

Kantor  
Pusat

Jakarta, 15 November 2022

No : 543/PR 000/1000/XI/2022  
Lamp :-

Kepada Yth.  
**Otoritas Jasa Keuangan**  
Gedung Soemitro Djojohadikusumo  
Jl. Lap. Banteng Timur No.2-4  
Jakarta Pusat

**Up. Bapak Inarno Djajadi**  
**Kepala Eksekutif Pengawas Pasar Modal**

**Subject : Information Report or Material Facts**

Hereby, for and on behalf of PT Kimia Farma Tbk. we submit a Report on Material Information or Fact as referred to in Financial Services Authority Regulation No. 31/POJK.04/2015 on Disclosure of Material Information or Facts by Issuers or Public Companies with the following information:

Public Company Name : PT Kimia Farma Tbk. (the "**Company**")  
Line of Business : Industrial and distribution of pharmaceuticals, biological chemistry, health, food/beverages and pharmacies  
Head Office Address : Jl. Veteran No. 9, Central Jakarta  
Telephone : 021 384 7709  
Facsimile : 021 381 4441  
Website : <https://www.kimiafarma.co.id/>  
Email Address : [corsec@kimiafarma.co.id](mailto:corsec@kimiafarma.co.id)

1.	Date of Occurrence	13 November 2022
2.	Types of Material Information or Facts	Execution of <i>Conditional Share Subscription and Purchase Agreement</i> by and between the Company, PT Kimia Farma Apotek (" <b>KFA</b> "), Silk Road Fund Co., Ltd. (" <b>SRF</b> "), CIZJ Limited as a company fully controlled by SRF (" <b>CIZJ</b> "), and Indonesia Investment Authority (" <b>INA</b> ") (hereinafter SRF, CIZJ and INA referred to as " <b>Investors</b> ") for the joint development of KFA which is a Subsidiary of the Company with a current share ownership of 99.99% through the plan to transfer part of the Company's shares in KFA to investors

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		<p>as well as the issuance of new KFA's shares which will all be subscribed and paid up by investors so that investors will have 40% share ownership in KFA ("<b>Transaction Plan</b>").</p> <p>The results of the implementation of the Transaction Plan will result in the Company's share ownership in KFA of 60%, but does not change the Company's position as the controlling shareholder of KFA and KFA's financial statements remain consolidated in the Company's financial statements.</p> <p>The Transaction Plan will be carried out by taking into account all agreed requirements and the provisions of the applicable laws and regulations.</p> <p>This agreement will be effective after all conditions and prerequisites can be met by the parties, hereinafter the <i>Conditional Share Subscription and Purchase Agreement</i> is referred to as the "<b>Conditional Agreement</b>".</p>
3.	Description of Material Information or Fact	<p><b><u>Introduction</u></b></p> <p>On 13 November 2022, the Company has signed a Conditional Agreement to implement the Transaction Plan in the form of a transformative partnership that is in line with the objectives of the Government of the Republic of Indonesia to further develop the <i>healthcare</i> industry and bring it towards international quality and standards. This investment will take the Company and KFA as well as the Indonesian <i>healthcare</i> industry to the next level.</p> <p><b><u>Parties to The Transaction</u></b></p> <ol style="list-style-type: none"> <li>1. The Company;</li> <li>2. KFA;</li> <li>3. SRF is China's medium to long-term investment and development joint fund. Through a variety of equity-oriented investment and financing options, SRF provides investment and financing support to promote multilateral and bilateral connections between China and other countries, as well as economic and trade cooperation under the framework of the Belt and Road Initiative. For more information, visit <a href="http://www.silkroadfund.com.cn">www.silkroadfund.com.cn</a></li> <li>4. CIZJ is a company fully controlled by SRF; and</li> <li>5. INA or Indonesian Investment Management Institution is a legal entity in the form of an institution mandated to increase investment to support Indonesia's sustainable</li> </ol>

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		<p>development and build the country's wealth for future generations. INA conducts investment activities and collaborates with leading global and domestic investment institutions in sectors that strengthen Indonesia's excellence and provide optimal returns. For more information, visit <a href="http://www.ina.go.id">www.ina.go.id</a></p> <p><b><u>Relationship Between Transacting Parties</u></b>          INA is a legal entity in the form of an Institution that is given special authority (<i>sui generis</i>) which was established based on Law No. 11 of 2020 on Job Creation and is wholly owned by the Government of the Republic of Indonesia which has the same ownership both directly and indirectly with the Company.          The Company and KFA have no affiliation relationship with either SRF or CIZJ.</p> <p><b><u>Transaction Value</u></b>          The total value of the Investor's investment in connection with the Transaction Plan is ±Rp1,860,000,000,000,- for 40% share ownership in KFA, depending on the closing of the <i>mechanics account</i> based on the financial statements at the time of completion (<i>completion</i>).</p> <p><b><u>Purpose of the Transaction</u></b>          This investment will be used by the Company to support working capital in the context of expansion and to fund KFA's strategic business expansion including to meet working capital needs and initiatives to further improve operational efficiency.</p>
4.	The impact of such material events, information or facts to the operational, legal, financial condition, or business continuity of the Issuer or Public Company	<p>The Company, which was originally the controlling shareholder of KFA with a share ownership of 99.99%, will be subject to dilution of ownership but remains as the controlling shareholder of KFA with a 60% share ownership in KFA and KFA's financial statements will still be consolidated in the Company's Financial Statements.</p> <p>The implementation of the Transaction Plan will provide cash funds for the Company to support the fulfillment of working capital in the context of expansion and for KFA to develop a pharmacy network under Apotek Kimia Farma brand, including the development of <i>Kimia Farma Mobile</i> application to increase sales in digital channel and is</p>

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		expected to become a leading health service network and able to provide health solutions for Indonesian people.
5.	Miscellaneous remarks	<p>By taking into account the Company's financial statements as of 30 June 2022 which have been audited by Public Accountant Lektor Joni, CPA, AP 0797, from Hendrawinata Hanny Erwin &amp; Sumargo Public Accounting Firm as stated in report No. 00326/2.1127/AU.1/04/0797-2/1/IX/2020 dated 29 September 2022, it is recorded that the Company's equity is IDR 7,273,000,000,000,- thus the value of the Transaction Plan when compared to the Company's equity is 25.57% (twenty-five point five seven percent), so that the Transaction Plan reaches more than <b>20% but less than 50%</b> of the Company's equity.</p> <p>The Transaction Plan will be implemented after the fulfillment of all the requirements agreed in the Conditional Agreement and the Company will always observe the provisions of Financial Services Authority Regulation No.42/POJK.04/2020 on Affiliated Transactions and Conflict of Interest Transactions, Financial Services Authority Regulation No.17/POJK.04/2020 on Material Transactions and Changes in Business Activities, as well as Financial Services Authority Regulation No.31/POJK.04/2015 on Disclosure of Material Information or Facts by Issuers or Public Companies as relevant.</p>

Jakarta, 15 November 2022  
PT KIMIA FARMA Tbk




Name : David Utama  
Position : President Director

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