terms of office (*acquit et de charge*)
  - b. The Board of Directors shall propose the utilization of the Company's net profit for the current financial year and the retained earning from previous financial years to be approved by the GMS.
  - c. the Board of Directors shall propose the appointment of a public accountant firm registered in the FSA;
  - d. Salaries and allowances for members of the Board of Directors and salary/remuneration and allowances for members of the Board of Commissioners for the current year.
  - e. The Board of Directors may propose other matters in the interest of the Company
4. The approval of the annual report and the ratification of the financial statements by the Annual GMS shall constitute the full release and discharge of to the members of the Board of Directors and the members of the Board of Commissioners for the management and supervision undertaken during the previous financial year, to the extent that such actions are reflected in the annual report and financial statements.
5. The Annual GMS shall be convened within a period not later than 6 (six) months after the fiscal year ends.
6. An extraordinary GMS shall be conducted anytime as required to discuss and determine the agenda with due observance of the applicable laws and the Articles of Association.
7. All matters discussed and resolved in a GMS shall be recorded in a minute of meeting which shall be prepared by a Notary. Minute of meeting shall constitute valid evidence with respect to all shareholders and third parties in connection with the resolutions so adopted and all events occurring in the GMS.

## **VENUE, INVITATION AND CHAIRPERSON OF THE GMS**

### **ARTICLE 11**

1. GMS may be held at :
  - a. The Company's domicile; or
  - b. a location where the Company carries out its business; or



- c. the domicile of the Stock Exchange where the Company's shares are listed.  
The GMS referred to in paragraphs a, b and c above must be convened within the Republic of Indonesia
2. By no later than 14 (fourteen) days prior to the date of the invitation of GMS, excluding the date of the announcement and the date of the invitation of GMS, the parties authorized to issue the invitation of GMS shall announce to the shareholders that a GMS will convene through placement of an advertisement in at least 2 (two) daily newspaper printed in Bahasa Indonesia, one of which shall have a wide circulation whereas the other shall be published in the Company's domicile as determined by the Board of Directors.
3. The invitation of GMS shall be issued by no later than 14 (fourteen) working days prior to the date of the GMS, excluding the date of invitation and the date of the GMS, through placement of an advertisement in at least 2 (two) daily newspaper printed in Bahasa Indonesia, one of which shall have a wide circulation whereas the other shall be published in the Company's domicile as determined by the Board of Directors.
4. Invitation to the GMS shall state the day, date, time, venue, agenda, and information that the materials to be discussed at the meeting are available at the office of the Company as provided under the Company Law, except as otherwise provided under the applicable Capital Market laws.
5. The second invitation of GMS shall be issued by no later than 7 (seven) days prior to the second GMS, excluding the date of invitation and the date of GMS and supplemented by the information that the first GMS has convened but failed to meet quorum.
6. The proposal from the shareholders must be included in the GMS event if:
  - a. the relevant proposal has been submitted in writing to the Board of Directors by one or more shareholders representing at least 10% (ten percent) of the total number of shares with valid voting rights;
  - b. the relevant proposal has been received by the Board of Directors at least seven (7) days before the date of the invitation for the relevant meeting issued;
  - c. in the opinion of the Directors, the proposal is deemed associated with the Company's business.
7. The GMS shall be chaired by a member of the Board of Commissioners appointed by the Board of Commissioners.
8. In the event that all members of the Board of Commissioners are not present or are unavailable for any reason, of which no evidence to third parties shall be required, the GMS shall be chaired by the President Director. In the event that the President Director is not present or is unavailable for any reason, of which no evidence to third parties shall be required, the GMS shall be chaired by a member of the Board of Directors.
9. In the event that all members of the Board of Directors are not present or are unavailable for any reason, of which no evidence to third parties shall be required, the GMS shall be chaired by the shareholder present in the GMS, appointed from and by the participants of the GMS.
10. In the event that the member of the Board of Commissioners so appointed has a conflict of interest with regard to any of the issues to be resolved in the GMS, the GMS shall be chaired by another person appointed by the Board of Commissioners who does not have such conflict of interest. If all members of the Board of Commissioners have a conflict of interest, the GMS shall be chaired by a person appointed by and from among the Board of Directors. If the director so appointed has a conflict of interest with regard to the issue to be resolved in the GMS, the GMS shall be chaired by a member of the Board of Directors who does not have a conflict of interest. If all members of the Board of Directors have a conflict of interest, the GMS shall be chaired by an independent shareholder appointed by other shareholders attending the GMS.

## **QUORUM, VOTING RIGHTS, AND RESOLUTIONS**

### **ARTICLE 12**

1. a. The General Meeting of Shareholders shall be legally convened if attended by the shareholders representing more than 1/2 (half) of the total shares having legal voting rights, without prejudice to other provisions stipulated in this Articles of Association.



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- b. In the case that the quorum as stipulated in paragraph (1.a) is not reached, a second invitation to GMS may be issued.
  - c. The invitation of the second GMS shall state that the first GMS has convened and failed to reach quorum.
  - d. The second the GMS referred to in paragraph (1.b) is valid and is entitled to adopt binding resolutions if attended by shareholders representing at least 2/5 (two fifths) of the total number of shares with valid voting rights issued by the Company
  - e. In the event that the second GMS quorum referred to in paragraph (1.d) is not achieved, the quorum, the number of votes for adopting resolutions, notice and time of the third GMS shall, at the request of the Company, be determined by the Chairman of Bapepam and LK.
  - f. The third invitation of GMS shall state that the second the GMS has been convened and failed to reach quorum and the third GMS shall convene with the quorum determined by the Chairman of Bapepam and LK.
  - g. The quorum of GMS determined by the Chairman of Bapepam and LK referred to in paragraph (1.f) is final and legally binding.
  - h. The second invitation of GMS shall be issued by no later than 7 (seven) days before the second GMS, excluding the date of invitation and the date of the GMS.
  - i. The second GMS shall convene no sooner than 10 (ten) days and no later than 21 (twenty one) days commencing from the first GMS.
2. Each shareholders may be represented by another shareholder or other person by virtue of power of attorney; The power of attorney must be prepared and signed in the form prescribed by the Board of Directors of the Company, without prejudice to the provisions of the prevailing laws and regulations of the civil code and shall be submitted to the Board of Directors by no later than three (3) Business Days prior to the date of the GMS in question.
  3. Those present in the GMS shall prove their eligibility to be present in the GMS in accordance with the requirements specified by the Board of Directors or Board of Commissioners at the time of the invitation of GMS, with due observance to the laws and regulations of the Capital Market in Indonesia the case that the shares are listed on the Indonesian Stock Exchange,
  4. Chairman of the GMS is entitled to request that a power of attorney to represent a shareholder be presented at the time of the GMS>
  5. In the GMS, each share shall provide its owner the right to cast 1 (one) vote.
  6. Members of the Board of Directors, Members of the Board of Commissioners and employees of the Company may act as a representative in the GMS, however, the votes cast by them as proxies in the GMS shall be considered void in a voting.
  7. A voting concerning individuals shall be made in unsigned written and folded ballot, except the Chairperson of the GMS allows the voting to be carried out by other manners and there is no objection from the participants that hold voting rights.
  8. A voting concerning other matters shall be made verbally, except in the event that the shareholders representing a minimum of 10% (ten percent) of the Company's issued shares request for a written or confidential voting.
  9. All resolutions shall be adopted by consensus through amicable dialogue. In the event such resolution cannot be achieved, the resolutions shall be adopted by way of voting as stipulated in this Articles of Association.
  10. GMS (including GMS for the issuance of Equity Securities) may make a binding resolutions if it is approved by more than 1/2 (one half) of the total shares with voting rights that are presents in the GMS.
  11. A GMS convening to amend the Company's Articles of Association require the approval of the Minister of Law and Human Rights, except for amendment of Articles of Association in order to extend the period of the establishment of the Company, shall be conducted under the following conditions:
    - a. the GMS shall be attended by shareholders representing at the minimum 2/3 (two thirds) of the total shares with valid voting rights and such resolutions shall be valid if approved by more than 2/3 (two thirds) of the total shares with valid voting rights that are present at the GMS;
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- b. In the event the attendance quorum as referred to in sub-paragraph a above cannot be achieved, then at the second GMS a resolution shall be validly adopted if such GMS is attended by shareholders representing at least  $\frac{3}{5}$  (three-fifth) of the total shares with valid voting rights and such resolution is approved by more than  $\frac{1}{2}$  (one half) of the total shares with valid voting rights that are present at the GMS; and
      - c. In the event the attendance quorum as referred to in sub-paragraph b above cannot be achieved, then at request of the Company, the attendance quorum for the third GMS, the total votes required to adopt a resolution, invitation, and time of convening of the GMS shall be determined by the Chairman of Bapepam and LK.
12. A GMS convening to transfer the assets of the Company or encumbrance such assets, which constitute more than 50% (fifty percent) of the Company's net assets, whether in one or more independent or related transactions, to effect a merger, amalgamation, acquisition, spin-off, filing of a petition for the Company's bankruptcy, extension of the Company's establishment period, and dissolution, shall be conducted in the following manner:
  - a. The GMS shall be attended by shareholders representing at least  $\frac{3}{4}$  (three-fourths) of the entire shares with valid voting rights, and such resolution shall be valid if approved by more than  $\frac{3}{4}$  (three-fourths) of the entire shares with valid voting rights present at the GMS;
  - b. In the event the attendance quorum as referred to in sub-paragraph a above cannot be achieved, then at the second GMS a resolution shall be validly adopted if such GMS is attended by shareholders representing at least  $\frac{2}{3}$  (two-thirds) of the total shares with valid voting rights and such resolution approved by more than  $\frac{3}{4}$  (three-fourths) of the total shares with valid voting rights present at the GMS; and
  - c. In the event the attendance quorum as referred to in sub-paragraph b above cannot be achieved, then upon the request of the Company, the attendance quorum for the third GMS, the total votes required to adopt a resolution, invitation, and time of convening of the GMS shall be determined by the Chairman of Bapepam and LK.
13. A GMS convened to approve transactions involving a conflict of interest as stipulated in Article 14 paragraph (2) shall be conducted in the following manner:
  - a. The shareholders having such conflict of interest shall be considered as rendering the same decision as that which has been agreed upon by the independent shareholders, which shall be the shareholders without any conflict of interests with regard to the transaction (hereinafter referred to as "Independent Shareholder");
  - b. The GMS shall be attended by Independent Shareholders representing at least  $\frac{1}{2}$  (one-half) of the entire shares with valid voting rights held by the entire Independent Shareholders, without prejudice to the provisions of paragraph (1) of this article and such resolution shall be valid if approved by more than  $\frac{1}{2}$  (one-half) of the entire shares with valid voting rights held by the entire Independent Shareholders;
  - c. In the event that the attendance quorum as referred to in sub-paragraph b above cannot be achieved, then at the second GMS a resolution shall be validly adopted if such GMS is attended by Independent Shareholders representing more than  $\frac{1}{2}$  (one-half) of the total shares with valid voting rights held by the entire Independent Shareholders and such resolution is approved by more than  $\frac{1}{2}$  (one-half) of the total shares held by the entire Independent Shareholders attending/represented at the GMS; and
  - d. In the event the attendance quorum for the second meeting cannot be achieved, then upon the request of the Company, the attendance quorum for the third GMS, the total votes required to adopt a resolution, invitation, and time of convening of the GMS shall be determined by the Chairman of Bapepam and LK.
14. Every agenda submitted by shareholders during the discussion or voting in GMS shall meet the following requirements:
  - a. It is directly related to one of the respective GMS; and
  - b. The matters are raised by one or more shareholders who jointly represent at least 10% (ten percent) of the Company's total shares with valid voting rights.



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15. A shareholder having voting rights who is present at the GMS but do not exercise such right (abstain) shall be considered to have cast the same votes as the majority vote of shareholders who has cast their votes.

## **BOARD OF DIRECTORS**

### **ARTICLE 13**

1. The Company shall be managed and led by a Board of Directors consisting of at least three (3) members of the Board of Directors, one of whom was appointed as President Director, having regard to the rules prevailing in the capital market.
2. Members of the Board of Directors are appointed by the GMS, for a period of 5 (five) years commencing on the GMS appointing such members, until the closing of the fifth GMS following their appointment date and without prejudice to the right of GMS to dismiss them at any time with due observance to the provisions of the applicable laws and regulations.  
An individual who has served as member of the Board of Directors after his term of office has expired may be reappointed in accordance with the resolution of GMS.
3. The GMS may appoint another person to fill the post of member of the Board of Directors who are dismissed pursuant to paragraph (2) of this Article, or whenever there is a vacancy, without prejudice to other provisions in these Articles of Association.
4. A person appointed to replace the dismissed member of the Board of Directors pursuant to paragraph (3) of this Article or to fill a vacancy or a person appointed as an additional member to the existing Board of Directors, shall be appointed for a term equal to the remaining term of the remaining members of Board of Director.
5. If the position of any member of Board of Director is vacant for any reason whatsoever, by no later than 60 (sixty) calendar days as of such vacancy occurred, a GMS shall be convened to fill the vacancy with due observance to the provisions of the prevailing laws and regulations and this Articles of Association.
6. In the event that, for any reason whatsoever, all the position of all members of the Board of Directors is vacant, a GMS shall convene by no later than 60 (sixty) days to appoint the new Board of Directors and the Company shall temporarily be managed by the Board of Commissioners.
7.
  - a. A member of Board of Commissioners shall have the right to resign from his/her position by submitting a written notice concerning his/her intention to the Company no later than 60 (sixty) days prior to his/her resignation date.
  - b. The Company shall, at no later than sixty (60) calendar days after receiving the resignation letter, convene the GMS to resolve the resignation of the member of Board of Directors.
  - c. In case the Company fails to convene a GMS within the period of time as intended under this section, then, by the lapse of such time, the resignation of the member of Board of Directors shall be valid without requiring any approval from the GMS, provided that if the resignation causing the total member of the Board of Directors to become less than three (3) persons, then such resignation shall only be valid if it is determined by the GMS and a new member of the Board of Directors has been appointed in order to meet the minimum requirement of the total members of Board of Directors.
  - d. Accountability of such resigning member of the Board of Directors from his/her appointment until his/her resignation as a member of the Board of Directors can still be requested,
8. The term of offices of members of Board of Directors shall be automatically terminated, if such member of Board of Directors:
  - a. Is declared bankrupt or under guardianship under a court order; or
  - b. No longer meets the laws and regulations requirements; or perundangundangan; atau
  - c. Is deceased; or
  - d. Is dismissed pursuant to the GMS Resolution; or
  - e. Resigns in accordance with the provisions of paragraph (7) of this article, or
  - f. His/her term of office has expired.
9. Member of the Board of Directors may be dismissed temporarily by the Board of Commissioners if they act against this Articles of Association or there is an indication of doing harm to or neglecting their duties for the Company or there is a compelling reason for the Company, subject to the following conditions:



- a. The Board of Commissioners decision regarding the temporary dismissal of the Board of Directors were taken in accordance with the decision making procedures of the Board of Commissioners Meeting;
- b. The temporary dismissal shall be informed in writing to the person concerned by stating the reason for such measure, with a copy to the Board of Directors.
- c. Notification as referred to in point b of this article shall be delivered at the latest 2 (two) Business Days after the decision of temporary dismissal;
- d. The temporarily suspended member of the Board of Directors is not authorized to conduct the Company's management and represent the Company, whether in or out of court;
- e. Within 60 (sixty) calendar days after the temporary dismissal, a GMS shall convene to determine the revocation or affirmation of the temporary dismissal;
- f. In the GMS as referred to in point e of this article the concerned member of board of Directors shall be given the chance to defend his/herself;
- g. In the event that the 60 (sixty) days have passed, and the GMS as referred to in point e of this article has not convened or the GMS is unable to make a decision, then the temporary dismissal shall become void, and the concerned member of Board of Director shall commence his/her duties.

## **DUTIES AND AUTHORITIES OF THE BOARD OF DIRECTORS**

### **ARTICLE 14**

1. The Board of Directors shall legally and directly represent the Company within and outside the court in respect of all matters and in any events, to bind the Company to other parties and other parties to the Company, and to undertake any acts concerning management and ownership, but with the limitation to:
  - a. Borrow or lend money on behalf of the Company (not including withdrawing the Company's cash in Bank);
  - b. establish a new business or participate in other companies both inside and outside the country;
  - c. acquire immovable fixed assets and companies, except the assets which is inventory of the Company;
  - d. rent and / or lease property of the company, except in the daily Company's business activities framework;
  - e. sell or by other means release the rights over fixed assets and firms (which is not an inventory) or pledge assets of the Company, whose value is less than or up to 50% (fifty percent) of the total fixed assets the
  - f. Appoint a law firm in event of any legal proceedings., which require written approval from the Company's Board of Commissioners.
2. Undertake legal action to execute transaction with a conflict of interest between the personal economic interest of the members of the Board of Directors, Board of Commissioners or principal shareholders, with the Company's economic interest, which requires approval from the Company's GMS with the approval of more than one half of the shareholders having no conflict of interest as referred to in article 12 paragraph (13) and in accordance with the prevailing laws and regulations in the Capital Market.
3.
  - a. The President Director has the right and authorities to act for and on behalf of the Board of Directors and to represent the Company.
  - b. In the event that the President Director is no present or unavailable for any reason whatsoever, of which no evidence to third parties shall be required, other member of the Board of Directors has the right and authorities to act for and behalf of the Board of Directors and to represent the Company.
4. Board of Directors must request GMS's approval to:
  - a. Transfer the Company's assets (other than inventory); or
  - b. Encumber the Company's assets, that constitute more than 50% (fifty percent) of the Company's net assets, whether in 1 (one) transaction or more, whether related to one another or not, in accordance with the provisions of Article 102 of the Company Law and Rule No.IX.J.1,



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Annex to Decree of Chairman of Bapepam and LK No. Kep-179/BL/2008, dated 14 May 2008 regarding Articles of Association of Company Conducting an Equity Initial Public Offering and Public Company.

5. In case the Company has any conflict of interest against personal interest of a member of Board of Directors then, the Company shall be represented by other members of Board of Directors, and in case the Company has any conflict of interest against the interest of all members of Board of Directors then, the Company shall be represented by Board of Commissioners with due observance of the applicable laws.
6. The Board of Directors must request GMS's approval as set out in article 12 paragraph (12) of this Articles of Associations and in conformity with the regulations of the Capital Market in order to file for the Company's bankruptcy.

## **BOARD OF DIRECTORS MEETING**

### **ARTICLE 15**

1. A Board of Directors Meeting may be convened at any time :
  - a. When considered necessary by one or more members of the Board of Directors;
  - b. Upon written request of one (1) or more member of the Board of Directors
  - c. Upon written request of 1 (one) or more shareholders which jointly representing 1/10 (one tenth) of the total issued shares with valid voting rights
2. Invitation to a Board of Directors Meeting may be made by any of its members entitled to act for and on its behalf in accordance with the provisions of Article 14 paragraph 3 referred to above; In the event that the said Director does not issue the invitation within 14 (fourteen) days since the request is submitted or after the date scheduled for Board of Directors meeting, the invitation shall be issued by other member of the Board of Directors.
3. Invitation to a Board of Directors Meeting shall be delivered by registered mail or by letter addressed directly to each member of the Board of Directors with a receipt by no later than 14 (fourteen) days before the meeting, excluding the date of invitation and the meeting date.
4. Invitation to the meeting shall state the agenda, date, time and venue of the meeting.
5. A Board of Directors Meetings shall be held at the domicile of the Company or its place of business. In the event all members of the Board of Directors are present or represented, such prior invitation shall not be required and the meeting may convene at any location and is entitled to adopt valid and binding resolutions.
6. A Board of Directors Meetings shall be chaired by the President Director. In the event the President Director cannot attend or is unavailable, of which no evidence to third parties shall be required, the meeting shall be chaired by a member of the Board of Directors appointed from among members who are present
7. A member of the Board of Directors may be represented at a Board of Directors Meeting by another member solely by virtue of a power of attorney.
8. A Board of Directors Meeting is valid and entitled to adopt binding resolutions if more than 1/2 (one half) of the total members of the Board of Directors in office are present or are represented at the meeting.
9. A resolution of a Board of Directors Meeting shall be adopted by way of amicable discussion. If a resolution cannot be achieved through such a manner, a resolution shall be sought through voting based on approving votes of more than 1/2 (one-half) of the total votes cast at the meeting.
10. If the number of approving and disapproving votes are equal, then the Chairperson of the Board of Directors Meeting shall make the decision;
11.
  - a. Each member of Board of Directors is entitled to cast one (1) vote and one (1) additional vote for each other member of Board of Directors represented by him/her;
  - b. Voting on persons are conducted in folded unsigned ballot, while voting on other matters are conducted verbally unless the Chairman of the Meeting determined otherwise without objection from the majority shareholders present.
  - c. Blank vote and invalid vote are considered not issued and considered null and void in determining the number of votes.



12. A Minutes of Board of Directors Meeting shall be prepared by a person present at the meeting who is appointed by the Chairperson of the meeting, and subsequently signed by the Meeting Chairperson and a member of the Board of Directors or a representative or proxy of a Director appointed for such purpose at the meeting in order to ensure the completeness and accuracy of the Minutes of Board of Directors Meeting. In the event of dispute regarding the matters set out in the Minutes of the Board of Directors Meeting, such matter shall be resolved in a Board of Directors Meeting and its decision shall be taken by the affirmative vote of more than 1/2 (one half) of the total members of the Board of Directors who are serving their terms. The Minutes of Meeting referred to above shall serve as valid evidence with respect to the members of the Board of Directors as well as any third parties regarding the resolutions adopted at the meeting. If the Minute of Meeting is prepared by a Notary, then the above signatures shall not be required.
13. The Board of Directors may also adopt valid resolution without convening a Board of Directors meeting, provided that all members have been informed in writing and given their approval on the motion in writing by signing such proposal.

A resolution so adopted shall have the same binding power as a resolution validly adopted in a Board of Directors meeting.

## **BOARD OF COMMISSIONERS**

### **ARTICLE 16**

1. The Board of Commissioners shall consists of at least 3 (three) members, one of whom shall be appointed as the President Commissioner, with due observance to the prevailing regulations in the Capital Market.
2. Members of the Board of Commissioners are appointed by the Annual GMS, for a period of 5 (five) years since the Annual GMS which appointed them, until the closing of the fifth Annual GMS following their appointment date, without prejudice to the rights of Annual GMS to dismiss them at any time, with due observance to the prevailing laws and regulations.
3. A GMS may appoint another person to fill in the position of dismissed member of Board of Commissioners in reference to paragraph (2) of this article or when a vacancy is available, without prejudice to other stipulations in this Articles of Associations.
4. The person appointed to replace the dismissed member of Board of Commissioners as referred to in section (3) of this article or to fill in a vacancy or appointed as additional member to the existing Board of Commissioners, has to be appointed for a term equal to the remaining term of the remaining members of Board of Commissioner.
5. If the position of any member of Board of Commissioners is vacant for any reason whatsoever, no later than 60 (sixty) calendar days as of such vacancy occurred, a GMS shall be convened to fill the vacancy with due observance of the applicable Capital Market Regulations and this Articles of Associations.
6. Members of the Board of Commissioners may, upon the expiry of their term in the office, be reappointed under the GMS resolution.
7.
  - a. A member of Board of Commissioners shall have the right to resign from his/her position by submitting a written notice concerning his/her intention to the Company no later than 60 (sixty) days prior to his/her resignation date.
  - b. **The Company shall, at no later than sixty (60) calendar days after receiving the resignation letter, convene the GMS to resolve the resignation of the member of Board of Commissioners.**
  - c. In the event that the Company fails convening the GMS within the period of time as referred to above, then, by the lapse of such time, the resignation of the member of Board of Commissioner shall be valid without requiring any approval from the GMS, provided that if the resignation causing the total member of the Board of Commissioners to become less than three (3) persons, then such resignation shall only be valid if it is determined by the GMS and new member of Board of Commissioners have been appointed in order to meet the minimum requirement of the total members of Board of Commissioners.



- d. Accountability of such resigning member of the Board of Commissioners as from his/her appointment until his/her resignation as a member of the Board of Commissioners can still be requested,
8. The term of offices of members of Board of Commissioners shall automatically terminated, if such members of Board of Commissioners:
  - a. Is declared bankrupt or under guardianship under a court order; or
  - b. Resigned as referred to in section (6) of this article;
  - c. No longer meets the laws and regulations requirements; or perundangundangan; atau
  - d. Is deceased; or
  - e. Is dismissed pursuant to the GMS Resolution; or
  - f. His/her term of office has expired.

## **DUTIES AND AUTHORITIES OF THE BOARD OF COMMISSIONERS**

### **ARTICLE 17**

1. The Board of Commissioners shall, at any time, during office hours of the Company, be entitled to enter the building and the premises of the Company or other places used or controlled by the Company and be entitled to inspect all records, letters, and other evidences, to inspect and examine the financial situation and to know all actions taken by the Board of Directors.
2. The Board of Directors and each member of Board of Directors shall be obliged to give explanations relating to all matters requested by the Board of Commissioners.
3. In the event that all members of the Board of Directors are suspended or due to any reason the Company has no member of the Board of Directors, the Board of Commissioners shall temporarily manage the Company. In that case, the Board of Commissioners shall be entitled to grant temporary authority to one or more among the members of Board of Commissioners to manage the Company at the responsibility of Board of Commissioners.

## **BOARD OF COMMISSIONERS MEETING**

### **ARTICLE 18**

1. A Board of Commissioners meeting shall be held/convened every three (3) months and/or may be convened at any time when considered necessary by one or more members of the Board of Commissioners or upon the written request of one or more than one member of the Board of Directors.
2. The notice of the Board of Commissioners Meeting shall be made by the President Commissioners. In the event that the notice is not responded to within 14 (fourteen) calendar days since its issuance, the member of Board of Commissioners submitting the request shall be entitled and authorized to convene the meeting.
3. The notice for the Board of Commissioners Meeting shall be delivered to the members of Board of Commissioners directly or through registered mail with appropriate receipt, at the latest 14 (fourteen) days before the Meeting, excluding the invitation date and meeting date.
4. The notice of Meeting must specify the agenda, date, time and venue of the Meeting.
5. The Board of Commissioners Meeting shall be convened at the Company's place of domicile or the Company's place of business. If all members of Board of Commissioners are present or represented at the meeting, a prior notice shall not be necessary and the Board of Commissioners Meeting may be convened anywhere within the territory of the Republic of Indonesia and shall be entitled to adopt valid and binding resolutions.
6. A Board of Commissioners Meetings shall be chaired by the President Commissioner. In the event the President Commissioner cannot attend or is unavailable, of which no evidence to third parties shall be required, the meeting shall be chaired by a member of the Board of Commissioners appointed from among members who are present in the meeting.
7. A member of the Board of Commissioners may be represented at a Board of Commissioners Meeting by another member solely by virtue of a power of attorney.



8. A Board of Commissioners Meeting is valid and entitled to adopt binding resolutions if more than 1/2 (one half) of the total members of the Board of Commissioners in office are present or are represented at the meeting.
9. A resolution of a Board of Commissioners Meeting shall be adopted by way of amicable discussion. If a resolution cannot be achieved through such a manner, a resolution shall be sought through voting based on approving votes of more than 1/2 (one-half) of the total votes cast at the meeting.
10. If the number of approving and disapproving votes are equal, then the Chairperson of the Board of Commissioners Meeting shall make the decision;
11.
  - a. Each member of Board of Directors is entitled to cast one (1) vote and one (1) additional vote for each other member of Board of Directors represented by him/her;
  - b. Voting on persons are conducted in folded unsigned ballot, while voting on other matters are conducted verbally unless the Chairman of the Meeting determined otherwise without objection from the majority shareholders present.
  - c. Blank vote and invalid vote are considered not issued and considered null and void in determining the number of votes.
12. A Minutes of Board of Commissioners Meeting shall be prepared by a person present at the meeting who is appointed by the Chairperson of the meeting, and subsequently signed by the Meeting Chairperson and a member of the Board of Commissioners or a representative or proxy of a Director appointed for such purpose at the meeting in order to ensure the completeness and accuracy of the Minutes of Board of Commissioners Meeting. If the Minute of Meeting is prepared by a Notary, then the above signatures shall not be required.
13. The Minutes of Meeting prepared and signed in accordance with the provisions of paragraph 12 of this article shall serve as valid evidence with respect to the members of the Board of Directors as well as any third parties regarding the resolutions adopted at the meeting.
14. The Board of Commissioners may also adopt valid resolution without convening a Board of Commissioners meeting, provided that all members have been informed in writing and given their approval on the motion in writing by signing such proposal.
15. A resolution so adopted shall have the same binding power as a resolution validly adopted in a Board of Commissioners meeting.

**WORK PLAN, FINANCIAL YEAR AND ANNUAL REPORT  
ARTICLE 19**

1. The Board of Directors shall prepare and submit an annual work plan which sets forth the Company annual budget to the Board of Commissioners for approval, before the beginning of the financial year.
2. The annual work plan referred to in paragraph 1 shall be submitted by no later than 30 (thirty) days prior to the beginning of the next financial year.
3. The financial year of the Company commences from 1 (one) January to 31 (thirty one) December. At the end of month of December of each year, the Company's ledger shall be closed.
4. The Board of Directors shall prepare the annual report and provide the annual report at the Company's office to be reviewed by shareholders, beginning on the date of invitation for Annual GMS.
5. The Company shall announce the Balance Sheet and Profit and Loss statement in 1 (one) Bahasa Indonesia widely circulated newspaper after obtaining approval from the Annual GMS, at the latest in 120 (one hundred and twenty) days after the end of the financial year.

**APPROPRIATION OF PROFIT AND DIVIDEND DISTRIBUTION  
ARTICLE 20**

1. The Company's net profit in a financial year as set forth in the balance sheet and income statement ratified by the annual GMS, which constitutes a positive balance of profit, shall be classified in accordance with the appropriation stipulated by the said GMS.
2. The Dividends may only be paid according to financial capability of the Company based on the resolution adopted in the GMS, such resolution shall also determine the time and the method of



payment of dividend with due observance to the prevailing regulations in the Stock Exchange in Indonesia where the Company's shares are listed; Dividend for 1 (one) share must be paid to the person whose name is registered in the Shareholders Register on the determined working day that will be determined by or on behalf of Annual GMS in which the decision to distribute dividends are taken; Payment day shall be announced by Board of Directors to all shareholders; announcement on dividend shall be published in at least 2 (two) newspapers printed in Bahasa Indonesia, one of which shall have a wide national circulation and the other 1 (one) is published in the Company's domicile as determined by Board of Directors with due observance to the regulations in the Capital Market.

3. Profit before income tax may be distributed as bonus to the member of Board of Directors and Board of Commissioners, which amount shall be determined by the Board of Directors, provided that the amount of bonus does not exceed 5% (five percent).
4. If the profit and loss statement in a financial year shows a loss that cannot be covered by the reserve fund, the loss shall remain recorded and entered in the profit and loss statement and in the following financial years the Company shall not be considered as having made any profit as long as the loss recorded and entered in the profit and loss statement have not yet been fully covered, without prejudice to the provisions of the applicable laws.
5. The Board of Directors based on the decision of Board of Directors and approval from the Board of Commissioners may distribute the interim dividend according to the financial capability of the Company, provided that the interim dividend will be taken into account to the dividends that will be distributed based on the following year's Annual GMS resolution, with regard to the requirements set forth in article 72 of the Company Law and with due observance to the regulations in the Capital Market.

#### **USE OF RESERVE**

##### **ARTICLE 21**

1. The Company shall retain certain amount of the net profit for reserve, until the reserve fund has reached 20% (twenty percent) of the Company's total issued and paid-up capital, and the reserved may only be utilized to cover the loss which cannot be covered by other reserves.
2. If the amount of the reserve fund has exceeded 20% (twenty percent) of the total issued and paid-up capital, the GMS may decide that the excess amount may be utilized for the Company's needs.
3. The reserve referred in paragraph 1 that have not been used to cover the loss and the amount reserved exceed as referred in paragraph 2 of which utilization was not specified by the GMS should be managed in a manner deemed appropriate by the Board of Directors, with prior approval from the Board of Commissioners and due observance to the prevailing laws and regulations.

#### **AMENDMENT TO ARTICLES OF ASSOCIATION**

##### **ARTICLE 22**

With due observance to Article 21 in the Company Law, amendments to the Articles of Association shall be determined by the GMS with due observance to the requirement of regulations in the Capital Market.

#### **MERGER, CONSOLIDATION, ACQUISITION AND SPIN-OFF**

##### **ARTICLE 23**

1. A GMS to approve Merger, Consolidation, Acquisition and Spin-off, filing of request for bankruptcy of the Company, extension of its period of establishment and liquidation of the Company may legally convene if the shareholders representing at least  $\frac{3}{4}$  (three-fourth) of the total shares with voting rights are present or are represented in the GMS and the resolutions shall be valid if such resolution is approved by at least  $\frac{3}{4}$  (three-fourth) of the votes cast.
2. In the event that the quorum set forth in paragraph (1) is not achieved, a second GMS may be convened.
3. The second GMS as set forth in paragraph (2) shall legally convene and be entitled to adopt resolutions if the shareholders representing at least  $\frac{2}{3}$  (two-third) of the total shares with voting rights are present or are represented in the GMS and the resolution shall be valid if such resolution is approved by at least  $\frac{3}{4}$  (three-fourth) of the votes cast.



4. The provisions referred to above shall be implemented with due observance to the prevailing laws and regulations in the Capital Market, the provisions of the Company Law, this Articles of Association and other laws and regulations.

**DISSOLUTION, LIQUIDATION AND EXPIRY OF THE LEGAL ENTITY STATUS**  
**ARTICLE 24**

Dissolution, liquidation and expiration of the Company's legal entity status shall be determined by GMS in accordance with the laws and regulations in the Capital Markets with due observance to the requirements of Company Law, this Articles of Association and other laws and regulations.

**DOMICILE**  
**ARTICLE 25**

The shareholders shall, for the matters relating to the Company, be deemed of having place of domicile at the addresses as recorded in the Shareholders Registers with due observance of the prevailing laws and regulations in the Capital Market as well as the prevailing regulations in the Stock Exchange where the Company's shares are listed.

- 1 Authorize the Board of Directors of the Company to notify the changes of data to the authorities, to made changes and/or addition in any form for such notification to be received, to file, to sign all requests and other documents, to choose the place of domicile and to undertake other necessary actions.

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## XX. TERMS OF SHARE SUBSCRIPTION

### 1. SHARE SUBSCRIPTION

A subscription order for the Offered Shares must be in conformity to the terms and conditions as provided under this Prospectus and in the Share Subscription Form (“SSF”). A share subscription order is made using original copies of the SSF and copies issued by the Joint Lead Underwriters, to be made in 5 (five) copies. An SSF can be obtained from the Joint Lead Underwriters and Selling Agent whose names are listed in Chapter XXI of this Prospectus. Share subscription orders that do not conform to the above conditions shall not be processed.

Each subscriber must maintain a Securities Account with the Securities Company/Custodian Bank who is holder of accounts with Kustodian Sentral Efek Indonesia (KSEI).

### 2. ENTITLED SUBSCRIBERS

Subscribers entitled to place orders for the purchase of the Offered Shares are individuals and/or Institutions/Corporate Entities as defined in the Capital Market Law, Rule IX.A.7.

### 3. SUBSCRIPTION QUANTITY

Subscription for shares must be conducted at a minimum of one unit of transaction of 100 (one hundred) shares, and subsequently, in multiples of 100 (one hundred) shares.

### 4. REGISTRATION OF SECURITIES INTO THE COLLECTIVE DEPOSITORY

The Offered Shares have been registered in KSEI under an Agreement of Equity Securities Registration with Collective Depository No. No. SP-0035/PE/KSEI/1013 signed by the Company and KSEI on 7 October 2013.

A. Upon registration of the shares in KSEI, the following conditions shall apply to the Offered Shares:

1. The Company will not issue Collective Share Certificates (“**CSC**”) for the Offered Shares in this Initial Public Offering. Instead, such shares shall be distributed electronically and shall be administered in KSEI’s collective depository. Shares issued under this Initial Public Offering will be credited to a Securities Account in the name of the account holders not later than the distribution date of shares upon receiving confirmation of the registration of such shares in the name of KSEI from the Company or SAB;
2. The Company will issue the Share Record Confirmation Form (“**SRCF**”) to KSEI as proof of recording on the Company’s shares register for each share in the Collective Custody;
3. Before the shares are offered in this Public Offering and listed in the Stock Exchange, the subscribers will receive proof of ownership of the shares in the form of Allotment Confirmation Form (“**ACF**”);
4. KSEI, Securities Company, or Custodian Bank shall issue written confirmations to the account holders as confirmation of share ownership. The written confirmation is a legal confirmation of shares listed in Securities Accounts;
5. Transfer of ownership of shares shall be performed by means of transfer of shares between Securities Accounts that are held in KSEI;
6. The listed shareholders in a Securities Account have rights to dividends, bonus, preemptive rights, vote at a General Meeting of Shareholders and other rights that accompany with the shares;
7. Payment of dividends, bonus and granting pre-emptive rights to shareholders shall be exercised by the Company, or SAB as appointed by the Company, through Securities Account in KSEI to be subsequently forwarded to the beneficial owner that has opened/ operated the Securities Account with the Security Company or Custodian Bank;
8. After this Initial Public Offering and the listing of shares of the Company, any shareholders who wish to have share certificates may withdraw the shares from the Collective Custody with KSEI after the shares from the Initial Public Offering have been distributed into the Securities Accounts of the appointed Securities Company/Custodian Bank.
9. The withdrawal shall be conducted by submitting an application for withdrawal of shares to KSEI through the Securities Company/Custodian Bank administering the shares, by filling out the Securities Withdrawal Form.
10. For the shares withdrawn from the Collective Custody, a Collective Shares Certificate will be issued no later than 5 (five) Business Days after the receipt of the application by KSEI, in the name of the shareholder in compliance with the request of the Securities Company or Custodian Bank administering the shares.
11. Parties intending to settle a transaction in the stock exchange on the Company’s shares must appoint the Securities Company or Custodian Bank which has been registered as holder of the account at KSEI to administer the shares.



- B. Shares which have been withdrawn from the Collective Custody with KSEI and for which a Collective Share Certificates have been issued may not be used for the settlement of transactions in the Stock Exchange. Further information on procedures of withdrawal of shares can be obtained from the Underwriters or Selling Agent to whom the related SSF have been submitted.

#### **5. SUBMISSION OF SHARE SUBSCRIPTION**

During the Offer Period, the entitled subscribers may make subscription orders for the Offered Shares during normal working hours of the office of the Joint Lead Underwriters or Selling Agent where the SSF was obtained.

Each person is only entitled to submit 1 (one) SSF and must do so in person (no representations) by attaching a photocopy of personal identity documents (valid Resident's Identity Card/Passport for individual and the most current Articles of Association and Deed of Directors Appointment for institutions) and also make the payment in accordance with the number of orders. For foreign subscribers, in addition to a copy of valid passport, full and clear names and addresses abroad/valid legal domicile of the subscriber must be clearly stated on the SSF.

The Selling Agent, Underwriters and Joint Lead Underwriters retain the right to refuse subscription orders if the form are filled out completely or if the requirement for the subscription order have not been satisfied in full.

#### **6. OFFERING PERIOD**

The Offering Period will be held within 3 (three) Business Days, on 24 until 26 November 2014, from 09.00 WIB up to 15.00 WIB. Therefore, should the subscribed shares exceed the offered shares, the Joint Lead Underwriters will notify OJK to shorten the Offering Period when the Offering Period is not less than one Business Day.

#### **7. ALLOTMENT DATE**

The allotment date, where the Joint Lead Underwriters and the Company shall determine the allotment of shares for each subscriber in accordance with the prevailing regulations, will be 28 November 2014

#### **8. SPECIFIC SHARES SUBSCRIPTION**

Specific shares subscription by Company's employee on a price determined by the Circulated decision Letter of the Board of Directors can be addressed directly to the Company, with neither going through to the Joint Lead Underwriters and Underwriters during the Offering Period, not exceeding ●% of the Offered Shares.

#### **9. TERMS OF PAYMENT**

Payment may be made in cash, by transfer, by cheque or by bank draft in Rupiah by the person concerned (no representation) by presenting the original copies of identity documents and duly filled-in SSF submitted to the Joint Lead Underwriters. Payment for each SSF shall only be conducted by using one of any method of payment, such as cheque or cash or bank transfer or giro.

In the case of payment by cheque, the cheque must be a cheque bearing the name of the person submitting (signing) the SSF. Cheques owned by/in the name of third parties shall not be accepted as payment. All bank charges and transfer fee with respect to such payment shall be at the account of the subscriber. All cheques and bank drafts will be immediately endorsed upon receipt. If the cheque or bank draft is dishonoured by the payee bank upon endorsement, the related share subscription shall be automatically declared void. Date of payment is calculated based on the date of receipt cheque/ transfer/giro that has been accepted in good funds in the account of the Underwriters. Every payment by using cheque/transfer/giro can only be accepted in the first day of Offer Period.

For each specific share subscription order, the payment shall be made directly to the Company. For any payment through an account transfer from another bank account, the subscriber shall enclose a copy of Bank Draft Traffic Credit Note issued by the relevant bank stating the reference number of SSF/DPPS.

Further, all payments from the Underwriters and Selling Agent shall be paid into the account of the Joint Lead Underwriters at the following details:

**Bank [●]Branch[●]  
Account No: [●]  
Under the name of: [●]**

For share subscription conducted through the Underwriters which has submitted confirmation from the Payment Bank when submitting the share subscription order, can deposit the funds into the account of Joint Lead Underwriters on the date as stipulated in the Underwriting Agreement.

## 10. RECEIPT

The Joint Lead Underwriters, Underwriters and Selling Agent receiving the Share Subscription Form, will return the form to the subscriber, the 5th (fifth) copy of Share Subscription Form signed (with original signature) as Receipt of Share Subscription. This Receipt of Share Subscription is not a guarantee of the granted subscription. The Receipt of Share Subscription must be kept in good order to be exchanged if there is cash return of subscription and/or for the receipt of Allotment Confirmation Form for subscription. For each specific share subscriber, the Receipt of Share Subscription shall be given directly by the Company.

## 11. SHARE ALLOTMENT

The allotment of shares shall be conducted by PT RHB OSK Securities Indonesia as Allotment Manager by using a combination of pooling and fixed allotment systems based on Rule No. IX.A.7 and other regulations including the prevailing Capital Market laws.

The allotment systems that shall be conducted are combination system as well as fixed allotment is limited at a maximum ●% (● percent) of the total Offered Shares. The remaining portion at ●% (● percent) shall be conducted by using pooling allotment.

### i Fixed Allotment

Fixed allotment is limited at a maximum ●% (●) of the total Offered Shares, to be allocated for investors but not limited to Pension Funds, Insurance, Mutual Funds, Institutions, Individual, and Company's Employee through ESA.

In the event that the fixed allotment system is used in a Public Offering, such allotment may be made only with the following conditions:

- a. The Allotment Manager may decide the percentage and the persons to receive the fixed allotment in the Initial Public Offering. The determination of percentage amount of allotment must consider the interests of individual subscribers.
- b. In the event of excess demand of shares in the Initial Public Offering, the Underwriters of securities, securities Sales Agents or affiliated parties are prohibited from purchasing or owning shares for their own; and
- c. In the event of shortage demand of shares in the Initial Public Offering, The Underwriters of securities, securities Sales Agents or affiliated parties are prohibited to sell shares that been bought or to be purchased except through Stock Exchange if it has been disclosed in Prospectus that the shares would be listed at Stock Exchange.

### ii Pooling

Allotment using the pooling system is limited to minimum of ●% (● percent) of the total Offered Shares. If the number of shares subscribed exceeds the number of Offered Shares in the Initial Public Offering, the Allotment Manager shall conduct an allotment of the remaining shares as follows:

- a. If, after excluding subscribers considered as affiliated parties which are: (i) directors, commissioners, employees or a party who has 20% ownership or more in Underwriter or Selling Agent regarding this Public Offering, (ii) directors, commissioners and/or ultimate shareholder of the Company, or (iii) affiliated parties of (i) and (ii), who are not subscribed for third party interest and there are remaining shares with an amount equal to or higher than the subscribed amount, non-exempted subscribers shall each receive all subscribed shares. If there are remaining shares, after all unit of transaction is distributed to the non-exempted subscriber, allocation will be made proportionally to the party who has 20% ownership or more in Underwriter or Selling Agent regarding this Public Offering, (ii) directors, commissioners and/or ultimate shareholder of the Company, or (iii) affiliated parties of (i) and (ii), who are not subscribed for third party interest .
- b. If, after excluding subscribers considered as Affiliated Parties and there remain shares less than the number of shares subscribed, the allotment to the subscribers not excluded shall be allocated according to the following conditions:
  1. If the shares are not listed in the Stock Exchange, the shares shall be allocated according to the following conditions:
    - Subscribers who are not excluded will receive one unit of transaction at the Stock Exchange, subject to the availability of units of the transaction. In the event that then umber is insufficient, the available units of transaction will be distributed by lot. The number of shares included in



such transaction units is the largest full transaction unit specified by the stock exchange where such shares are listed.

- If there are remaining shares, after one unit of transaction is distributed to the subscriber, allocation will be made proportionally, in unit of transactions, according to the number of shares subscribed by the subscribers.
2. If the shares are not listed in the Stock Exchange, the allotment will be made proportionally according to the number of shares subscribed by the subscribers.

The shares allotment shall be audited in accordance with the procedure as stipulated under Rule No. VIII.G.12.

Allotment Manager shall report the audit result of shares allotment to OJK regarding the fairness of allotment and pursuant to Rule No. VIII.G.12 and No. IX.A.7 at the latest 30 calendar days after the end of Offering Period.

## 12. POSTPONEMENT OR CANCELLATION OF THE INITIAL PUBLIC OFFERING

Based on the Deed of Underwriting Agreement No. 66 dated 12 September 2014, drawn up before Irma Bonita, S.H, Notary in Central Jakarta, (refers to "Underwriting Agreement"), after receiving the Effective Statement from OJK up to the end of Offering Period, the Company can cancel or postpone the Public Offering in accordance with Underwriting Agreement, as stipulated in Underwriting Agreement and Rule No. IX.A.2 regarding Registration of Public Offering.

The Public Offering shall be cancelled or postponed in accordance with the latest Rule of Bapepam dan LK, by the Company using the written notification to the OJK and any other authorized parties related to postponement of Public Offering, in accordance with the following conditions:

- a. Jakarta Composite Index in the Stock Exchange has declined more than 10% (ten percent) within 3 (three) consecutive bourse days;
- b. Natural disaster, war, riot, fire, strike which impact significantly to the business of the Company; and/or
- c. Occurring any other events which impact significantly to the business of the Company as stipulated in Rule No. IX.A.2-11.

## 13. REFUND OF SUBSCRIPTION MONEY

- a. Considering the allotment regulations, if there is over-subscription, the Joint Lead Underwriters is responsible and must return the excess subscription fund to the Underwriters at maximum 1 (one) working day after the Allotment Date, and every Underwriters is responsible and must return the excess subscription money to the investors according to the subscription immediately at maximum 2 (two) Business Days after the Allotment Date. Therefore, the Joint Lead Underwriters and the Underwriters will set at liberty the issuers from any claims/fines for the negligence.
- b. The refund shall be done in form of transfer to the account on behalf of subscribers name or through other payment instruments in form of cheque, giro or refund form that can be obtained directly by the subscribers at the Underwriters where the subscription has been conducted by submitting the share subscription receipt together with valid identity card.
- c. For each Specific Investors, because of the allotment, the refund of subscription money shall be managed and conducted directly by the Company and therefore the Company set at liberty the Joint Lead Underwriters, Underwriters from any claims/fines for the negligence.
- d. In case the Underwriters neglect in the refund then cause the delay in refund to the subscribers, then the Underwriters must pay fine to the subscribers, for each late payment date, as much as interest rate of giro in the Receiving Bank which calculated from the third Business Days since the Allotment Date prorated for each delay.
- e. According to the cancellation or postponement of Public Offering which causing terminations of Underwriting Agreement, as stipulated in the Underwriting Agreement, prevailing provisions as follows, among others:
  - The refund of subscription money (including fines for any delay of refund) is the responsibility of the Joint Lead Underwriters or Underwriters in accordance with each portions or Company (for the Specific Subscribers), and shall be done at maximum 1 (one) Business Days after the termination of Underwriting Agreement or announcement of cancellation of Public Offering;
  - If the subscription money to be refunded is available (including for Specific Subscribers), but the subscribers have not come to obtain within 2 Business Days after the decision date of cancellation or postponement of Public Offering or termination of Underwriting Agreement, is not responsibility of the Company, the Joint Lead Underwriters and/or Underwriters, therefore there is no responsibility of fine and or interest payment to the subscribers.



The distribution of Share Subscription Confirmation Forms to each securities account of the subscribers where the related Share Subscription Forms are to be submitted will be made immediately within 1 (one) day after the allotment date. The Share Subscription Confirmation Form can be taken upon presenting the Receipt for Share Subscription.

#### **14. OTHERS**

In accordance with the Decision Letter of Bapepam Chairperson No.Kep-691/BL/2011 dated 30 December 2011 regarding Subscription and Allotment of Securities in the Initial Public Offer, in the event that there are more than one subscription forms submitted by one party, for the purpose of shares allotment, the Allotment Manager can only submit one SSF which first proposed by the subscriber.

The Underwriters, Selling Agent and Affiliated Parties of the Underwriters, or Affiliated Parties of the Selling Agent are prohibited from purchasing or owning shares for their own account in the event of an over-subscription, if all subscribers has received the full allotment and there is still any remaining shares, then the remaining shares shall be distributed proportionally, in unit of transactions, according to the number of shares subscribed by the subscribers who are (i) Board of Directors, Board of Commissioners, employee, or any party owning 20% (twenty percent) shares or more of each Securities Companies acting as the Lead Underwriters or Securities Selling Agent with respect to Initial Public Offering; (ii) Board of Directors, Board of Commissioners, and/or ultimate shareholder of the Company; or (iii) Affiliate party as referred to letter i) and letter ii), which are not doing the subscription order for the interest of third party.

In the event of an under-subscription in the Initial Public Offering, the Joint Lead Underwriters, Underwriters and the Selling Agent or its Affiliated Parties shall not be allowed to sell the shares purchased or to be purchased under the Underwriting Agreement, until that such shares have been listed in the Stock Exchange.

The Underwriters shall submit the Public Offering Result Report to *Bapepam dan LK* at least 5 (five) Business Days after the Allotment Date according to Rule No. IX.A.2.

The information contained in this Prospectus does not constitute any legal, business, financial or tax advice, and no representation is made to any person regarding the legality of an investment in the Shares under any laws or regulations. Each potential acquirer of the Shares should determine for itself the relevance of the information contained in this Prospectus and its acquisition of Shares should be based upon such independent investigations and consultations with its own tax, legal, business and other advisers as it deems necessary. If you are in any doubt about any of the contents of this Prospectus, you should obtain independent professional advice.



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## **XXI. DISTRIBUTION OF THE PROSPECTUS AND THE SHARE SUBSCRIPTION FORM**

The Prospectus and the SSF can be obtained at the office of the Joint Lead Underwritersthe Underwriters and the Selling Agents, namely the Securities Brokers registered as member of the IDX. The Joint Lead Underwriters, Underwriters and Selling Agents as referred to above are:

### **JOINT LEAD UNDERWRITERS**

#### **PT RHB OSK Securities Indonesia**

Plaza CIMB Niaga, Lantai 14  
Jl. Jenderal Sudirman Kav. 25  
Jakarta 12920  
Telepon : (021) 2598 6888  
Faksimili : (021) 2598 6777

#### **PT Mandiri Sekuritas**

Plaza Mandiri, Lantai 28  
Jl. Jend. Gatot Subroto Kav. 36-38  
Jakarta 12190, Indonesia  
Telp. : (62 21) 526 3445  
Fax. : (62 21) 526 3603 / 3507

### **UNDERWRITERS**

[shall be determined afterward]



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