



SAMUDERA INDONESIA

ALIGNING

PER SPE TIVE



PT SAMUDERA INDONESIA Tbk

ANNUAL REPORT

2018

ALIGNING PERSPECTIVE

Samudera Indonesia grows and flourishes upon its vision and mission. The Company's performance and accomplishment in 2018 were the result of its business activities in overcoming various challenges and business dynamics, which dynamically adapts to the times and business trends. Along with the growing business, the increasing numbers of partners and more opportunities for business diversification, the Company takes various measures to align perspectives and prepare common strategies; therefore, the Company is always able to adapt to the fast and massive changes of the business world and maximizing its potential, particularly in producing competent and highly competitive human capital as its main asset.

BUSINESS LINE



Samudera Shipping

Business line that provides various shipping services, including ship agency.



Samudera Logistics

Integrated logistic service business that includes multi mode transportation and logistic facilities.



Samudera Ports

Port management and support services business.



Samudera Property

A property asset management and development business.

THE 3 STRENGTHS OF SAMUDERA INDONESIA



Reliable Human Capital

Supported by more than 4,000 competent and professional employees with high level of integrity, whose quality is continuously developed and improved.



A Solid and Trusted Reputation

Has built a solid and trusted experience in the industry for over 50 years.



Integrated Services

Provides a variety of integrated services operates from upstream to downstream within more than 40 business units throughout various locations in Indonesia and Asia.

vision

Connecting Indonesia

mission

- Providing **transportation services** to meet the demand of **distribution activities**
- Ensure sustainable business growth and deliver **additional value** to shareholders
- Positively contribute to the economic growth by providing efficient **logistics solutions**
- Actively participating in creating employment and developing human capital

motto

Patience, Resilience, Persistence, Faith

value

Integrity & Professionalism



Samudera Services

A service provider and operational supporting service business for companies.

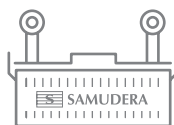
>4,000

HUMAN CAPITAL



45

BUSINESS UNITS



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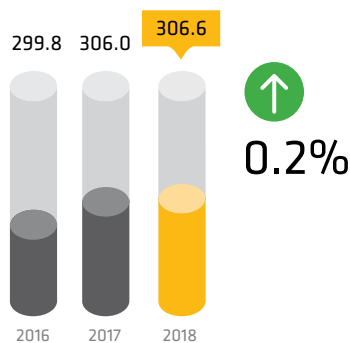
FINANCIAL HIGHLIGHTS

In USD unless otherwise stated

	2018	2017	2016
INCOME STATEMENT			
Service Revenue	482,446,122	430,754,674	406,437,733
Gross Profit	63,803,313	64,890,712	62,566,997
Profit for the Year	7,413,733	11,537,048	10,634,943
Net Profit (Loss) attributable to the Owners of the Company	7,299,488	9,679,810	12,267,485
Net Profit (Loss) attributable to Non-Controlling Interests	114,245	1,857,238	(1,632,542)
Total Comprehensive Income for the Year	3,311,677	12,812,413	12,748,617
Comprehensive Income (Loss) attributable to the Owners of the Company	2,109,007	10,757,728	13,410,723
Comprehensive Income (Loss) attributable to Non-Controlling Interests	1,202,670	2,054,685	(662,106)
Basic Earnings per Share	0.002	0.003	0.004
EBITDA + Impairment	50,488,624	53,560,138	58,995,183
FINANCIAL POSITION REPORT			
Investments in Associates	20,671,565	19,357,890	18,048,616
Total Assets	599,790,746	588,787,653	571,897,296
Total Liabilities	293,158,278	282,804,573	272,148,353
Total Equity	306,632,468	305,983,080	299,748,943
FINANCIAL RATIOS			
Return on Assets	1.2%	2.0%	1.9%
Return on Equity	2.4%	3.8%	3.5%
Return on Profit Margin	13.2%	15.1%	15.4%
Current Ratio	109.5%	112.9%	108.6%
Ratio Liabilities to Total Assets	48.9%	48.0%	47.6%
Liabilities to Equity	95.6%	92.4%	90.8%

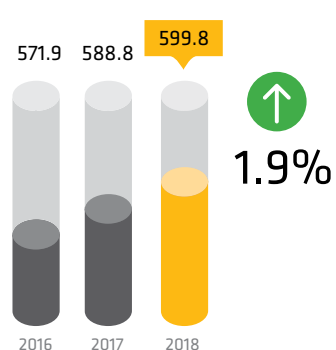
Equity

(million USD)



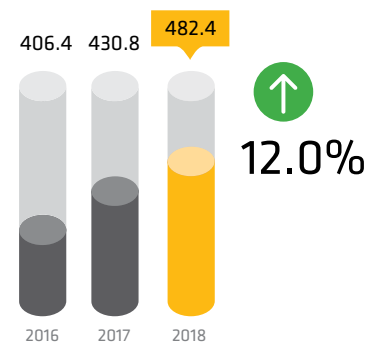
Total Assets

(million USD)



Service Revenue

(million USD)



STOCK HIGHLIGHTS

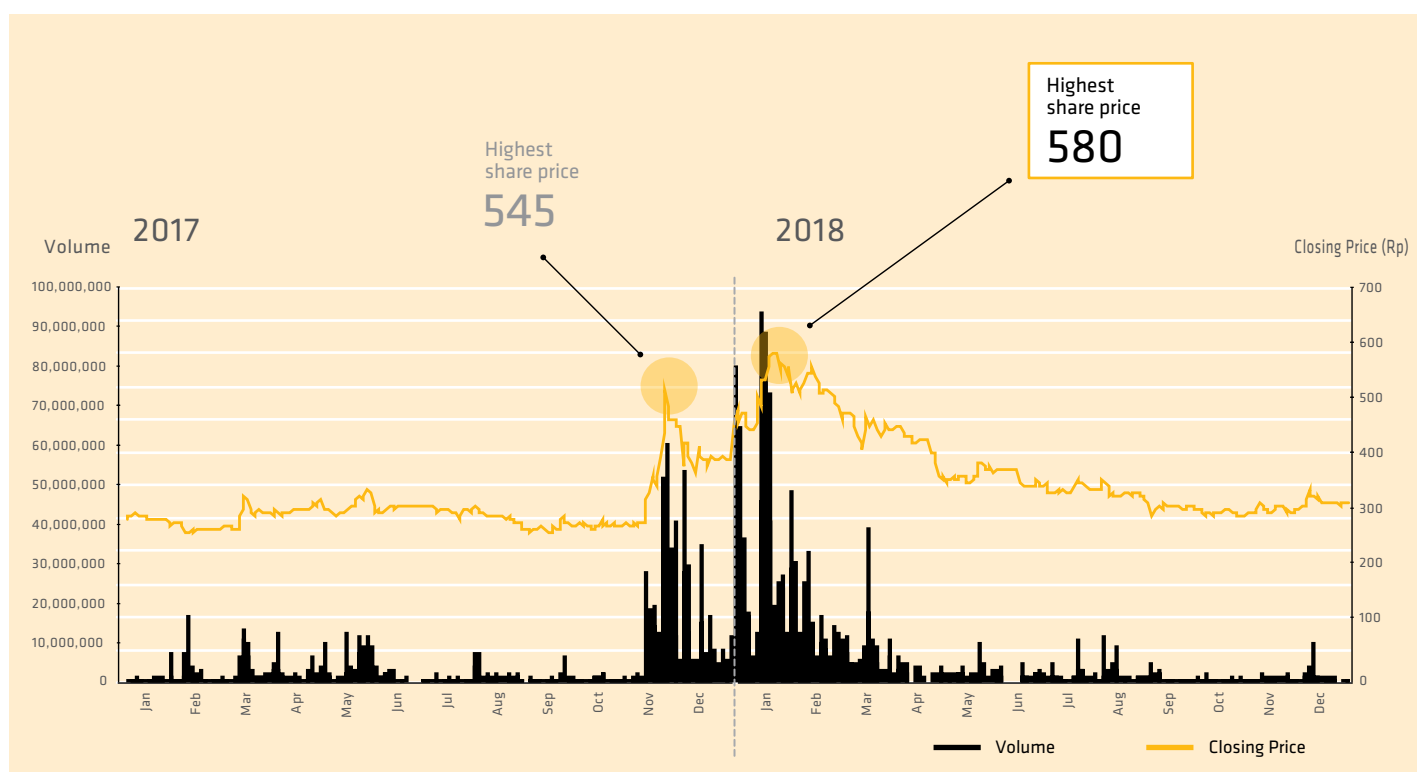
Share Performance Per Quarter

2018	Opening (Rp)	Lowest (Rp)	Highest (Rp)	Closing (Rp)	Trade Volume	Transaction Value (Rp)	Total Number of Shares	Market Capitalization (Rp)
Quarter I	390,00	390,00	580,00	434,00	3,070,600	1,332,640,400	3,275,120,000	1,421,402,080,000
Quarter II	440,00	338,00	454,00	350,00	3,171,600	1,110,060,000	3,275,120,000	1,146,292,000,000
Quarter III	354,00	284,00	352,00	302,00	195,900	59,161,800	3,275,120,000	989,086,240,000
Quarter IV	302,00	286,00	332,00	310,00	764,800	237,088,000	3,275,120,000	1,015,287,200,000

Share Performance Per Quarter

2017	Opening (Rp)	Lowest (Rp)	Highest (Rp)	Closing (Rp)	Trade Volume	Transaction Value (Rp)	Total Number of Shares	Market Capitalization (Rp)
Quarter I*	281,25	250,00	340,00	296,25	12,604,000	3,733,935,000	3,275,120,000	970,254,300,000
Quarter II*	298,75	283,75	340,00	305,00	1,646,000	502,030,000	3,275,120,000	998,911,600,000
Quarter III*	305,00	252,00	318,00	268,00	631,800	169,322,400	3,275,120,000	877,732,160,000
Quarter IV	268,00	260,00	545,00	390,00	3,798,700	1,481,493,000	3,275,120,000	1,277,296,800,000

* for the purposes of comparison and analysis, the share prices of January-July 2017 have been adjusted to reflect the effects of stock-split



SIGNIFICANT EVENTS

2018

JANUARY

19
Established PT Samudera Konsultan Terminal Indonesia.



22
Leaders Gathering attended by the Board of Commissioners, Directors and Directors of Subsidiaries.

FEBRUARY

12
New vessel MV Sinar Pomalaa arrived.



21
Collaborated with Aksi Cepat Tanggap in sending humanitarian efforts to Palestine.

22
PT Masaji Prayasa Cargo (MPC) celebrated its 38th anniversary along with the inauguration of its new office.

MARCH

09
New vessel added, MV Sinar Perida.

17
PT Adib Cold Logistic was officially acquired for Cold Chain Logistics business.

MAY

24
PT Silkargo Indonesia delivered ±300 thousand tons of rice from India and Pakistan with Perum Bulog.

JUNE

28

Annual General Meeting of Shareholders for Fiscal Year 2017.



AUGUST

03

Established PT Samudera Shipping Indonesia.

23

Samudera Indonesia Peduli provided aid to earthquake victims in North Lombok.



SEPTEMBER

12

Samudera Indonesia Peduli built Lombok Bangkit Camp in North Lombok.

NOVEMBER

08

Samudera Indonesia Peduli delivered emergency operation room for earthquake and tsunami disaster victims in Palu.

13

Samudera Indonesia's 54th Anniversary.



24

Signed Memorandum of Understanding with PT Wijaya Karya Tbk for logistics service project in United Arab Emirates.

CERTIFICATIONS

Activities and facilities of the Company have received third-party-accredited standard certifications, including ISO 14001 (Environmental Management System), OSHAS 18001, SMK3 (Sistem Manajemen Keselamatan dan Kesehatan Kerja/ Occupational Safety and Health Management System), and ISO 9001 (Quality Management System).



The global economic recovery will improve shipping industry activities, reflected from the increase in tariff and volume, despite volume growth that is lower compared to the previous year.



MANAGEMENT

REPORT



DEAR SHAREHOLDERS,

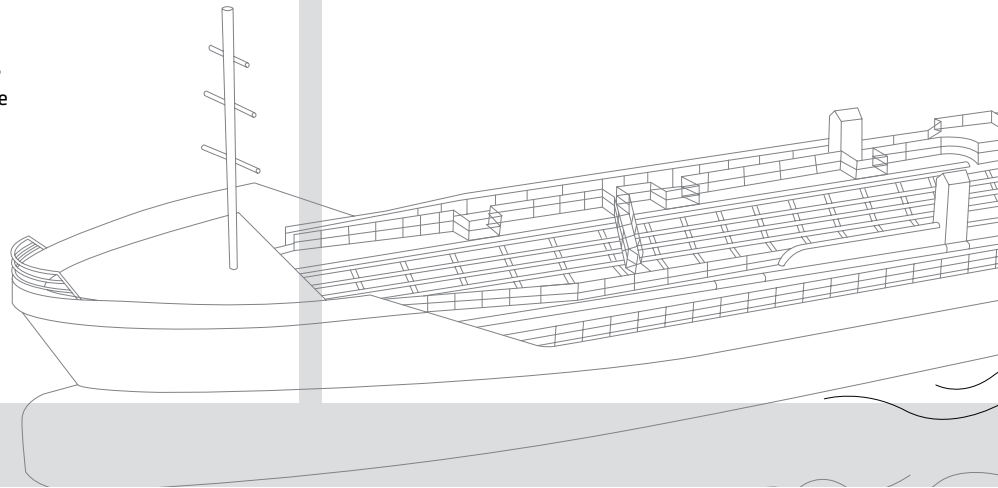
I would like to report that PT Samudera Indonesia Tbk ("Company") continues to show progress in its corporate transformation efforts. This ongoing project was started to make the Company leaner and more efficient as it faces a changing and more uncertain shipping and transport industry. Operating efficiency and better ship-capacity utilization are critical for the Company to take advantage of opportunities as well as manage challenges in the changing shipping industry.

These challenges are both global and local in nature. Abroad, the ongoing US and China trade tensions continues to cloud the global economic outlook. We will be following closely on how the US and China trade discussions unfolds as our industry is heavily dependant on global trade flows. The timing of this rise in market uncertainty is unfortunate as it is happening just when the world economy is showing signs of recovery. The potential rise in trade barriers, especially between these two global world economies, could hold back not just the global economic recovery, but also Indonesia's trade flows, which our Company heavily relies upon.

According to the 2018 Review of Maritime Transport, published by the United Nations Conference on Trade and Development (UNCTAD), world sea trade volumes, buoyed by the upswing in the world economy in 2017, grew by 4.0% in 2018. Total volume reached 10.7 billion tons. At a segment level, the two dominant categories, global containerized and dry bulk commodity trade

flows increased by 6.4% and 4.0%, respectively. For dry bulk commodity trade, in particular, it was about double of what it was a year back.

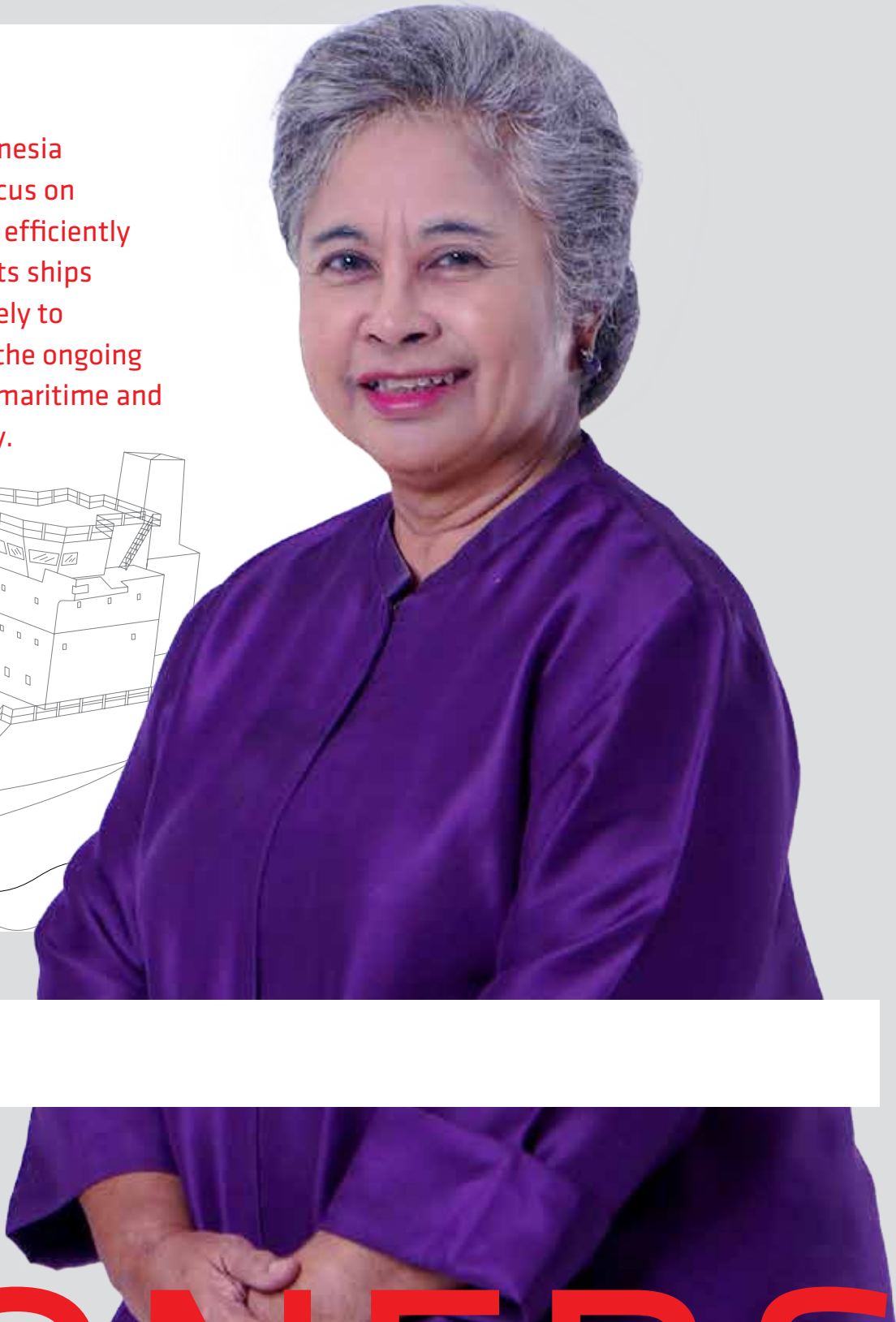
However, not all segments performed well. Crude oil shipment, facing a soft oil market and reduced OPEC (Organisation of Petroleum Exporting Countries) shipments, suffered a 2.4% slowdown. There are other shifting trends as well. There is also an interesting 17% rise in gas and refined petroleum shipments, with the growing demand for cleaner energy sources. The report concludes that seaborne trade in the next five years (2018-2023), barring any unexpected factor, is projected to grow compounded annually by 3.8%, with containerized and dry bulk commodity trade flows showing the fastest growth.



MESSAGE FROM THE BOARD OF

COMMISSIONERS

Samudera Indonesia continues to focus on operating more efficiently and deploying its ships more productively to better address the ongoing changes in the maritime and logistic industry.



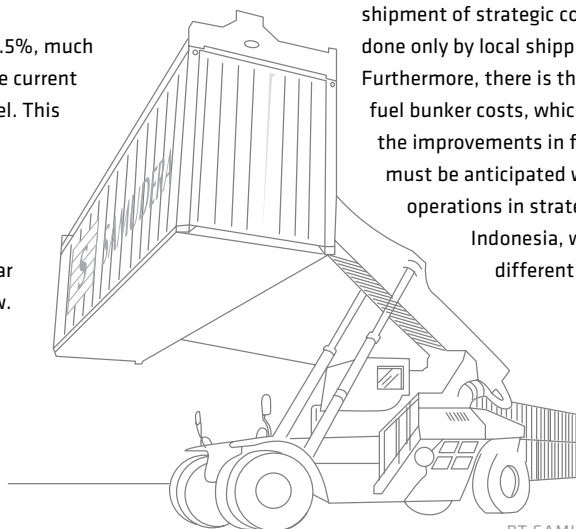
SIONERS

THE BOARD OF COMMISSIONERS

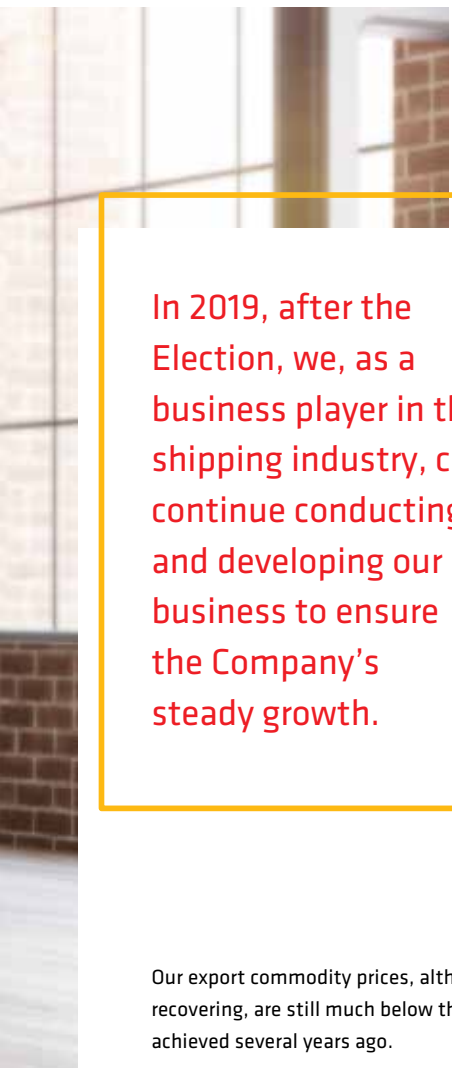


On the supply side of the shipping industry, consolidation and the rise of strategic alliances, which began a few years back, is expected to continue. This trend is starting to be felt here in Indonesia as well. Interestingly, Indonesian shipping companies are also looking at the possibility of forming potential strategic alliances. Thankfully, with the rise in global demand and better fleet capacity management, freight rate levels has slightly improved worldwide. The exception is the oil tanker market. Going forward, we foresee this steady positive trend to continue.

Moreover, we also must anticipate the impact of the International Maritime Organization's sulphur dioxide emission standards, which limits the sulphur content from fuel oil emission to only 0.5%, much below the current 3.5% level. This standard becomes effective in 2020, just a year from now.



The local shipping industry with an average ship age of more than 15 years, will be hard pressed to comply. The challenge will be heightened even more as the Indonesian government is considering to require the shipment of strategic commodities to be done only by local shipping companies. Furthermore, there is the rising trend of fuel bunker costs, which have exceeded the improvements in freight rates, that must be anticipated with more efficient operations in strategic routes. In Indonesia, we face slightly different types of challenges.



In 2019, after the Election, we, as a business player in the shipping industry, can continue conducting and developing our business to ensure the Company's steady growth.

Our export commodity prices, although recovering, are still much below the peak achieved several years ago.

We believe there is still considerable potential growth for our shipping industry and its related logistics and business, especially with the rapid growth of e-commerce. We also see the government's long-term plan that emphasizes growth in the national maritime sector by building additional ports throughout the country to be an engine of growth for future progress.

FINANCIAL HIGHLIGHTS

In 2018, the Board of Directors and Management managed to increase the Company's Revenue by 12.0% to

USD482.4 million. From all five business lines, Samudera Shipping was the biggest revenue contributor, reaching 69.0% from total Company revenue, followed by Logistics with 18.7%, Ports with 11.4% and Property with 0.7% and Services with 0.2%.

In 2018, the rise in Service Revenue, unfortunately, was not followed by a rise in Gross Profit margins, as higher fuel bunker costs increased Service Costs by 14.4%. Unfortunately, the rise in freight rates wasn't sufficient to cover the rise in bunker costs. In addition, Other Expenses rose by 38.0%. As a result, the Company was only able to generate Net Profit Attributed to Parent Company of USD7.3 million for 2018, down from USD9.7 million the previous year.

Even though financial performance did not manage to achieve target the Company was still able to maintain the stability of its balance sheet. Current liquidity is still enough to cover current liabilities, this was reflected from current ratio of 1.1 times. In terms of debt repayment capacity, the total ratio of liabilities against equity is 95.6%, still in manageable level.

Given the competitive nature of the industry, maintaining a high operating efficiency and operating fuel efficient ships and growing the non-shipping transport businesses, like Logistics and Ports, are becoming increasingly important. For the Company, there is much scope for improvement in these areas.

Based on our assessment, Management has performed satisfactorily, given the challenges faced by the Company. In the future, we expect the Company to better anticipate volatile fuel and borrowing costs and find better ways to mitigate swings in these areas. The BOC has reviewed BOD's 2019 plan and feel that, considering the 2019 economic and industry outlook, the targets are realistically challenging. We are confident that the Company's performance will improve going forward.

In 2019, after the Election, we, as a business player in the shipping industry, can continue conducting and developing our business to ensure the Company's steady growth.

SUPERVISORY ROLE AND GOVERNANCE

Throughout 2018, the BOC has conducted their supervisory role through their regular meeting with the BOD and Management as well as through their various Committees. These Committees comprises of the Audit Committee, the Nomination and Remuneration Committee and the Business Development Committee, which meets regularly. The BOC has also ensured that the Company complies with all prevailing laws and regulations and that Corporate Governance standards in the form of transparency, independence and accountability are maintained. I would also like to report that for 2018 there have been no changes to the Company's BOC and BOD composition.

APPRECIATION

In closing and on behalf of the BOC, I would like to take this opportunity to thank our Board of Directors, management and staff for their loyalty, dedication and hard work during these challenging times. Equally important is the support and trust we have received from all our customers, shareholders, business partners and our government, of which, we are eternally grateful and appreciative.



Shanti L. Poesposoetjipto
Chairman



DEAR SHAREHOLDERS,

In 2018, the Company focused on achieving its vision of "Connecting Indonesia" by aligning its actions to leverage opportunities and navigate challenges. Despite uncertain economic conditions, the Company has continued to strive to achieve optimal, sustainable business growth and to deliver additional value to Shareholders into the future. The Company has built and strengthened partnerships as well as began acquisition process to enlarge its capacity and diversify its business lines. One of which was through joint venture with a strategic partner to acquire cold storage company that is expected to improve upon the Company's revenue in the coming year.

In 2018, the Company commenced negotiations to acquire warehousing facilities in Port Klang and trucking services in Kuantan. The Company is also

MESSAGE FROM THE BOARD OF

DIRECTOR

actively investigating possible cooperative endeavors with shipping and logistics service providers in India, Thailand and the United Arab Emirates.

In the past few years, the Company has been transforming to the process of adopting digital technology. With the ongoing impact of "Industrial Revolution 4.0", this activity is expected to continue.

Over the year, the Company faced a number of short-term challenges, mainly related to higher-than-anticipated costs of service, which exerted downward pressure on profitability. The Company has focused on measures to improve operational efficiency and to maximize the productivity of existing assets, including by streamlining routes,

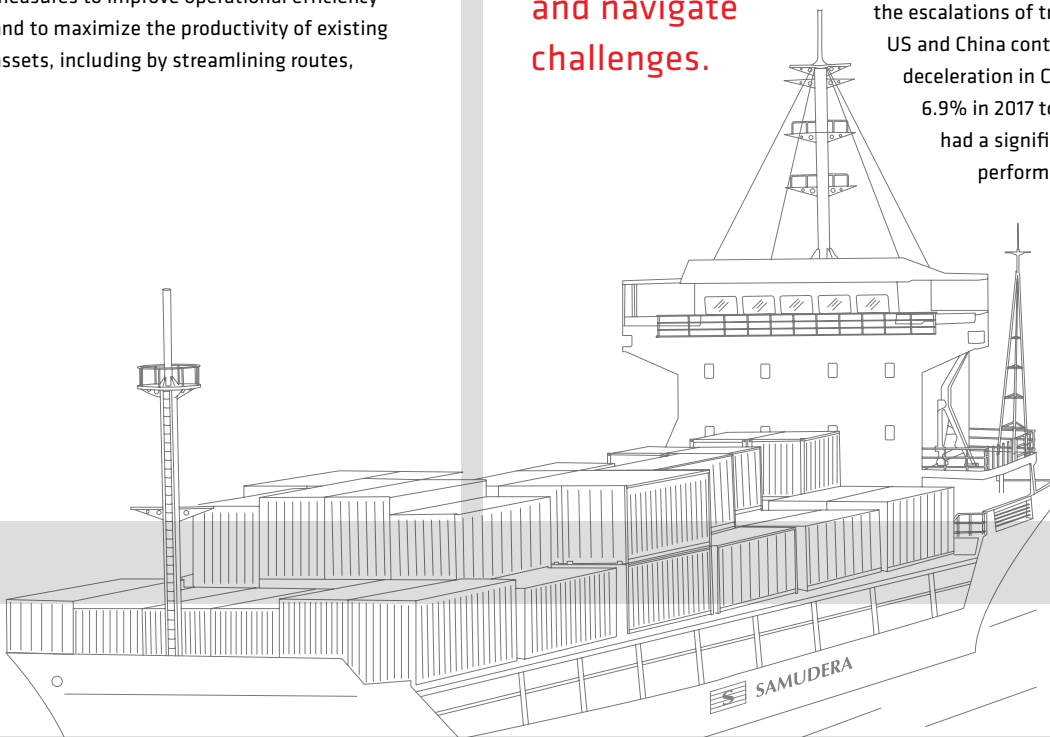
In 2018, the Company focused on achieving its vision of "Connecting Indonesia" by aligning its actions to leverage opportunities and navigate challenges.

upgrading viable ships and retiring non-viable ships. It has also conducted measures to ensure that its human resources are equipped with the skills required to utilize technologies intended to achieve improved efficiency.

GLOBAL ECONOMIC REVIEW

The Company's financial performance is significantly influenced by global economic conditions. In 2018, the global growth rate declined slightly to 3.7%, down from the figure of 3.8% recorded in the previous year. The deceleration of global industrial production and trade activity has been more pronounced than had been expected, with the escalations of trade conflict between the US and China contributing to a significant deceleration in China's growth rate, from 6.9% in 2017 to 6.6% in 2018. This has had a significant impact on economic performance throughout

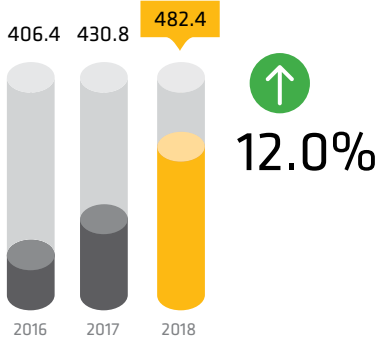
Southeast Asia, with China's economy being a major driver of growth in this region.



TORS

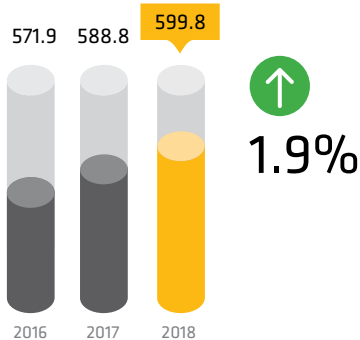
Service Revenue

(million USD)



Total Assets

(million USD)



Despite this, Southeast Asia overall recorded one of the highest growth rates of any region over the year, with a high degree of resilience against recent bouts of financial market volatility, with growth driven largely by strong domestic consumption. In Indonesia, private consumption to the GDP still reached 63% at the end of 2018. From the sectoral side, the manufacturing industry remained the main driver for

the economy. The tobacco manufacturing industry grew 12.06%, textile and fashion grew 10.82%, and leather, leather goods, and footwear grew 12.1%. Furthermore, basic metal industry grew 15.52% and machinery industry 14.55%. These industrial sectors had supported other industrial sectors, such as automotive, construction, and infrastructure development. However, the government still faced a budget deficit for current transactions that reached 2.8% of the GDP at the end of December 2018. This deficit was caused by the spike in raw material import goods (including input for infrastructure development) while Indonesian export values tend to decline due to the decline in commodity prices (coal, CPO, rubber).

Global and regional economic performance are strongly correlated with the volume of trade between and within nations, which in turn has a significant direct impact on the performance of the shipping industry. According to the IMF, the growth rate for global trade decelerated in 2018, going down by 2% from 3.8% the previous year. With this deceleration, according to the Baltic Dry Index and Harper Shipping Index, the growth of the global shipping industry also declined, particularly after June 2018, with the decline in the demand for the transportation of manufactured goods, particularly from China, reflecting the slow-down in the global manufacturing sector.

Another factor that weighed on the performance of the shipping sector in 2018 was the high rate of increase in ship carrying capacity relative to demand, with excess supply exerting downward pressure on shipping tariffs. Global economic uncertainties resulted in a decline in the value of the shares of the shipping marine peer group by 27% in 2018, with shares of container line companies declining by up to 30%. These declines were caused by the increased bunker costs and the decline in the volume of trade between Asia and Europe.

FINANCIAL REVIEW

The consolidated Service Revenue generated by the Company's five principal business lines (Samudera Shipping, Samudera Logistics, Samudera Ports, Samudera Property and Samudera Services) increased by 12.0% over the year to reach USD482.4 million, up from the figure of USD430.8 million recorded in the previous year. This increase was the result of increased revenues from most of the

Service Revenue from the Company's five business lines has experienced 12% increase in 2018.

Company's lines. At the same time, the Company's Cost of Services also increased significantly, going up by 14.4% from USD365.9 million to USD418.6 million in 2018, largely due to higher bunker prices. As a result, Net Profit Attributed to Parent Company also experienced 24.6% decline to USD7.3 million. Total Assets throughout 2018 increased 1.9% to reach USD599.8 million from USD588.8 million in 2017 due to new investment by the Company. While the Company did not

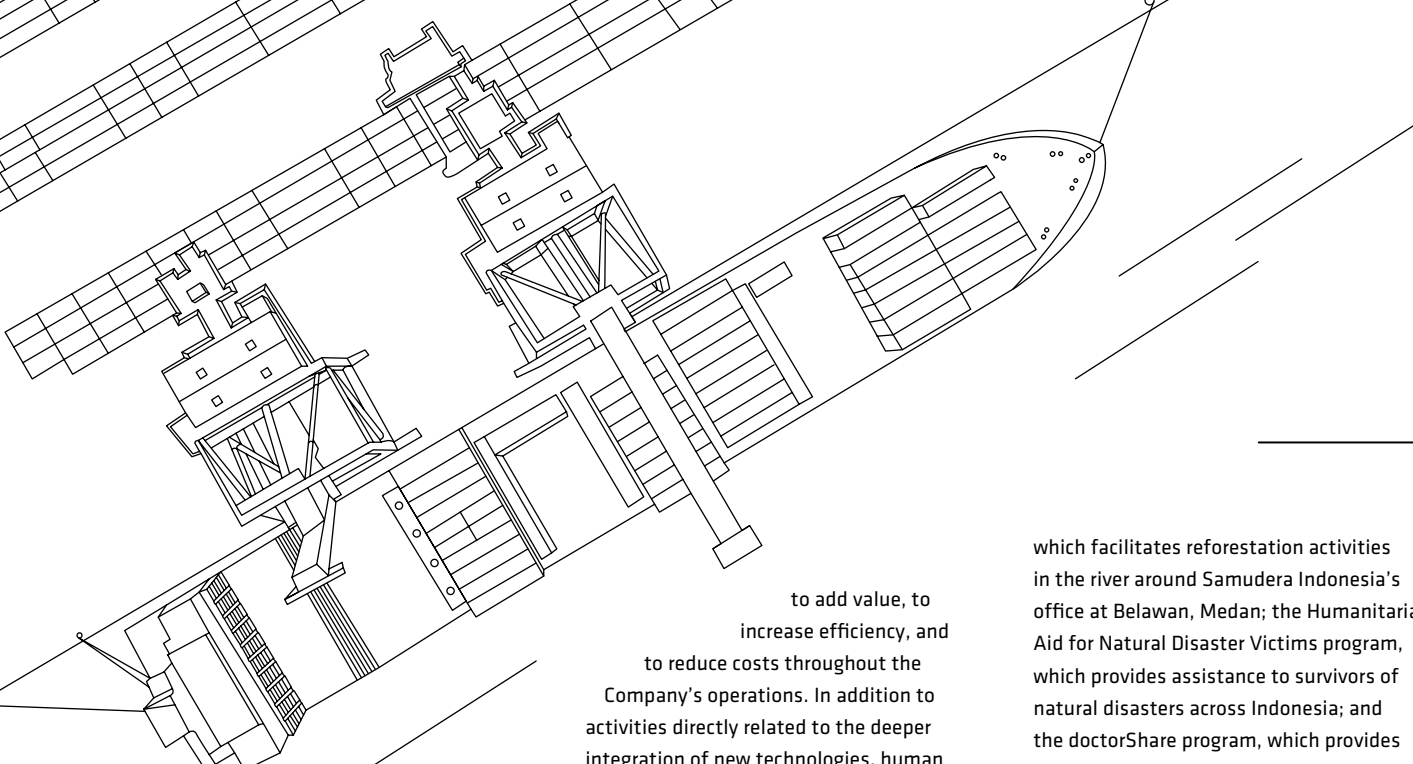
achieve its targeted level of Net Profit over the year, it exceeded its target level for Service Revenue.

BUSINESS REVIEW

Samudera Shipping contributed to 69.0% of the Company's total service revenue in 2018, with these revenues amounting to USD348.2 million, an increase of 11.7% compared to the previous year. Despite a significant increase in revenue, an increase in service cost has lowered the profitability of the Shipping business line. However, the Company strived to deal with the challenges by taking strategic steps to improve its operational efficiency and maximizing productivity of its assets.

Samudera Logistics was the second biggest contributor to the Company's revenues in 2018, with this line's Service Revenue amounting to USD94.4 million, an increase of 7.5% from the figure recorded in 2017. Samudera Ports generated a Service Revenue of USD57.4 million over 2018, a decline of 4.3% compared to the previous year. Despite the increase in loading and unloading activities in Tanjung Priok and Palaran Samarinda domestic terminals, there was still a significant decline in cargo volume at the international terminal in Tanjung Priok.





Samudera Property generated a Service Revenue of USD3.7 million over 2018, an increase of 54.9% compared to the previous year. Samudera Services generated a Service Revenue of USD0.8 million. The contribution of this line is expected to increase into the future as the business matures.

HUMAN CAPITAL

In order for the Company to maintain its competitive edge in the Industrial Revolution 4.0 era and to build on its solid and trusted reputation, it must facilitate ongoing improvements to the competences and capabilities of its human capital in these areas. To facilitate the uptake and integration of the skills required by the transformation affecting the industry, the Human Resources division focused on five main pillars, these being Organizational Development, Talent Procurement and Career Development, Compensation and Benefits, Industrial Relations and Employees, and Training. One of the main focuses of these activities was to facilitate the use of digital technologies

to add value, to increase efficiency, and to reduce costs throughout the Company's operations. In addition to activities directly related to the deeper integration of new technologies, human capital development focused on building capacities in the areas of communication, customer service, leadership, negotiation, presentation, problem solving, coaching and counseling, team capacity building and delegation.

CORPORATE SOCIAL RESPONSIBILITY

In its endeavours to achieve its vision, the Company maintains a commitment to making a positive contribution to Indonesian society, including by building the capacity of the national workforce, providing gainful employment, and creating economic opportunities through its activities. The Company also strives to provide direct benefits for members of communities in areas surrounding its operations through a comprehensive CSR program conducted through Samudera Indonesia Peduli.

In 2018, the Company allocated funds to a total value of around Rp5.9 billion for the purpose of CSR activities, a 55.9% increase over the previous year. Samudera Indonesia Peduli's activities included the School Boat (Perahu Sekolah) project, which is intended to provide river transportation facilities to enable children in remote areas, particularly along the Citarum River in Muara Gembong, West Java, to attend school; the Planting 5,000 Mangroves for Belawan program,

which facilitates reforestation activities in the river around Samudera Indonesia's office at Belawan, Medan; the Humanitarian Aid for Natural Disaster Victims program, which provides assistance to survivors of natural disasters across Indonesia; and the doctorShare program, which provides free health services for people on islands without hospitals or health centers. The Company also regularly donates books and other facilities to schools, supports renovations to religious facilities, and holds blood donation events.

PROSPECTS AND OUTLOOK

In 2019, global economic conditions will remain challenging, with the global growth rate expected to continue the decline that began in 2018. The IMF forecasts a global economic growth rate of 3.5%, with the advanced economies recording an average rate of 2.0% and the developing economies of 4.5%. Global trade is also expected to continue to decelerate, largely due to the import regime imposed by the USA.

To address this, the Company will focus on effective risk management, while at the same time implementing measures to facilitate long-term growth. The Company will continue to strive to develop business lines with high margins, while at the same time implementing measures to optimise performance and to improve cost efficiency, including through vendor

management. In addition, the Company will focus on Captive Markets and Long-Term Investments. The Company will continue to maintain a strong capital structure and a healthy balance sheet by ensuring a prudent debt ratio, in compliance with financial covenants agreed-upon with third-parties. The Company also expects that synergistic relationships with third parties will enable it to achieve its targeted level of profitability. With the Company's awareness that its human resources are its most significant asset, it will continue to strive to develop the quality and competences of these resources to ensure that all employees are able to address existing challenges to facilitate the achievement of long-term, sustainable growth.

The Company will focus on effective risk management, while at the same time implementing measures to facilitate long-term growth.

APPRECIATION AND CLOSING

In closing, on behalf of all members of the Board of Directors, I would like to express our gratitude to Shareholders for their expressions of trust and confidence in the management of the Company. We would also like to thank our clients and business partners for their custom and contributions. We also deeply appreciate the guidance provided by the Board of Commissioners. Finally, we express our utmost appreciation and gratitude to all of our employees for their dedication and hard work. With the ongoing support of all these individuals and entities, we are confident that the Company will achieve its Vision of Connecting Indonesia while generating sustainable business growth and delivering value to Shareholders into the future.



Masli Mulia
President Director







Samudera Indonesia's commitment is enlivened in the form of transportation service provider and integrated logistics that becomes optimal solution, to give our customers the suitably comprehensive service.

COMPANY PROFILE

COMPANY INFORMATION



Name of Company	PT Samudera Indonesia Tbk
Kode Perdagangan Saham	SMDR
Stock Exchange	Indonesia Stock Exchange
Date of Establishment	13 November 1964
Main Core Business	Integrated Shipping and Logistics Services
Supporting Business	Warehouses and distribution centers, container depots, land transportation, ports, container vessels, dry bulk carrier, and offshore support services, third party logistics, heavy equipment transport, agency and ship management
Authorized Capital	Rp300,000,000,000 consists of 12,000,000,000 shares at Rp25 each
Issued and Fully Paid Capital	Of the authorized capital stock, placed and fully paid is at 27.29% or 3,275,120,000 shares with total nominal value of Rp81,878,000,000
Legal Ground of Establishment	Deed of Notary. 33 of 1964, by Notary Soeleman Ardjasmita, S.H. with the latest Articles of Association of the Company based on Deed No. 48 Year 2017 by Notary Ashoya Ratam, S.H., M.KN

Head Office

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 Jakarta 11480
 Telephone : (021) 5480088
 Email : corporate.secretary@samudera.id
 Website : http://www.samudera.id

Domestic
Branch Offices

66

Overseas
Representative
Offices

16

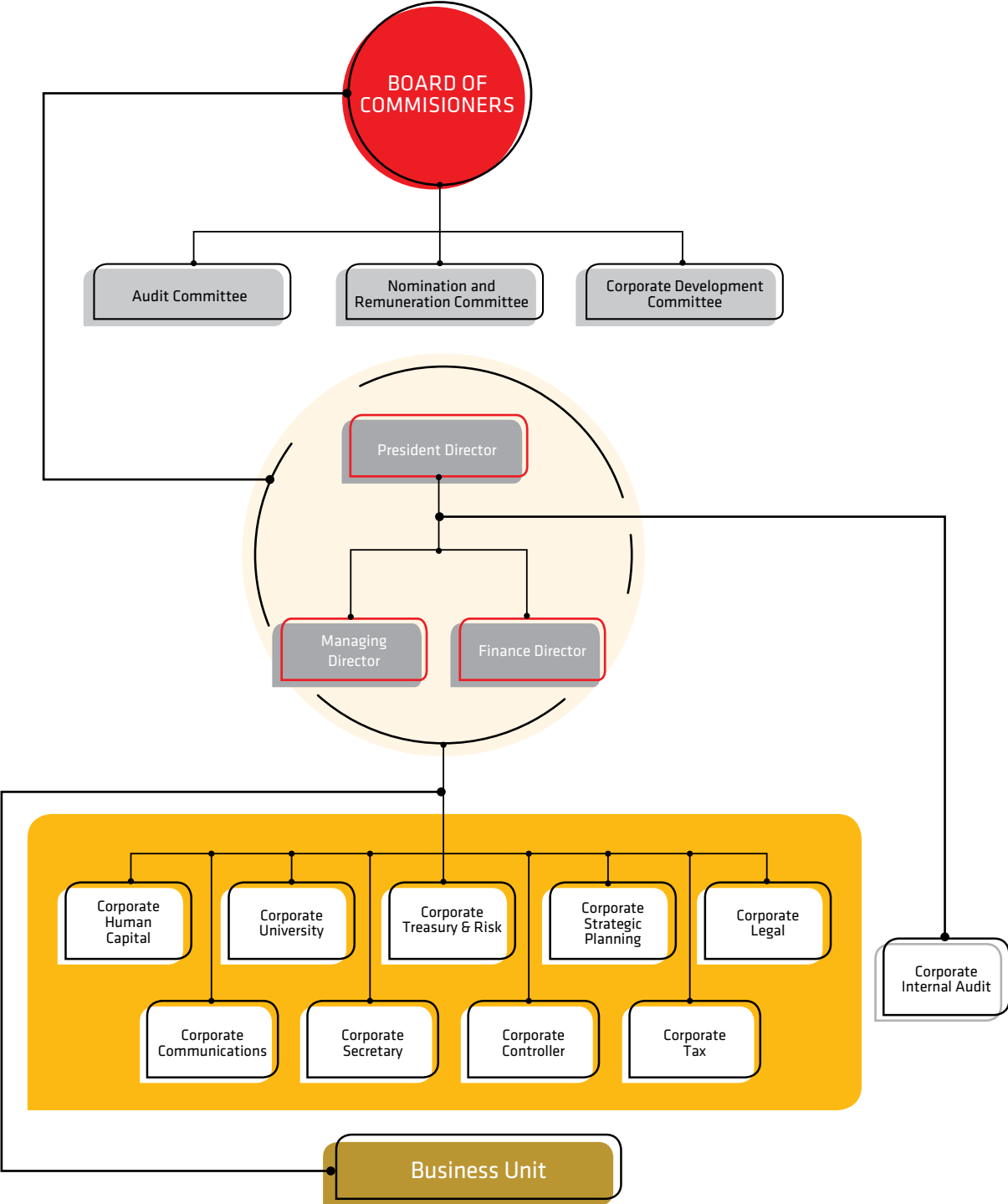
COMPANY HISTORY

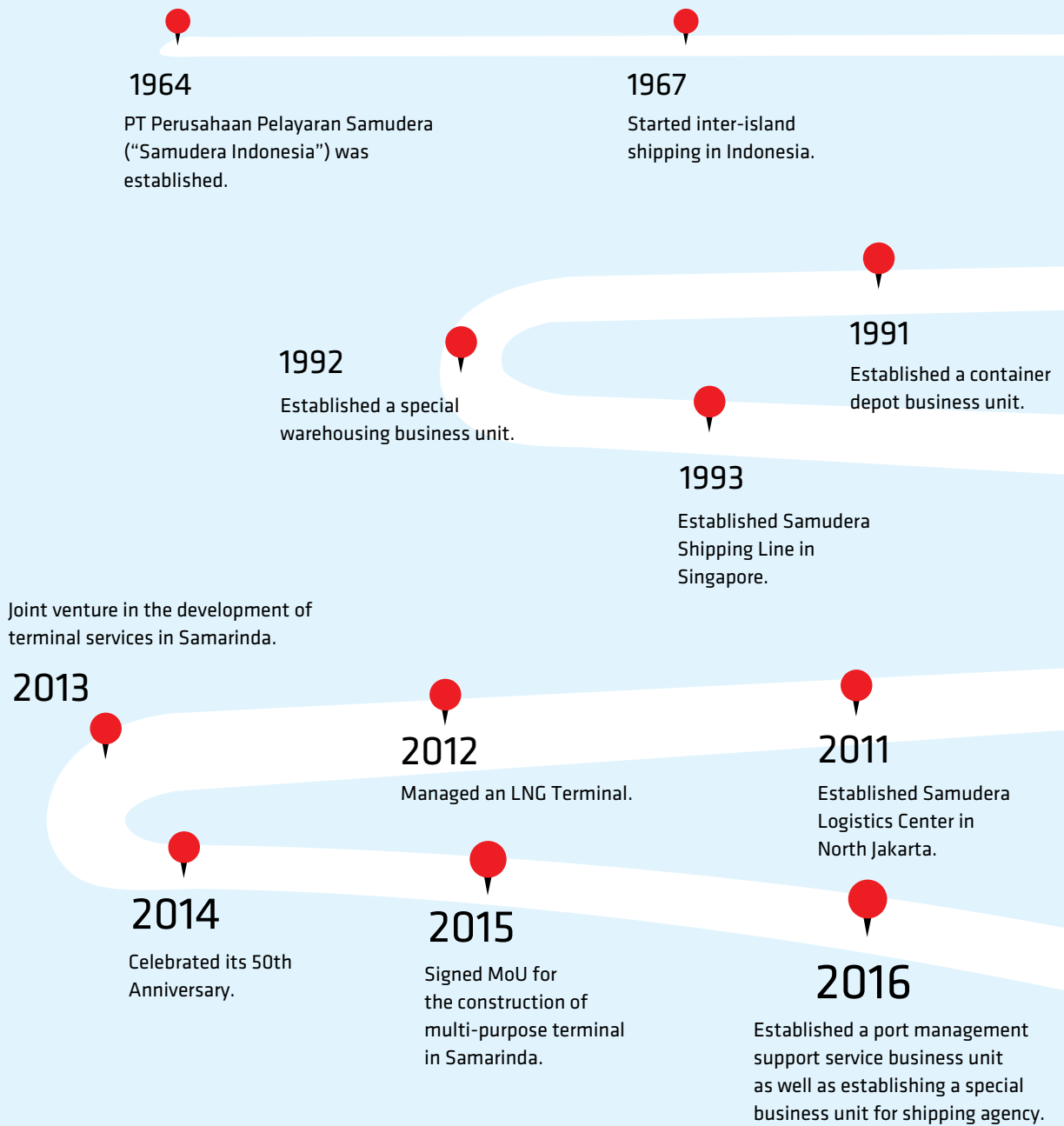
Company history can be found in inside front cover of this Annual Report.

COMPANY VISION, MISSION, MOTTO AND VALUES

Company Vision, Mission, Motto and Values can be found in inside front cover of this Annual Report.

ORGANIZATIONAL STRUCTURE





MILESTONE



SAMUDERA INDONESIA

1975

Established a land transport company with a fleet of 100 trucks.

1976

Provided project logistics services.

1990

Ventured into the container feeder shipping services

1986

Established a stevedoring company that served as the beginning of a terminal operator business.

1997

Samudera Shipping Line Ltd was listed on the Singapore Stock Exchange.

1999

PT Samudera Indonesia Tbk was listed on the Jakarta Stock Exchange.

2003

Established Distribution Center business unit as well as starting BOT of Dermaga Serbaguna Nusantara.

2010

Opened Samudera Logistics Center in Belawan as well as operating Palaran Container Terminal in Samarinda.

2005

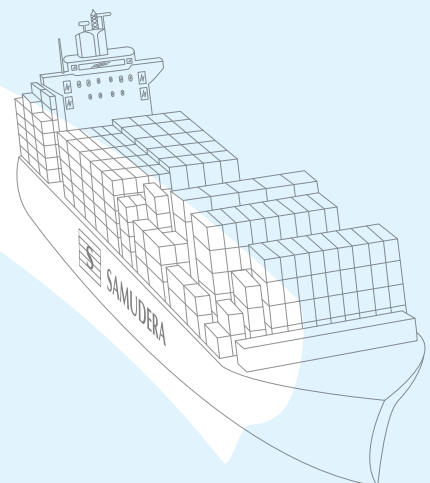
Started an LNG transportation business.

Started a Cold Storage business.

2017

Conducted a stock split with 1:20 ratio as well as restructuring terminal business unit.

2018



CHRONOLOGY OF SHARE LISTING

June 23, 1999: The Company obtained the Notice of Effective Public Company Registration Statement No. S.988/PM/1999 from the Chairman of the Capital Market Supervisory Agency (now Financial Services Authority) of the Company Registration as a public company.

July 5, 1999: All of the Company's shares were listed in the Jakarta Stock Exchange, with total listed shares of 163,756,000 with par value of Rp81,878,000,000.

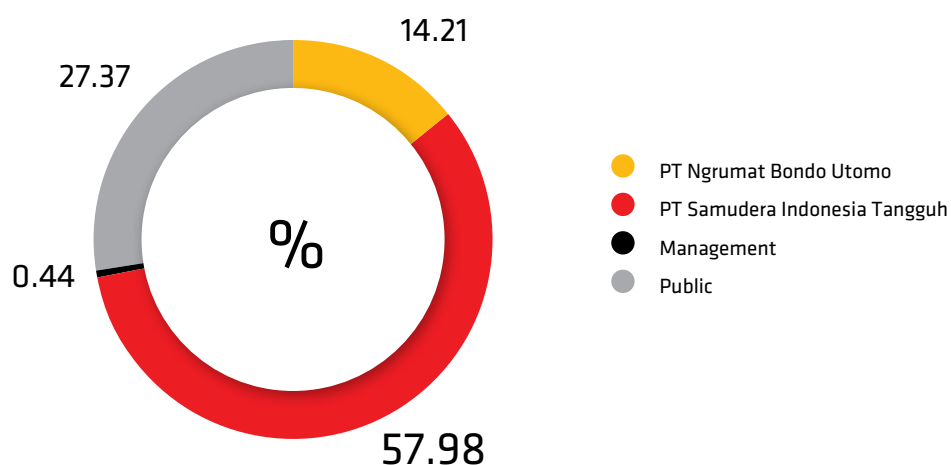
2005: There was a change in the share ownership structure through trading mechanism in the stock exchange, through buying/acquisition of shares from International Finance Corporation of 13,953,334 shares or 8,52% and from Samudera Indonesia Pension fund of 9,282,134 shares or 5,67%.

August 4, 2017: The Company conducted stock split or nominal value splitting with a 1:20 ratio, where previously was Rp500 per share to Rp25 per share.

SHAREHOLDERS COMPOSITION

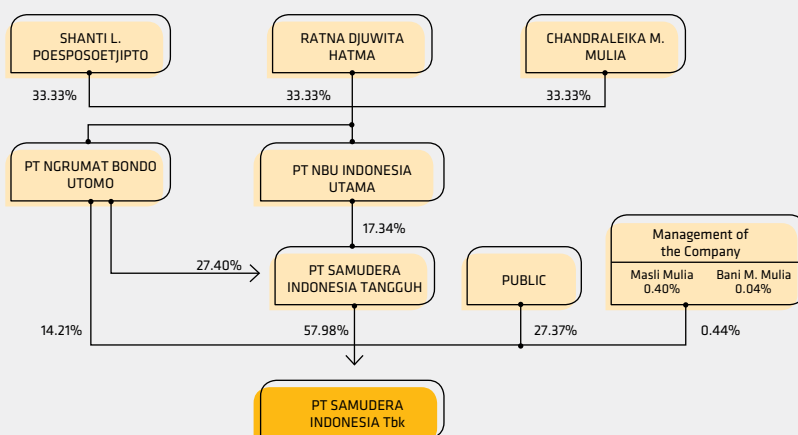
As of 31 December 2018

Shareholders	Total Shares (in shares)	Total Nominal Value (in thousand Rupiah)	Percentage
Majority Shareholders (ownership more than 5%)			
Company			
PT Samudera Indonesia Tangguh	1,898,800,000	47,470,000,000	57,98
PT Ngrumat Bondo Utomo	465,332,060	11,633,301,500	14,21
Minority Shareholders (ownership less than 5%)			
Management of the Company			
Masli Mulia (President Director)	13,170,000	329,250,000	0,40
Bani M, Mulia (Director)	1,337,000	33,425,000	0,04
Public	896,480,940	22,412,023,500	27,37
Amount of issued and fully paid capital	3,275,120,000	81,878,000,000	100,00



CONTROLLING SHAREHOLDERS

PT Samudera Indonesia Tangguh as a direct holding company has 57.98% company shares. PT Samudera Indonesia Tangguh owned and managed by PT Ngrumat Bondo Utomo with 27.40% shares and PT NBU Indonesia Utama with 17.34%. PT Ngrumat Bondo Utomo and PT NBU Indonesia Utama owned by three shareholders, Shanti L. Poesposoetjipto, Ratna Djuwita Hatma and Chandraleika M. Mulia with respectively 33.33% shares.



DETAILS OF SHAREHOLDERS

Shareholders' Category	Total Number of Shareholders		Number of Shares		%	
	Domestic	Offshore	Domestic	Offshore	Domestic	Offshore
Individuals	3,595	19	689,746,440	41,480,400	21.06	1.27
Corporation	24	8	2,412,178,300	8,072,180	73.65	0.25
Mutual Funds	0	0	0	0	0.00	0.00
Pension Funds	1	0	123,642,680	0	3.78	0.00
Total	3,620	27	3,225,567,420	49,552,580	98.49	1.51

CORPORATE ACTION

The Company did not conduct any corporate action regarding the Company's shares in 2018.

CAPITAL MARKET SUPPORTING INSTITUTIONS AND PROFESSIONALS

SHARES LISTING

PT Bursa Efek Indonesia
Gedung Bursa Efek Tower I, 6th Fl
Jl. Jend. Sudirman kav. 52-53
Jakarta 12190
Indonesia

SECURITIES ADMINISTRATION

BUREAU
PT Sharestar Indonesia
Gedung Berita Satu Plaza, 7th Fl
Jl. Jend. Gatot Subroto kav. 35-36
Jakarta 12950 Indonesia

PUBLIC ACCOUNTANT

Satrio Bing Eny & Rekan
The Plaza Office Tower, 32nd Fl
Jl. M.H. Thamrin Kav. 28 - 30
Jakarta 10350
Indonesia

NOTARY

The Office of Public Notary Mala Mukti, S.H., LLM.
AXA Tower 27th Fl #06
Jl. Prof Dr. Satrio Kav 18, Kuningan
Jakarta 12940

BOARD OF DIRECTORS PROFILES

The Board of Directors profiles can be found in the Company Data chapter on page 84 of this Annual Report.

BOARD OF COMMISSIONERS PROFILES

The Board of Commissioners profiles can be found in the Company Data chapter on page 80 of this Annual Report.

EMPLOYEE DEMOGRAPHIC PROFILES

Employee demographic and other related issues can be found in the Management Discussion and Analysis Chapter, sub-chapter Human Capital, on page 54 of this Annual Report.

United Arab
Emirates

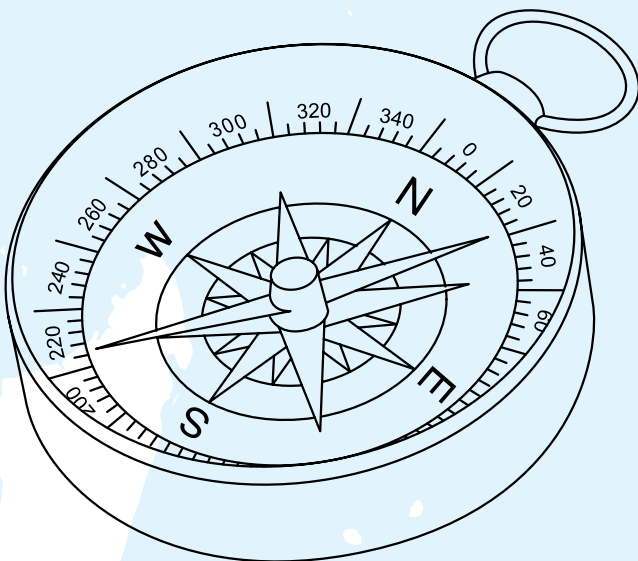
Bangladesh

Pakistan

India

Sri Lanka

OPERATIONAL AREAS





China

Myanmar

Hong Kong

Cambodia

Thailand

Philippines

Vietnam

Malaysia

Singapore

Pontianak
Banjarmasin
Balikpapan
Samarinda
Palaran
Bontang
Tarakan

Sorong
Teluk Bintuni
Biak

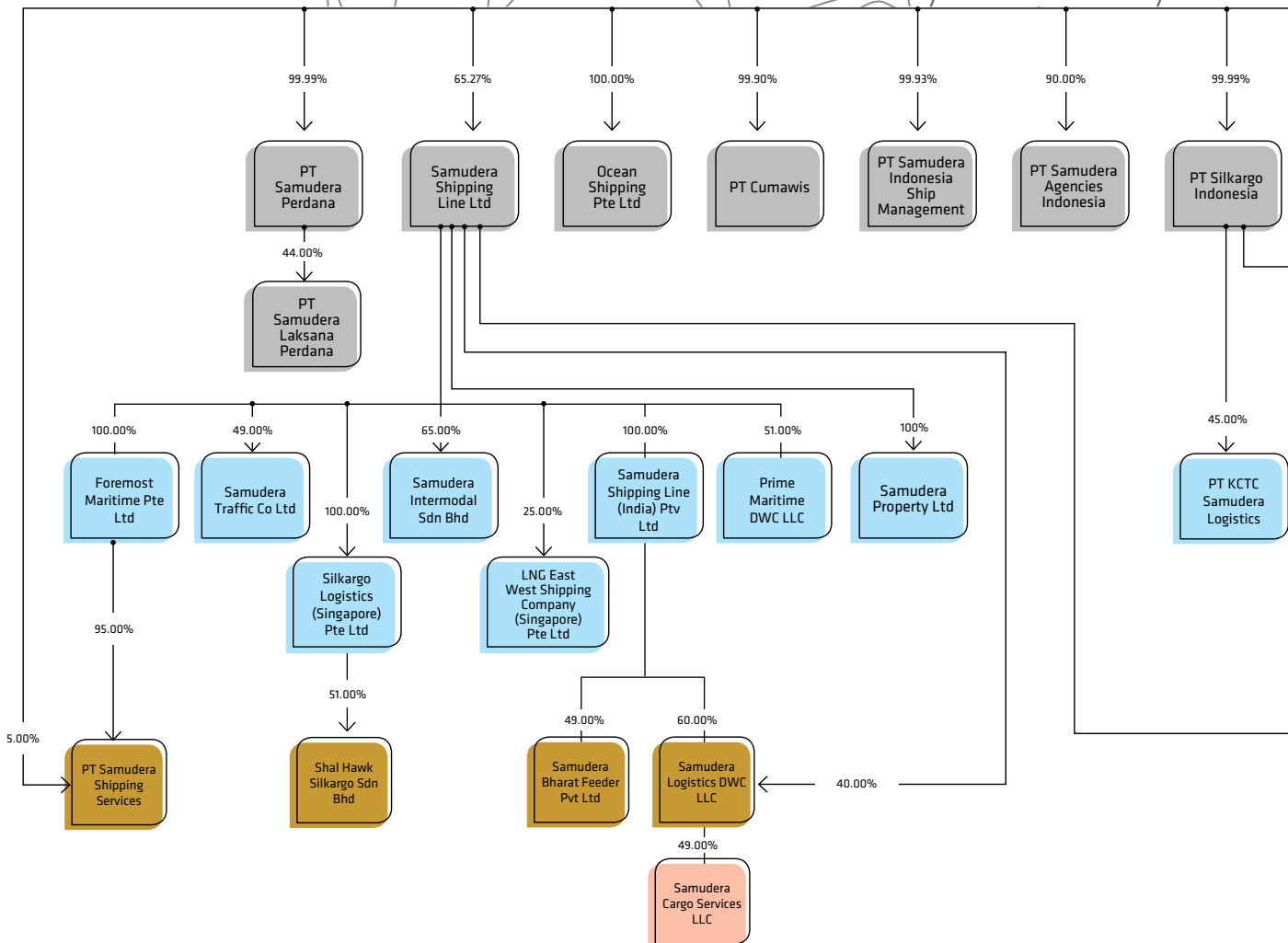
Kuala Tanjung
Medan
Dumai
Pekanbaru
Padang
Jambi
Palembang
Bengkulu
Bandar Lampung
Batam

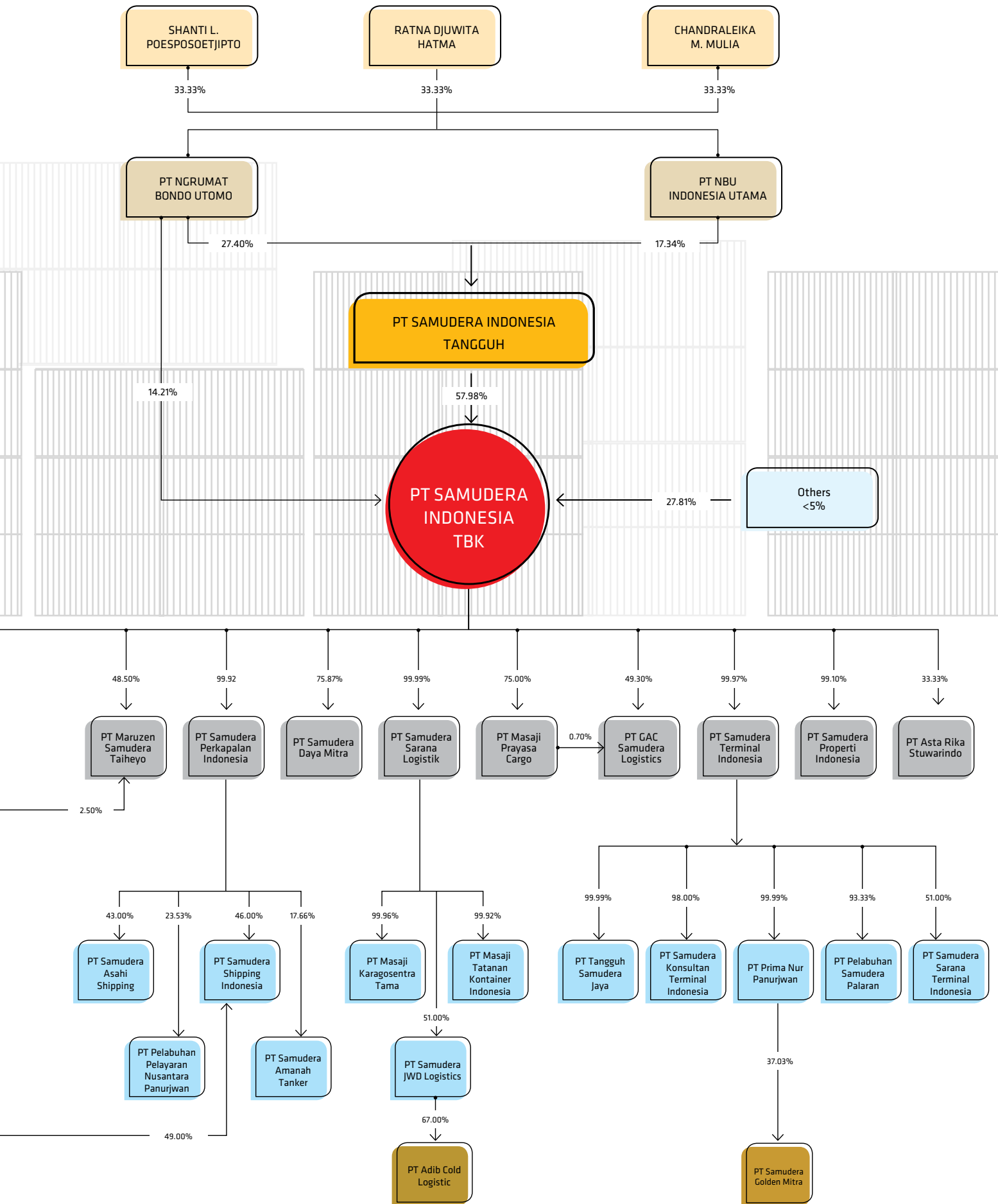
Cilegon
Jakarta
Patimban
Cikampek
Cikarang
Bandung
Cirebon
Semarang

Yogyakarta
Solo
Jepara
Surabaya
Jember
Bali

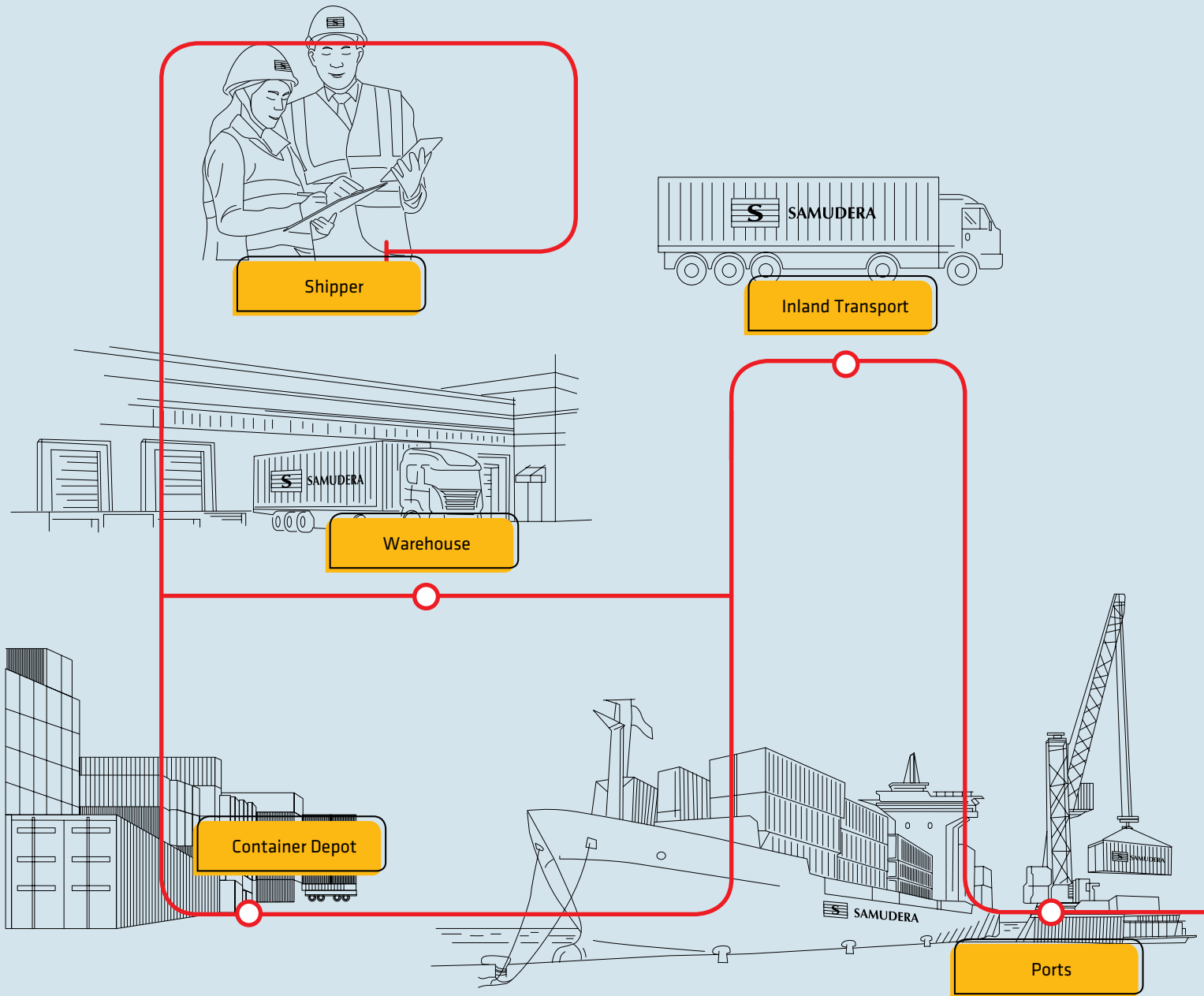
Kendari
Makassar
Bitung

GROUP STRUCTURE

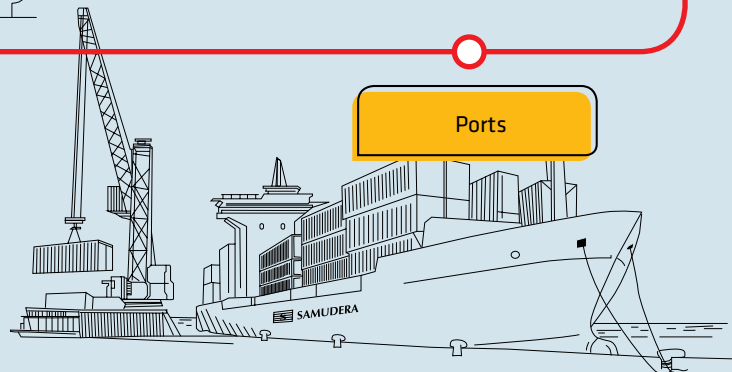
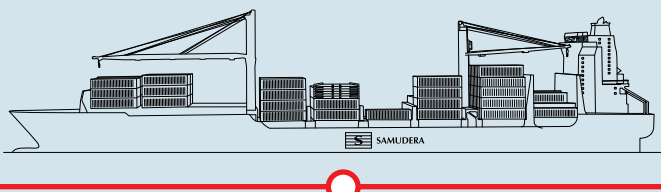
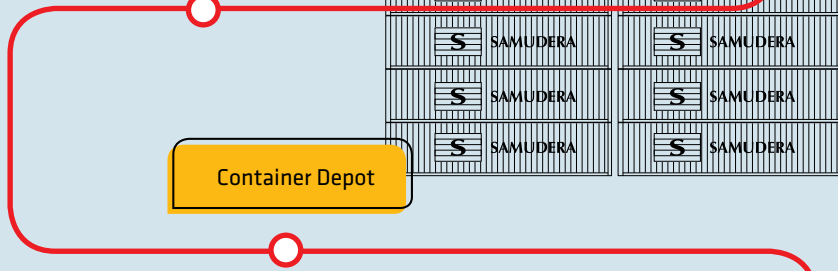
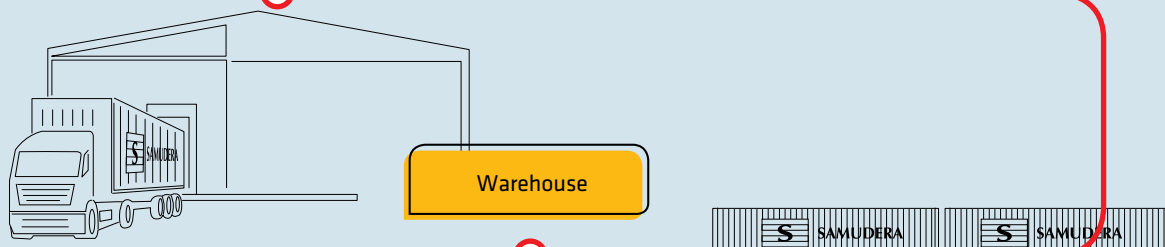
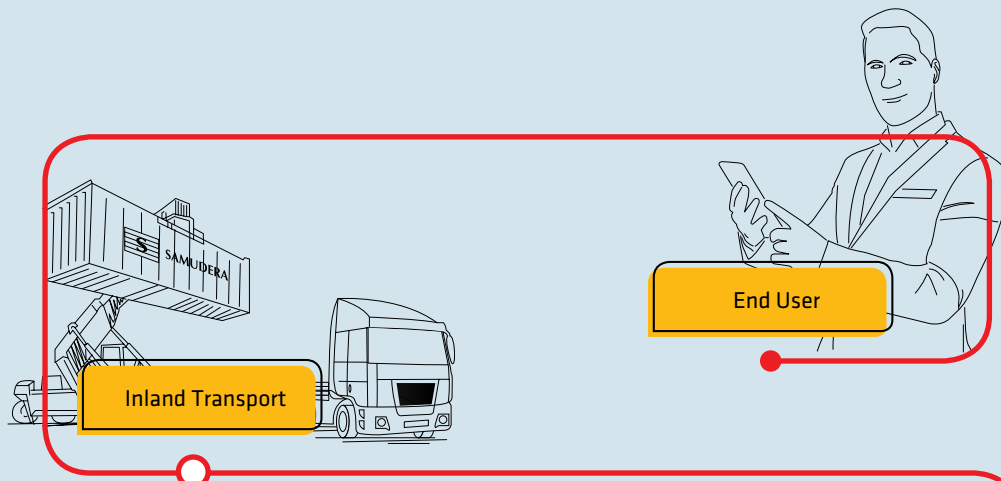




CARGO TRANSPORTATION AND INTEGRATED LOGISTICS



Samudera Indonesia is committed to be the integrated provider of transportation and logistic services under one roof that can serve as an optimum solution as well as provide comprehensive services that are customized to the customers' needs. These services are expected to provide ease for the customers to transport goods from and to anywhere, by any mode of transportation, effectively, efficiently and right on time.





SAMUDERA SHIPPING

- Shipowning
- Container Shipping Operator
- Bulk Carrier and Tanker
- Offshore Shipping
- Ship Management
- Crewing and Manning
- Shipping Agencies

PT Perusahaan Pelayaran
Nusantara Panurjwan

Samudera Shipping Line Ltd.

PT Samudera Agencies Indonesia

PT Samudera Amanah Tanker

PT Samudera Indonesia Ship
Management

PT Samudera Perkapalan Indonesia

PT Samudera Shipping Services

PT Samudera Shipping Indonesia

PT Samudera Asahi Shipping

Samudera Bharat Feeder Pvt.Ltd.

Samudera Cargo Services LLC

Samudera Intermodal Sdn Bhd

Samudera Shipping Line
(India) Pvt Ltd

Samudera Traffic Co., Ltd

PT Cumawis

Foremost Maritime Pte. Ltd.

LNG East- West Shipping
Company (Singapore) Pte Ltd

Ocean Shipping Pte Ltd

Prime Maritime DWC LLC



SAMUDERA PORTS

- Port & Terminal Developer
- Port Operator
- Container Terminal Operator
- Bulk Terminal Operator
- Equipment Provider
- Port Equipment Maintenance & Repair

PT Samudera Terminal
Indonesia

PT Samudera Sarana
Terminal Indonesia

PT Samudera Konsultan
Terminal Indonesia

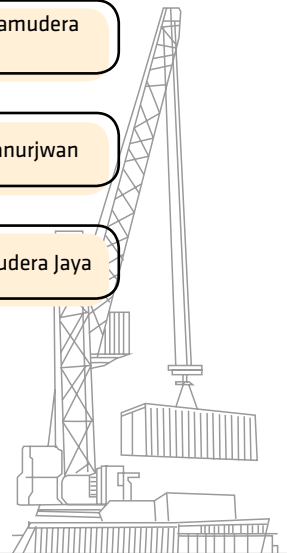
PT Samudera Golden Mitra

PT Asta Rika Stuarindo

PT Pelabuhan Samudera
Palaran

PT Prima Nur Panurjwan

PT Tangguh Samudera Jaya



BUSINESS

SAMUDERA LOGISTICS

- Logistics Service Provider
- Project Logistics
- Warehousing & Distribution Center
- Container Depot Services
- Inland Transportation

PT Samudera Sarana Logistik

PT Samudera Perdana

PT Samudera Laksana Perdana

PT Masaji Kargosentra Tama

PT Masaji Prayasa Cargo

PT Masaji Tatanan Kontainer Indonesia

PT Silkargo Indonesia

Silkargo Logistics (Singapore) Pte Ltd

Samudera Logistics DWC LLC

PT Adib Cold Logistic

PT GAC Samudera Logistics

PT KCTC Samudera Logistics

PT Maruzen Samudera Taiheiyo

PT Samudera JWD Logistics

Shal Hawk Silkargo Sdn. Bhd

SAMUDERA PROPERTY

- Property Investment
- Property Developer & Management
- Civil Project & Construction

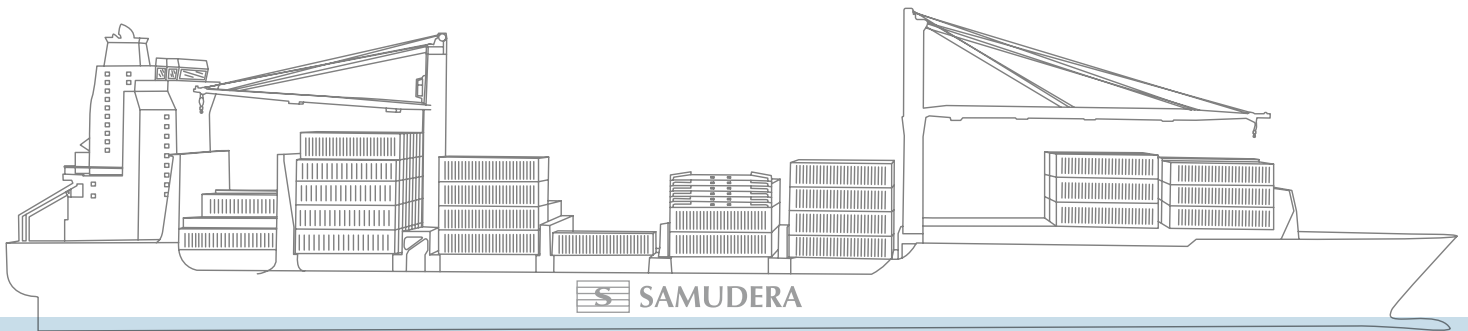
PT Samudera Properti Indonesia

Samudera Property Ltd

SAMUDERA SERVICES

- Consulting Services
- Employment Services
- General Support Services

PT Samudera Daya Mitra



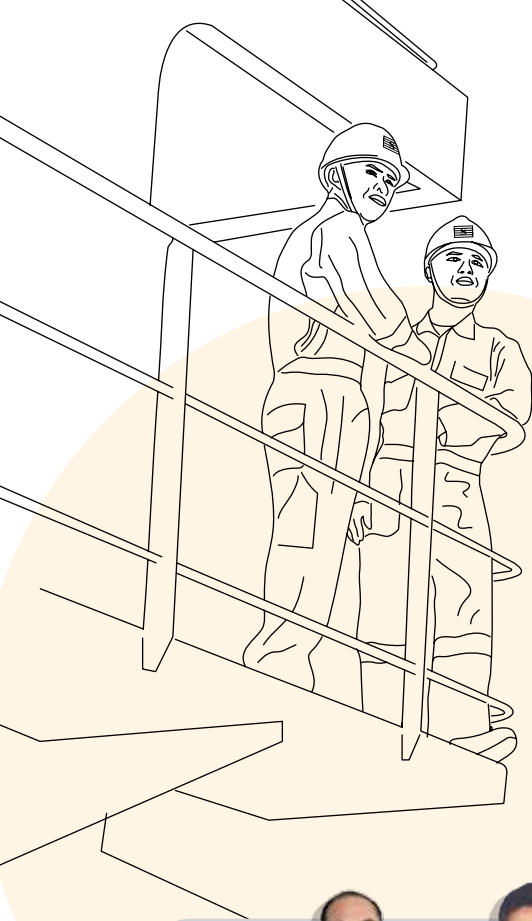
ES LINES

For over 50 years, the Company has been making its mark in the shipping industry whilst establishing a strong foundation in the business that covers shipping agency, Shipowning, Container Shipping Operator, Bulk Carrier and Tanker, Offshore Shipping, Ship Management, and Crewing and Manning.

Business Unit	Description	Board of Directors	
PT Perusahaan Pelayaran Nusantara Panurjwan	Established since 1968 and started with inter-island shipping in Indonesia. This business unit has provided services to and from various major ports in Indonesia.	Asmari Herry Prayitno Vice President Director	Hendra Wijanoko Strategic Planning Director
		Samsul Hadi Managing Director	Wawan Sri Sukardana Business Development Director
Samudera Shipping Line Ltd.	Established in Singapore in 1993, Samudera Shipping Line Ltd has been listed in Singapore Stock Exchange since 1997. The company covers South East Asia, South Asia and East Asia regions.	Asmari Herry Prayitno Executive Director & CEO	Tan Meng Toon Executive Director, Commercial
		Hermawan F. Herman Executive Director, Finance	Trisnadi Mulia Deputy Director, Commercial
		Lim Kee Hee Executive Director, Business Strategies & Development	Thomas Lee Thuan Aun Deputy Director, Commercial Trade
PT Samudera Agencies Indonesia	Ever since it was established on August 23, 2016, this subsidiary handles shipping agency in Indonesia.	D. Nefianto Budi Kunadi Managing Director	Mario Siahaan Business Development Director
PT Samudera Amanah Tanker	Since 2014, this subsidiary was established to handle shipping in specific area, such as the oil and gas industry.	Mahmud Tarmizi Amir President Director	Fachrizon Commercial Director
		Jazzy Isya Perdana Business Development Director	
PT Samudera Indonesia Ship Management	Since it was established in 1991, this subsidiary provides ship management services. It also provides various other services as separate or integrated services packages, such as legal and insurance consultation service, crewing, surveying, shipbuilding or maintenance supervision, as well as dry-docking project management.	Hepi M. Faizal President Director	Rahmawani Harahap Finance Director
PT Samudera Perkapalan Indonesia	Since its establishment in 2017, this subsidiary handles domestic shipping.	Adham Syarif President Director	Rahmawani Harahap Finance Director
		Hendra Wijanoko Managing Director	Mario Siahaan Business Development Director
PT Samudera Shipping Services	Since it was established in October 12, 2000, this subsidiary has provided sea transport services to support the activities of liquid chemical, and oil & gas companies as well as petrochemical, petroleum and bulk shipping. This company also has ISO 9001, ISO 14001 and OHSAS 18001 certifications.	Mahmud Tarmizi Amir Managing Director	
PT Samudera Shipping Indonesia	Since its establishment on August 3, 2018, this subsidiary is focused on providing sea transportation services in bulk shipping, oil, mining, and smelter industry as well as other maritime projects.	Hendra Wijanoko Managing Director	Trisnadi Mulia Deputy Director, Commercial
PT Samudera Asahi Shipping	This subsidiary was established on August 22, 2017 to handle shipowning business.	Adham Syarif President Director	Rahmawani Harahap Finance Director
Samudera Bharat Feeder Pvt. Ltd.	Since it was established on 2017, this subsidiary is a joint venture with business partners in India. The company provides feeder services along the East Coast of India.	Rakesh Vijay Managing Director	
Samudera Cargo Services LLC	Since it was established in 2015, this subsidiary has provided shipping agency services, customs clearance and formalities, warehousing, as well as distribution and shipment to/from/in Uni Arab Emirates.	Cyprianus Andriyanto Managing Director	
Samudera Intermodal Sdn Bhd	Since it was established on May 2012, this subsidiary that is based in Malaysia handles agency activities in various ports in Malaysia.	Bian Adiantoro Managing Director	
Samudera Shipping Line (India) Pvt Ltd	Since it was established in 2003, this subsidiary began to fully operate in early 2004. Its main business activities in in providing container shipping that can connect India to the Middle East and Southeast Asia as well as East Asia.	Rakesh Vijay Managing Director	Romi Syahril Finance Director

Revenue Contribution to the Company

69.0%



Achmad Agung Purwosaputra



Adham Syarif



Aditya Girindra Wardhana



Asmari Herry Prayitno



Bian Adiantoro



Christina Enita Hernawati



D. Nefianto Budi Kunadi



Fachrizon



Hendra Wijanoko



Hepi M. Faizal



Hermawan F. Herman



Jazzy Isya Perdana



Lim Kee Hee



Mahmud Tarmizi Amir



Mario Siahaan



Rahmawani Harahap

Business Unit	Description	Board of Directors
Samudera Traffic Co., Ltd	This Bangkok-based subsidiary was first established on May 1, 2004 to become the agency of Samudera Shipping Line, that handles agency activities for Thailand.	Christina Enita Hernawati Managing Director
PT Cumawis	Since it was first established on January 31, 1975, this subsidiary provides services to oil and gas contractors in Indonesia with three different types of ships: crew boat, landing craft and fire fighting boat.	Achmad Agung Purwosaputra President Director Rahmawani Harahap Finance Director
Foremost Maritime Pte. Ltd.	Since it was established on January 7, 1995, this subsidiary has operated an international fleet in bulk transport. This Singapore-based subsidiary serves to various destinations, both in Indonesia, as well as international.	Aditya Girindra Wardhana Managing Director
LNG East-West Shipping Company (Singapore) Pte Ltd	Since this subsidiary that is a joint venture of Samudera, NYK and Sovcomflot was established in 2006, this company has operated tanker that transports liquid natural gas (LNG). Now the company has long-term LNG transport contract from BP Tangguh gas plant.	Asmari Herry Prayitno Director Hermawan F. Herman Director
Ocean Shipping Pte Ltd	This Singapore-based subsidiary provides agency services in Southeast Asia.	Asmari Herry Prayitno Director
Prime Maritime DWC LLC	Since it was established in 2017 in Dubai, this subsidiary serves the Middle East regions.	Rakesh Vijay Managing Director



Rakesh Vijay



Romi Syahril



Samsul Hadi



Tan Meng Toon



Thomas Lee Thuan Aun



Trisnadi Mulia



Wawan Sri Sukardana

Samudera Ports is the Company's business line that caters to the needs for bulk, container, and multipurpose terminal management as well as providing port equipment and maintenance.

Revenue Contribution to the Company

11.4%

Business Unit	Description	Board of Directors	
PT Samudera Terminal Indonesia	This subsidiary was established on October 28, 2014 and functions as a sub-holding that accommodates and manages the terminal business run by Samudera Indonesia.	Prabowo Budhy Santoso Managing Director	Julian A.F. Smith Finance Director
PT Samudera Sarana Terminal Indonesia	As a joint venture between Samudera Indonesia and SEIC Resources (M) Sdn Bhd, this subsidiary was established solely to ensure the readiness and availability of loading and unloading equipment optimization, while providing maintenance and repair services, troubleshooting and repairing as well as system performance improvement and spare parts for loading and unloading equipment at the port.	Adriansyah President Director	Muhammad Willy Managing Director
PT Samudera Konsultan Terminal Indonesia	Since it was established on January 19, 2018 this subsidiary runs its business in consulting and engineering, management and system designing in the terminal and ports.	Julian A.F. Smith Director	
PT Samudera Golden Mitra	Since it was established on May 13, 2011, this subsidiary that was a joint venture between Samudera Indonesia and Golden business group is in the business of ports including depo and stuffing/stripping services.	Rifka Hidayat President Director	
PT Asta Rika Stuwairindo	Since 2005, this subsidiary has been in the cargo loading and unloading services.	Yudhiarto Managing Director	
PT Pelabuhan Samudera Palaran	Since it was established on July 18, 2007 and started its operations in 2010, this subsidiary has received concession to operate PTK Palaran for 50 years. This subsidiary has also provided various services such as container loading and unloading, container stacking, and drinking water supply for ships.	Prabowo Budhy Santoso President Director Julian A.F. Smith Finance Director	Hendi Agus Hermawan Managing Director
PT Prima Nur Panurjwan	Since it was established on January 8, 1986, this subsidiary has provided loading and unloading activities for ships in Tanjung Priok port in the domestic route.	Prabowo Budhy Santoso President Director Julian A.F. Smith Finance Director	Ngatno Prabowo Managing Director
PT Tangguh Samudera Jaya	Since it was established on January 8, 1986, this subsidiary is a loading and unloading company with activities in Tanjung Priok port and provides container loading and unloading for international and domestic, multipurpose terminal operator, stevedoring and equipment provider.	Buyung Pramitra President Director Julian A.F. Smith Finance Director	Nandan Firdaus Managing Director



Adriansyah Buyung Pramitra Hendi Agus Hermawan Julian A.F. Smith



Muhammad Willy Nandan Firdaus Ngatno Prabowo Prabowo Budhy Santoso Rifka Hidayat Yudhiarto

Samudera Logistics is the Company's business line that provides integrated goods delivery services in various types, sizes and modes of transportation to its final destination. In supporting this integrated service, the Company has developed various logistics and supporting facilities.

Business Unit	Description	Board of Directors	
PT Samudera Sarana Logistik	Since it was first established in 2017, this subsidiary has been in the container depot business and warehouses.	Yudi Riyadi President Director Armanto Pantjoro Managing Director	Ahwan Hasyim Finance Director
PT Samudera Perdana	Since it was established in 1975, this subsidiary has been in the land transportation business for general and project cargo.	Hurip Santoso Managing Director Dhany Yudha Bintang Perdana Business Development Director	Niko Anindita Finance Director
PT Samudera Laksana Perdana	Since it was established in 2017, this subsidiary has been in the land transportation business.	Hurip Santoso President Director Dhany Yudha Bintang Perdana Business Development Director	Niko Anindita Finance Director
PT Adib Cold Logistic	Became part of the Company since 2018, this subsidiary is in the cold storage and cold chain transportation business.	Bobby Irianto President Director Eky Kurniawan Managing Director	Rima Joko Dwi Faryuni Finance Director
PT Masaji Kargosentra Tama	Established since July 28, 1992, this subsidiary's main service is in Container Freight Station warehousing. Since its establishment, the company has provided 5 types of services that cover LCL export & import, FCL handling, distribution/ freezone, CY handling.	Bobby Irianto President Director Rima Joko Dwi Faryuni Finance Director	Dhany Yudha Bintang Perdana Business Development Director
PT Masaji Prayasa Cargo	Since its establishment in February 22, 1980, this subsidiary specializes in freight forwarder services for logistics project.	Andreana Yunizar Managing Director Gunawan Fatahillah Finance Director	Atmuzir Murad Marketing Director Wayan Nastra Suriantama Operations Director
PT Masaji Tatanan Kontainer Indonesia	Since it was established on August 21, 2017 in Jakarta, this subsidiary has been in the container depot business.	Armanto Pantjoro President Director	Ahwan Hasyim Finance Director

Revenue Contribution to the Company

18.7%



Achyar Abdul Muthalib



Adi Martadinata



Aditya Girindra Wardana



Ahwan Hasyim



Andreana Yunizar



Armanto Pantjoro



Atmuzir Murad

SAMUDERA LOGISTICS

Business Unit	Description	Board of Directors	
PT Silkargo Indonesia	Since it was established on October 28, 2003, this subsidiary has provided third party logistic services.	Muhammad Faqih Managing Director	Eky Kurniawan Business Development Director
		Indra Yuli Finance Director	Faris Aidid Commercial Director
Silkargo Logistics (Singapore) Pte Ltd	Ever since this subsidiary was established in Singapore on November 19, 1997, it has been in the logistic services provision business.	Aditya Girindra Wardana Managing Director	Adi Martadinata Deputy Director
Samudera Logistics DWC LLC	Established in 2015 in Dubai, Uni Arab Emirates, this entity provides end-to-end logistics services all over the world for various end users such as producers, buyers, exporters and importers.	Cyprianus Andriyanto Managing Director	
PT GAC Samudera Logistics	Since it was established on March 6, 1997, this joint venture between Samudera Indonesia with GAC, has provided services such as warehouses and distribution centers especially for the fast moving consumer goods (FMCG) sector.	Ronnie William Knowles President Director	Achyar Abdul Muthalib Finance Director
PT KCTC Samudera Logistics	Established in December 5, 2012, this subsidiary is a joint venture between Samudera Indonesia, Korea Container Terminal Corporation (KCTC) and Zimmoah Marine Transport.	D. Nefianto Budi Kunadi President Director	Muhammad Willy Managing Director
PT Maruzen Samudera Taiheiyō	Established on November 23, 2012, this subsidiary is a joint venture between Samudera Indonesia, Maruzen Showa Unyu, Co Ltd and Taiheiyō Kisen Kaisha Ltd.	Dani Zaelani President Director	Faris Aidid Business Development Director
PT Samudera JWD Logistics	Since it was established on September 27, 2017, this subsidiary specializes in cold chain logistics services.	Faris Aidid President Director	Eky Kurniawan Business Development Director
		Rima Joko Dwi Faryuni Finance Director	
Shal Hawk Silkargo Sdn Bhd	Since it was established in 2017, this subsidiary's main business is warehouse management in Port Klang Free trade Zone, Malaysia.	Oddy Medrian Managing Director	Aditya Girindra Wardhana Director



Bobby Irianto Cyprianus Andriyanto Dani Zaelani D. Nefianto Budi Kunadi Dhany Yudha Bintang Perdana



Eky Kurniawan Faris Aidid Gunawan Fatahillah Hurip Santoso Indra Yuli Muhammad Faqih



Muhammad Willy Niko Anindita Oddy Medrian Rima Joko Dwi Faryuni Ronnie William Knowles Wayan Nastra Suriantama Yudi Riyadi

SAMUDERA PROPERTY

Samudera Property is the Company's business line that was established in order to manage its property assets.

Revenue Contribution
to the Company

0.7%

Business Unit	Description	Board of Directors	
PT Samudera Properti Indonesia	Since it was established on December 11, 2015, this subsidiary has the main purpose to manage Samudera Indonesia property assets.	Jockhem Hendriksz S.T. Vice President Director	Sudibyo Managing Director
Samudera Property Ltd	Subsidiary established to manage the Company's property assets in Dubai, UAE	Trisnadi Mulia Director I Kadek Didik Wijaya Director	Cyprianus Andriyanto Director



SAMUDERA SERVICES

Samudera Services is the Company's business line that was formed to provide full operational support to all of the Company's business units. This business line has the main purpose to ensure that other business units can focus on their main business and operations.

Revenue Contribution
to the Company

0.2%



Business Unit	Description	Board of Directors	
PT Samudera Daya Mitra	This subsidiary has the purpose to meet the needs for human capital.	Asril Director	Rudolf Saut Director

SUBSIDIARY

Information on subsidiaries can be seen in the Corporate Group Structure in the Company Profile chapter of this Annual Report on page 28, and the addresses can be found in the Company Data chapter on page 86.



In a challenging year for the shipping industry and specifically for the Company, the Company strived to improve the performance of each business line.



MANAGEMENT DISCUSSION AND ANALYSIS



IRIANDAYA (PAPUA) - PANTAI BARAT
TELUK BERAU

SEKALA 1 : 200 000 (02°25'00\"/>

Keterangan: Garis-garis dengan nomor dan hurufnya menunjukkan jarak-jarak yang terukur. Terletak 11 dan berarah ke Utara, 133° (Datar Utara dari dan 133°) berarah ke Timur sampai 7. Mula 15-30 dan, 22 dan, 22 dan, 15 dan, 10 dan, dan Mula 11 - 10 dan di bawah 10 dan. **Keterangan:** Garis-garis dengan nomor dan hurufnya menunjukkan jarak-jarak yang terukur. **Sistem:** - WGS 1984 (World Geodetic System - 1984) **Sistem Proyeksi:** - UTM (Universal Transverse Mercator) **Sumber Data:** - "Indonesia" (Indonesia), 1:250,000, dan skala kecil. **Uraian:** yang digunakan untuk membuat peta ini adalah pada skala 1:250,000. **Data:** Data untuk peta ini diambil dari peta-peta yang ada di Departemen Teknik Hidrografi Angkatan Laut tahun 1971.

PT. PERTAMINA
DIREKTORAT JENDERAL HIDROGRAFI DAN OSEANOGRAFI
LINGKAR HIDROGRAFI DAN OSEANOGRAFI
Jl. H. Djojonegoro, Jakarta, Indonesia

FINANCIAL AND BUSINESS REVIEW

MACROECONOMIC REVIEW

The global economy in 2018 is still not as exciting as expected. The International Monetary Fund (IMF) through its publication World Economic Outlook that was published in January 2019 stated that the global economic growth in 2018 reached 3.7% a slight slowdown compared to 2017 growth of 3.8%. This growth is also lower compared to the early prediction by IMF of 3.9%. IMF added that the global economic movement had the tendency to decline throughout 2018. This reflected that the economical growth of industrial countries in Semester I 2018 was lower than expected. Despite the uptick in early period of 2018 that was caused by upward trend at the end of 2017, industrial production and trade lost their momentum midway through 2018.

World Economic Growth and Outlook in 2019

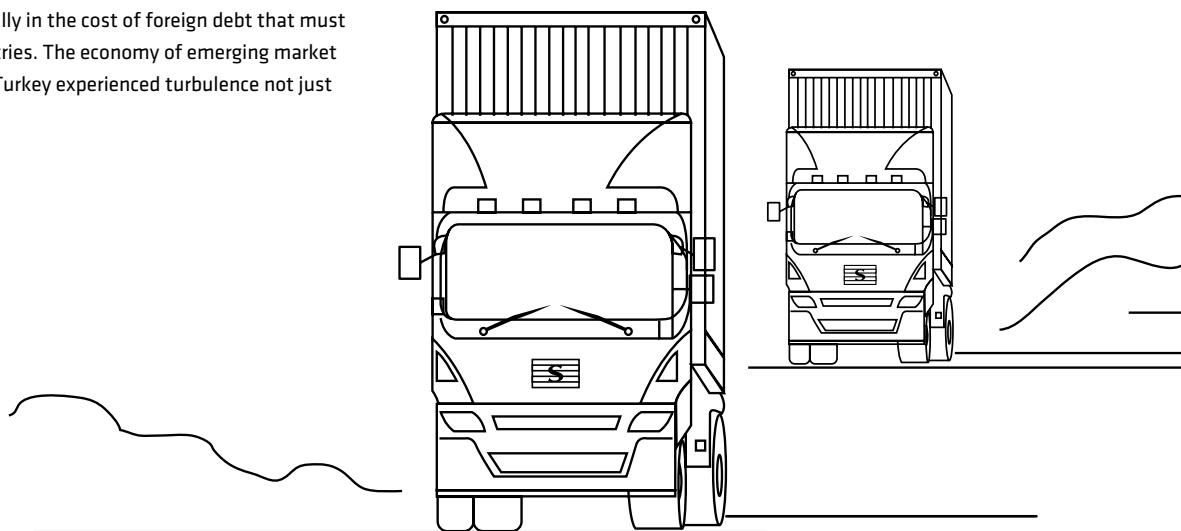


Source: IMF World Economic Outlook, January 2019

This economic growth slowdown is inseparable from the impact of tariff war between the US and China in which the imposition of import tariff policy by the US to its trade partners – especially China – has resulted in reduced trade volume. This protectionist policy has escalated uncertainty in trading policies, that resulted in investors' hesitation to commit to long term investment. However, this policy continued positive trend in economic growth in the US that was supported by the increase of demand, as a result of tax cuts and increased purchasing power. Even though in the long run, as was reported in the Conference Board (2019), this policy would not be sustainable to bolster the US economy.

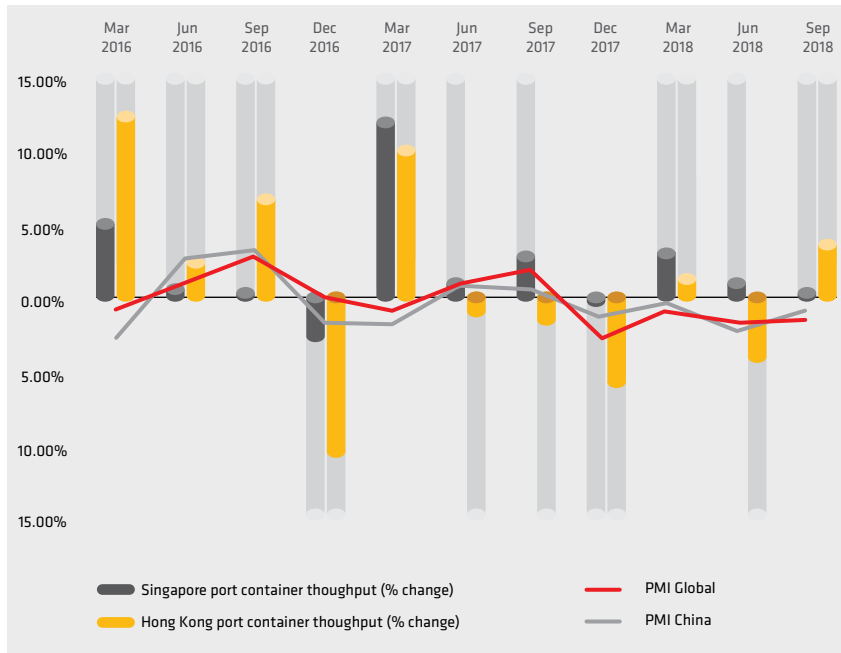
In terms of exchange rate stability, IMF report also shows that US Dollar strengthening against various other currencies in the world had a significant impact on the developing countries, especially in the cost of foreign debt that must be shouldered by these countries. The economy of emerging market countries such as Brazil and Turkey experienced turbulence not just

due to domestic issues but also because the increase in US interest rates caused capital reversal to the United States. In Europe, United Kingdom is still in the midst of formulating post-Brexit trading formula, that resulted in uncertainty in Uni European trading. Meanwhile, China, as the world's second biggest economy, experienced an economic slowdown throughout 2018. Data from OECD (Organization for Economic Co-operation and Development) recorded China economy experiencing a decline of almost 0.3 pp at the end of 2018 (6.6%) compared to 2017 (6.9%). Import tariff and trade war with the US are considered by OECD as the causes of China's economic slowdown. OECD also looked at the impact of China economic slowdown and the domino effect it had on Asian countries. Japan and Korea's economic growth only rose 0.5% and 1% respectively in 2018. However, India as one of the world's economic force, still experienced a significant growth, from 6.7% in 2017 to 7.5% in 2018.



China's economic impact on trading activities can be analyzed through the relationship between throughput container changes in two main Asian ports (Singapore and Hong Kong) compared to the changes from Purchasing Managers Index (PMI), as illustrated in the chart below:

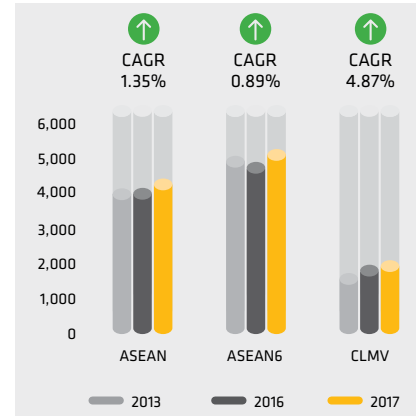
Relationship between PMI and Trade Volumes



Source: IMF World Economic Outlook, January 2019

The chart above shows the strength of PMI influence from China economic activities to global PMI. General PMI growth described the level of optimism of the market that reflected trading volume increase. This is apparent in the last five quarters in which PMI movements have patterns strongly correlated with the increase in trade volume. In Southeast Asia region, ASEAN-5 (Indonesia, Malaysia, Philippines, Thailand and Vietnam) still managed to record economic growth in 2018. OECD recorded Vietnam and Philippines experienced economic growth of 6.8% and 6.7% respectively. Malaysia, Indonesia, and Thailand followed suit with economic growth of 5.9%, 5.1%, and 3.9% respectively. Outside of ASEAN-5, Singapore and Brunei Darussalam recorded smaller economic growth: 3.5% and 2%. Meanwhile, ASEAN-3 (Myanmar, Laos, and Cambodia) also recorded economic growth of 7%, 6.6% and 6.6%. OECD recorded private consumption as the key of ASEAN growth, and it's predicted to continue to increase.

ASEAN Income Per Capita Growth



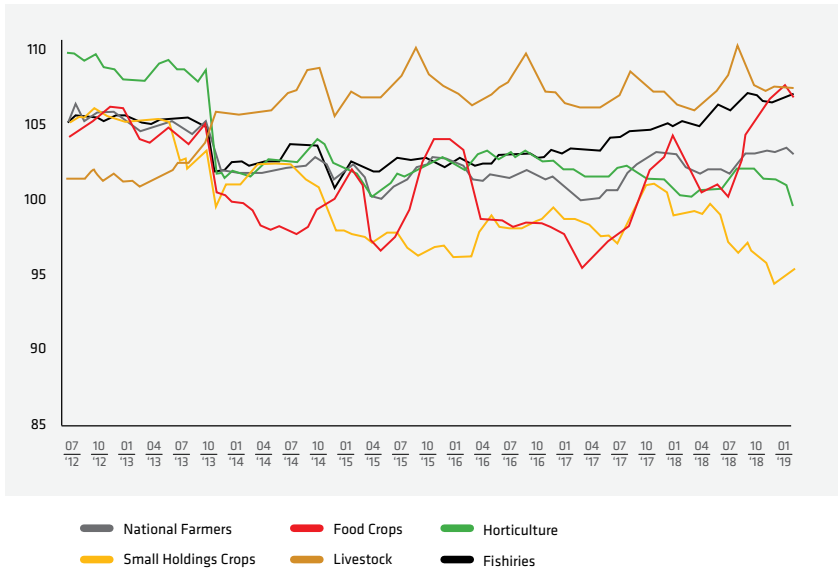
CAGR : Compound Annual Growth Rate
 CLMV : Cambodia, Laos, Myanmar, Vietnam
 Source: ASEAN Statistic

In terms of growth per capita, ASEAN economic growth in the last few years is mostly supported by the growth in for new ASEAN countries (Cambodia, Laos, Myanmar and Vietnam). Even though in absolute terms the income per capita in CLMV countries is lower than ASEAN 6 countries, but CLMV income per capita has grown 4.87 while on average ASEAN only grew 1.35%. It can be predicted that these countries will be the source of ASEAN market growth in the future with the potential for big demands for goods and services.

In the Indonesia Economic Quarterly report published by the World Bank in December 2018, the World Bank recorded Indonesian economic growth in 2018 was 5.2%. World Bank explained that domestic demand increase and the enthusiasm in the labor market were the reasons for Indonesia's resiliency to external factors. Prices of commodities that have been Indonesia's main exports increased in 2018 especially for coal, crude oil and LNG, that directly impacted Indonesia's export. Indonesia's coal and base metal exports recorded the biggest growth, while oil and gas export was down. However, Import growth still outgrew exports due to consumption and investment increase. World Bank recorded that up to Quarter 3 2018, Indonesia's current account deficit was 2.7% of its GDP.

Indonesia was also one of the countries affected by US Dollar appreciation. Rupiah's weakening against US Dollar touched Rp15,237 per US Dollar in October 2018, from Rp13,600 per US Dollar at the end of 2017 and closed at the end of 2018 at the level of Rp14,380 US Dollar. World Bank has also noticed that Rupiah depreciation once reached level 8.2% for nominal exchange rate and 4.1% for Real Effective Exchange Rate (REER).

The terms-of-trade of Indonesian products still fluctuate in the global market. Terms-of-trade is one of the indexes that can explain the relationship between the import commodities volume that can be bought with a country's export commodities.



Source: Bloomberg (processed data)

The above chart shows that the fisheries and livestock sectors have the potential to be the export commodities alternative source of foreign exchange, judging from the stability of the commodities' terms of trade in the global market.

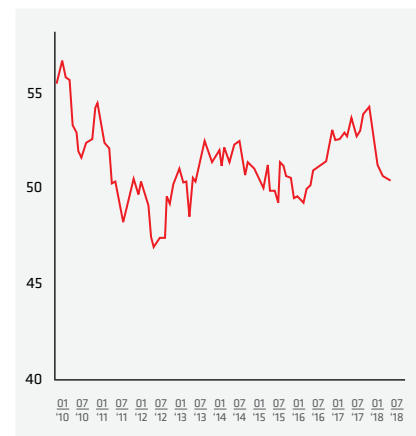
INDUSTRY REVIEW

The performance of the shipping industry is closely related to the international and domestic trading volumes, that depends on the economical growth of major trading countries. IMF recorded that the global trading volume growth experienced a growth of 4% in 2018, a slowdown compared to 5.3% in the previous year. In the beginning of 2018, IMF predicted global trading volume growth of 4.6% but corrected downward due to the decline in global trading climate caused by trade war between the US and China and European Union.

Based on the latest World Trade Organization (WTO) report, world trading will continue to develop yet at a slower pace. WTO anticipated goods trading volume growth at 3.9% in 2018, from early prediction of 4.4%, aside from tensions between the US

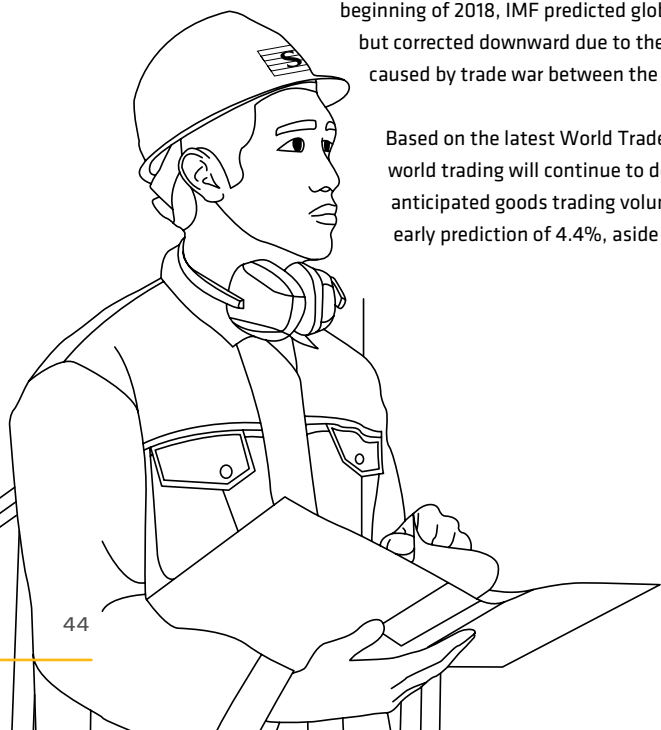
and China, the decline was also caused by the decline in global GDP to 3.1% in 2018. This decline was in line with the slowdown in trading momentum since the first quarter of 2018. Based on the global PMI new order index, there's a decline from 54.1 in January to 50.3 in August. Global uncertainty has also caused a weakening in investment. WTO recorded uncertainty index in 2018 to be higher than during the global financial crisis in 2008. This caused the investment and trading activities to weaken, especially in investments that involved capital goods with import contents.

Global PMI new export orders index, January 2010 - August 2018
Index order = 50

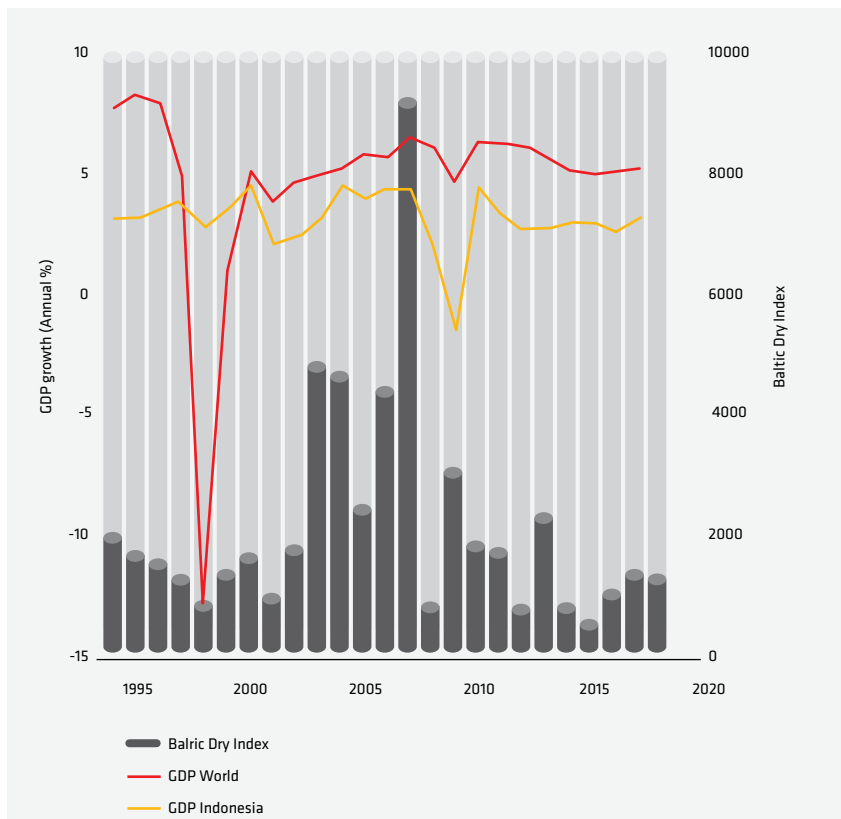


Source: WTO (2019)

Along with IMF data, Baltic Dry Index and Harper Shipping Index numbers showed that the shipping industry continued to experience a slowdown that indicated a slowdown in global economy. Container and dry bulk commodity trading numbers continued to slow down. Baltic Dry Index showed a decline of 4.7% since mid-2018 when US-China trade war began. Harper Shipping Index that is used to measure container growth, indicated a decline since June 2018. This figure showed a decrease in demand on the shipment of manufactured growth, which indicated a slowdown in manufacturing industries in various regions such as Asia, European Union, and the United States of America.



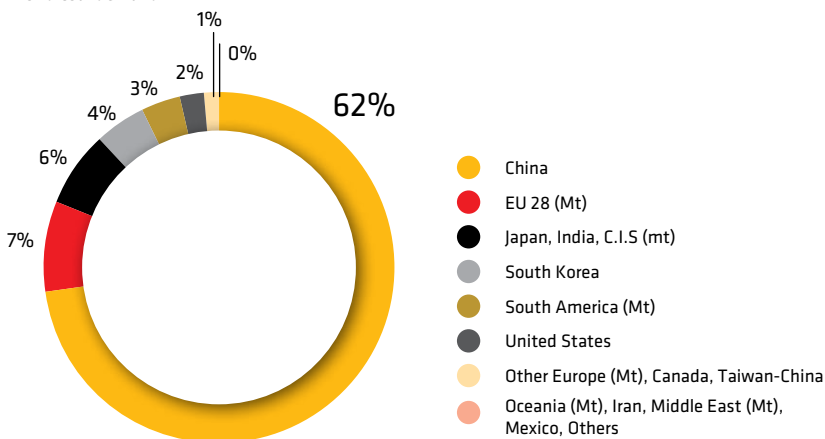
Global Economic Growth, Indonesian Economic Growth and Baltic Dry Index



Source: Bloomberg & World Bank Development Indicator (Data processed by: SIRI)

The above image shows the fluctuation relationship from Baltic Dry Index and the growth of global and Indonesian economies. Baltic Dry Index decline reflected a decline in global manufacturing output demand that decelerated the flow of economic growth. Furthermore, there's a high correlation between Baltic Dry Index and Harper Shipping Index with China manufacturing activities, implying that the index decline caused global worry. China's economic slowdown was considered as the main factor that caused the decline in commodity demand and various consumption products. It is undeniable that China economic slowdown has produced a domino effect on the regional economic growth, for China contributed 30-40% to the global growth in the past decade. One of the indicators is the fact that China has become the biggest coal importer in the world with up to 60% in proportion.

World coal demand



Another issue in the shipping industry is the ship carrying capacity that grows faster than demand, which caused an excess in global capacity that then caused shipping tariff to be lowered. According to IHS Global Insight, global cargo volume 2018 is at 146 million TEU, increasing by 4% from the previous year but 0.9% lower than the early prediction in 2018. According to Drewry Container Forecaster, in 2018, aggregate capacity from global container fleet is at 21.9 million TEU or an increase of 5.4% compared to the previous year. Meanwhile, the number of old ship scrapping is at a lower level, 100 thousand TEU in 2018. At the end of 2018, idle fleet totaled to 179 ships with capacity up to 0.6 million TEU. Idle fleet was dominated by small size ships with a volume of 5,100 TEU. However, according to MDS Transmodal, there are 16.4 container ships with 1.3 TEU capacity that started sailing in 2018.

The increase in fuel (bunker) price in the shipping industry was very much affected with the price for world oil. Bloomberg recorded that crude oil price was at USD53.80/barrel in December 31, 2018, or 20% lower compared to the end of 2017 that reached USD66.87/barrel. Oil price reached its highest level in October, at USD86.29/barrel (Bloomberg) before declining and at the end of the year was at a lower position than early 2018 projection. Another issue faced by the industry is the International Maritime Organization (IMO) regulation to reduce sulphur dioxide emission (SO₂) that will be in effect in 2020, which forces shipping industry players to start switching to low sulphur fuel with a higher price that will directly affect the finances of the companies in the industry. Moreover, the uncertainty in global economy has caused the shares in the "Shipping Marine Peer Group" to experience 27% decline in 2018, following a declining trend in S&P 500 (6%) and Hang Seng (14%). Container liner companies shares fell drastically at 30% due to bunker cost increase and the decline in Asia - Europe trade volume. Dry-bulk has also experienced a 29% decline, and tanker experienced a 12% decline.

According to data gathered by Bank Indonesia (BI), transportation sector as a whole contributed 6.74% of GDP and the annual growth rate of this sector was 8.34% higher in 2018 compared to 2017, higher than the country's economic growth. The growth in this sector is higher than the growth in the nation's economy. The government continued to boost infrastructure development in order to support transportation sector to reduce logistics cost in Indonesia. In 2018, the government has built new toll roads of 1,000 KM and main roads of 4,670 KM. Furthermore, the government has also built intercity and inner city railroad tracks of 3,258 km and 1,000 km respectively, as well as 15 commercial airports and 6 new cargo airports. Most importantly, the government has built new ports in 24 locations, and ferry ports in 60 locations.

Infrastructure development that the Indonesian government continues to work on today goes hand in hand with the effort to improve the Indonesian logistics sector competitive edge. One of the references that mentioned this was the Logistic Performance Index. Based on the World Bank report on Logistic Performance Index (LPI), an index made based on rating valuation between 1-5, Indonesia is a bit behind in "infrastructure" to do with trading infrastructure quality and transport so the development in transportation sector is a prerequisite in improving Indonesia's competitive edge.

The Indonesian National Shipowner's Association (INSA) stated that the profit margin for shipping industry is still in the one digit range. General cargo sector faced a difficult time due to ports still prioritizing container ships, which caused the risk of congestion. Domestic container sector is predicted to follow Indonesian economic growth at the range of 5.2%.

INSA added, in the offshore sector, in 2018 it recorded a slight growth, even though its utilization level reached 50 percent. Domestic tanker ship sector continued to record positive performance in 2018. This positive performance was supported by the significant rise in FAME (Fatty Acid Methyl Ester) cargo relating to the B20 policy, that affected in the change of cargo flow and created a temporary

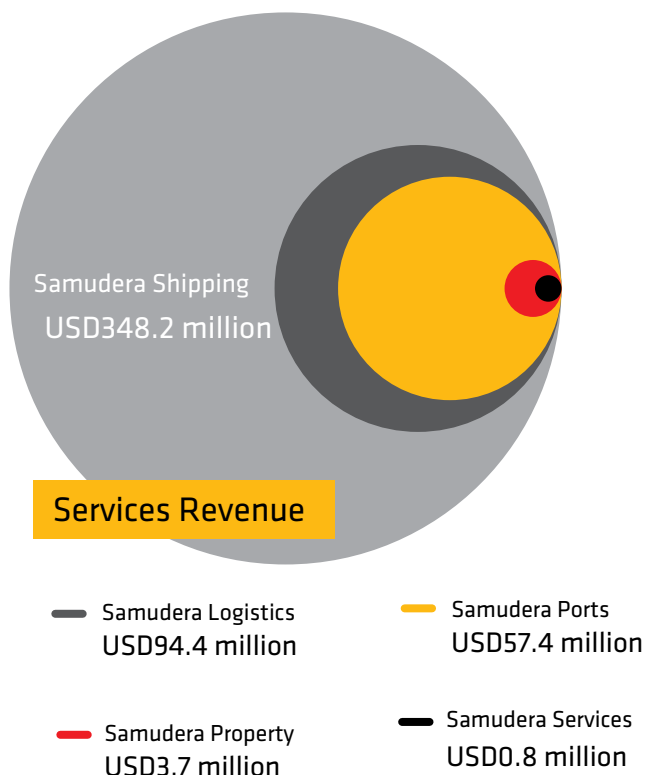
scarcity for 2,000 - 5,000 DWT size ships. In the barge and bulk sector, coal cargo recorded a positive growth caused by coal production volume that reached 485 million ton in which bulk and barge utilization reached 100%. If the Indonesian economic growth in 2019 is predicted to still reach beyond 5%, then the bulk and barge absorption utilization will still be at an exciting level for the bulk and barge industry players.

BUSINESS REVIEW

Samudera Indonesia business performance as a whole in 2018 increased from the previous year, in line with the increase in industrial market, especially at the end of the year. Total revenue of all services from its five main business lines - Samudera Shipping, Samudera Logistics, Samudera Ports, Samudera Property and Samudera Services - grew 12.0% to USD482.4 million. Below is the performance detail of each business line in 2018:

Samudera Indonesia Business Financial Performance Highlights

Note	Samudera Shipping	Samudera Logistics	Samudera Ports	Samudera Property	Samudera Services
Service Revenue (in million USD)	348.2	94.4	57.4	3.7	0.8
Service Revenue Growth (%)	11.7	7.5	-4.3	54.9	n/a
Net Profit (Loss) (in million USD)	4.2	4.9	4.8	0.6	0.1
Net Profit (Loss) (% against revenue)	1.2	5.2	8.4	14.8	5.7



Samudera Shipping



Samudera Shipping is the main contributor to Samudera Indonesia service revenue, as much as USD348.2 million and contributing to 69% of total revenue. The performance of the shipping business has increased, with revenue growth of 11.7% compared to the previous year. This was supported by sent goods volume and an increase in lifting.

The decline in Net Profit is inseparable from the Cost of Service that increased sharply in 2018. This was caused by the significant increase in bunker and Cost of Service. In order to mitigate it, the Company continued to increase efficiency and operational productivity by streamlining routes as well as focusing on certain routes, maximizing asset utilization, fleet renewal, and improving ship management.

For the Container Shipping segment in 2018, the Company operated 20 units of ships with lifting of 1,97 million TEUs. The Company consolidated or conducted slot exchange through cooperation with other shipping company partners in order to improve container shipping capacity.

Bulk segment recorded a revenue of USD6.2 million, 28.7% increase from last year.

From the shipowning segment, the Company has added new fleet for container ships, Sinar Penida and Sinar Pomalaa with total capacity of 1,218 TEUs.

For ship management segment, the Company managed 34 ships both owned by the group or third party ships. The Company has continued to develop its brand image and strengthened its customer service.

Samudera Logistics

The second biggest Service Revenue contributor is the Logistics business, with revenue of USD94.4 million (7.5% increase from 2017). The Logistics business line generated Net Profit of USD4.9 million, reflecting Net Profit percentage to Logistics revenue of 5.2%. The Company's focus that targeted market segmentation increase has shown Logistics business to be one of the main engines of growth for the Company.



In 2018, the Company finished an acquisition in cold storage, as a concrete plan in the Company's investment. The Company is optimistic that the cold storage business will bring positive contribution.

Warehouse segment recorded a revenue growth caused by the development of cold storage business by the Company. The Company will continue to improve its service to the customers as well as expanding its service areas by opening up new branches.

From the container depot segment, total land that the Company owned in 2018 was 43 Ha. The revenue for this segment increased 10.9% compared to the previous year. The Company will continue to improve container depot capacity completeness by finding lands with good business prospects as well as new principles.

In the land transportation segment, the Company operated more than 400 trucks used for various works done by the Group or by third party.

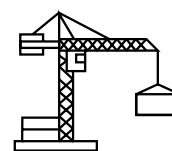
In the Logistic Project segment, the Company will still diversify its business in order to expand its focus not just in electricity project, but also other industry categories.

For Third Party Logistic, the Company recorded an increase in Service Revenue of 12.7% compared to the previous year. This was managed to be achieved due to realization of big projects in various branches.

Samudera Ports

The loading and unloading activities in the domestic and international container terminals declined, reflected in the Terminal Business Service Revenue that declined 4.3% from the previous year to USD57.4 million. However, this business still produced Net Profit of USD4.8 million, or 8.4% from total Ports Revenue.

For Domestic Port, the Company handled loading and unloading activities in Tanjung Priok port for domestic



shipping route with total volume of 385,174 TEUs, or increasing by 7.2% compared to the previous year. Palaran port in

Samarinda experienced an increase in container flow of 10.5% compared to 2017 with total volume of 263.874 TEUs.

Meanwhile, International Port recorded volume decline of 17.4% compared to 2017 with operational volume of 236,089 TEUs. This was caused by the decline in cargo principal volume.

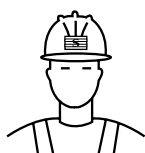
Port Support segment is part of the Ports business line that will continually be improved in order to ensure the equipment used by the Group is always in its prime condition so as not to disrupt operational performance.

Samudera Property

Throughout 2018, Property business line recorded a revenue growth of 54.9% to USD3.7 million with net profit of USD0.6 million or 14.8% against Property revenue. The Company will continue to manage the Property asset that it owns to maximize this potential.



Samudera Services



In 2018, the Company added a new business line to meet the human capital consulting. In the future, through the Services business segment, the Company will develop information system management services, operational and official vehicle management, travel ticket procurement, tour & travel, as well as event organizer to support the Company's main operations.

Samudera Indonesia recorded total Service Revenue of USD482.4 million 2018, increasing by 12.0% from USD430.8 million in 2017. This revenue came from an increase in Revenue performance from all of the Company's main business segment. The Company is committed to improve on this in 2019.

Cost of Service in 2018 reached USD418.6 million, increasing by 14.4% from USD365.9 million in 2017. This was mainly affected by an increase in bunker cost in 2018. An increase in Cost of Service caused a decrease in the Company's Gross Profit in 2018 of 1.7% compared to 2017, or from USD64.9 million to USD63.8 million.

The Company implemented efficiency policy in 2018, that managed to suppress costs such as depreciation expense, repair and maintenance expense that covers an increase in salary expense, rental expense and travel expense. This efficiency caused the General and Administration Expenses in 2018 only increasing slightly to USD41.4 million from USD40.7 million in 2017, or 1.7%.

Other Expenses experienced 38.0% increase in 2018 compared to 2017, or reaching USD9.8 million from USD7.1 million. The biggest contributor is the Company's loss in the Foreign Exchange market due to the increase of loan rate. At the same time, the Company's allowance for uncollectible accounts and elimination of the Company's trade accounts receivable in 2018 experience a decrease from 2017.

The increase in cost of service caused a 26.3% decrease in Net Profit Before tax to USD12.6 million in 2018 from USD17.1 million in the previous year.

FINANCIAL REVIEW

Discussion and analysis on the financial performance referring to the Consolidated Financial Statements for the years ending on December 31, 2018 and 2017, that has been audited by Certified Public Accountants Office Satrio Bing Eny & Partners - member of Deloitte Touche Tohmatsu Limited. Audit result showed Unqualified Opinion, that reflected that the consolidated financial statements of PT Samudera Indonesia Tbk and its subsidiaries, per December 31, 2018, was presented as fair in all material respects, such as financial, performance and cash flow positions, according to the prevailing Financial Accounting Standard in Indonesia.

Consolidated Financial Performance

In million (USD)	2018	2017	Changes (%)
Service Revenue	482.4	430.8	12.0
Cost of Service	(418.6)	(365.9)	14.4
Gross Profit	63.8	64.9	-1.7
General and Administrative Expense	(41.4)	(40.7)	1.7
Other Income (Expense)	(9.8)	(7.1)	38.0
Income Before Tax	12.6	17.1	-26.3
Tax	(5.2)	(5.6)	-7.1
Income After Tax	7.4	11.5	-35.7
Profit Attributed to:			
• Owner of the Company	7.3	9.7	-24.7
• Non-controlling Interests	0.1	1.9	-94.7

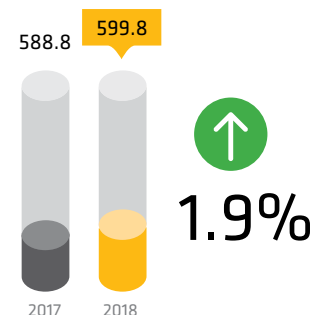
The Company recorded Profit Attributed to Parent Company in 2018 of USD7.3 million or down 4.1% from USD9.7 million in 2017. The Company also recorded Profit (Loss) Per Share in 2018 of USD000.2.

Assets Composition per December 31, 2018

In million (USD)	2018	2017	Changes (%)
Cash	55.6	73.4	-24.3
Accounts Receivable	129.1	106.8	20.9
Other Assets	35.9	32.9	9.1
Total Current Assets	220.6	213.1	3.5
Investment	20.7	19.4	6.7
Property and Equipment	342.5	338.6	1.2
Other Non-Current Assets	16.0	17.7	-9.6
Total Assets	599.8	588.8	1.9

Total Assets

(in million USD)



ASSET CHANGES

Total Asset increased 1.9% to USD599.8 million in 2018 from USD588.8 million in the previous year. This increase was mainly caused by an increase in accounts receivables due to improved Company performance.

COLLECTIBLE LEVEL

The Company's ability to collect receivables is still manageable with Days Receivable of 91 days in 2018, increased from 90 days in 2017. The Company continues to monitor closely its customers collectability as well as picking and choosing customers to ensure Days Receivable is well managed.

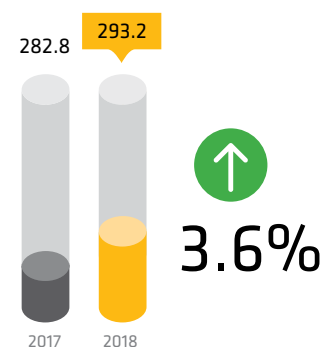
LIABILITY CHANGES

Liabilities Composition Per December 31, 2018

In million (USD)	2018	2017	Changes (%)
Short-term Bank Loans	61.5	62.2	-1.1
Trade Accounts Payable	55.3	43.4	27.4
Accrued Expenses	33.0	33.4	-1.2
Current Maturities of Long Term Liabilities Loans	19.7	27.6	-28.6
Other Short-term Liabilities	31.9	22.1	44.3
Total Current Liabilities	201.4	188.7	6.7
Other Long Term Loans	85.5	87.3	-2.1
Employee Benefits Obligations	5.5	6.0	-8.3
Other Non-Current Liabilities	0.6	0.8	-12.5
Total Non-Current Liabilities	91.7	94.1	-2.6
Total Liabilities	293.2	282.8	3.6

Total Liabilities

(in million USD)



Samudera Indonesia's total liabilities at the end of 2018 is USD293.1 million, increasing by 3.6% from USD282.8 million at the end of 2017. Total long-term liabilities continued to be reduced along with terms of payment that have been agreed upon. However, there's an increase in accounts payable and customer guarantee money.

ABILITY TO REPAY DEBT

One indicator of a company's ability in repaying debt is its liabilities to equity ratio, that in 2018 stood at the level of 95.6%, increasing slightly from 92.4% in the previous year. Debt to equity ration (DCSR) increased to 1.63 times from 1.32 times in the previous year. This shows that the Company has enough cash flow to pay all debts due. Company Liquidity is reflected in its current ratio (current asset compared with current liabilities) of 1.1 times.

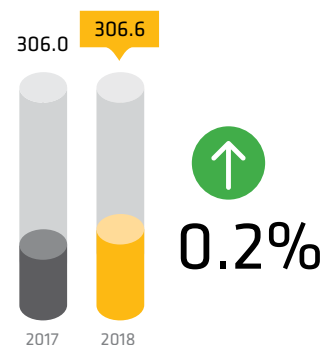
EQUITY OR CAPITAL

Capital Composition per December 31, 2018

In million (USD)	2018	2017	Changes (%)
Capital attributed to Owner of the Company	35.8	41.1	-12.9
Retained earning	174.1	171.3	1.6
Total Capital attributed to Owner of the Company	209.9	212.4	-1.2
Capital attributed to Non-Controlling interest	96.7	93.6	3.3
Total Equity (Capital)	306.6	306.0	0.2

Total Equity (Capital)

(in million USD)



Total Company equity per December 31, 2018 is USD306.6 million, increasing 0.2% from USD306 million in 2017.

CAPITAL STRUCTURE AND DIVIDEND POLICY

Capital Structure and Policy

	2018 (million USD)	Composition (%)	2018 (million USD)	Composition (%)
Current liabilities	201.4	68.7	188.7	66.7
Non-Current liabilities	91.7	31.3	94.1	33.3
Total liabilities	293.1	100.0	282.8	100.0
Equity (Capital)	306.6	51.1	306.0	52.0
Total Liabilities and equity	599.7	100.0	588.8	100.0



The Company's capital structure in 2018 continued to be dominated by equity compared to liabilities in its composition, even though there's an increase in liabilities. Equity composition in 2018 is 51.1% or 0.9% decrease from the previous year. The Capital to total Liabilities ratio reached 105%, slightly lower than 108.2% in the previous year. Dividend policy done by the Company, calculating external market condition, ranged in the 25-50%. The Company is committed to always pay dividend to its shareholders, by continuing to maintain the balance between the Company's capital needs in order to meet the business target that has been set by the management, while at the same time continuing to provide sufficient profit to the shareholders.

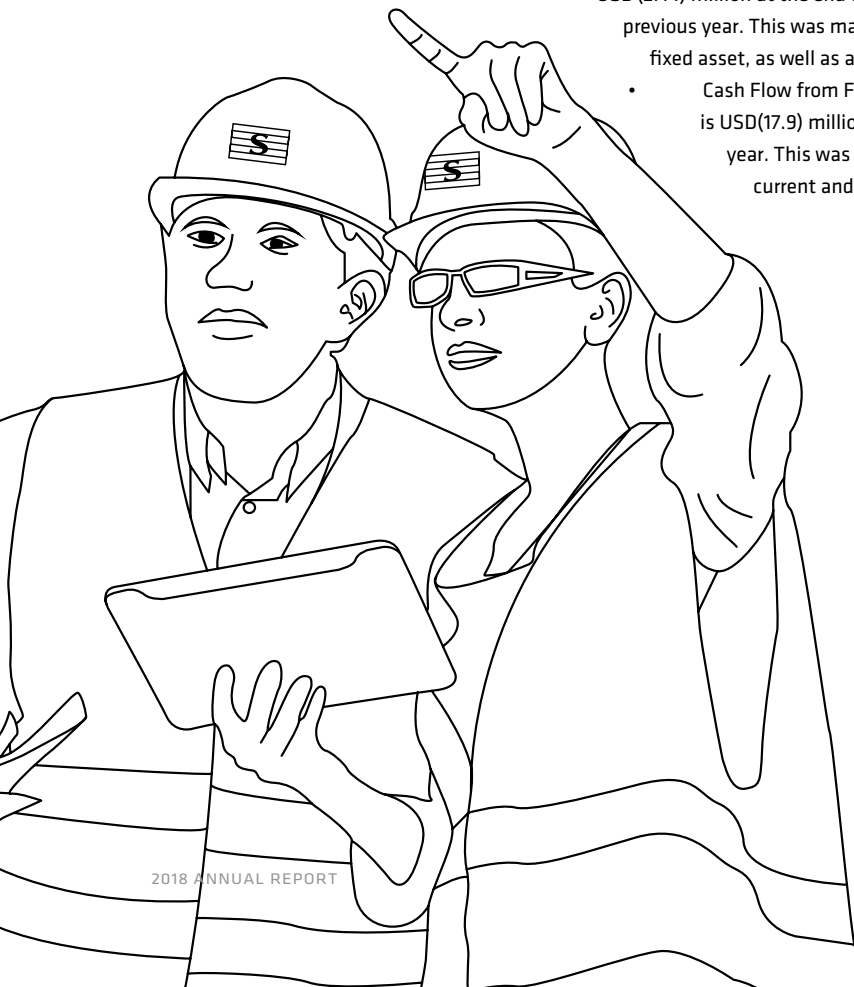
CASH FLOW

Cash Flow Performance 2018

In million (USD)	2018	2017	Changes (%)
Cash flow from Operational Activities	28.6	25.5	12.2
Cash flow from Investment Activities	(27.4)	(6.5)	321.5
Cash flow from Financing Activities	(17.9)	(17.7)	1.1
Cash and Cash Equivalent Net Increase (decrease)	(16.8)	1.3	-1,392.3
Cash and Cash Equivalent at the beginning of the year	73.4	70.2	4.6
Impact of change in Foreign Exchange Rate	(1.0)	1.9	-152.6
Cash and Cash Equivalent at the end of the year	55.6	73.4	-24.3

At the end of 2018, Samudera Indonesia recorded Cash Flow of USD55.6 million, decreasing by 24.3% from USD73.4 million in 2017.

- Cash Flow from Operating Activities: Net Cash Flow from Operating Activities is USD28.6 million, increasing 12.2% from USD25.5 million in 2017. This was due to the significant increase in cash received from consumers and generated by operations exceeded the increase of cash used to pay supplier and interest.
 - Cash Flow from Investment Activities: Cash Flow used for Investment Activities is USD (27.4) million at the end of 2018, increasing by 321.5% from USD(6.5) million in the previous year. This was mainly caused by the Company increasing its acquisition on fixed asset, as well as a decrease in cash from sale of asset.
 - Cash Flow from Financing Activities: Cash flow used for Financing Activities is USD(17.9) million, increasing by 1.1% from USD(17.7) million in the previous year. This was solely caused by increase in payment for the Company's current and long-term liabilities.



TARGET AND ACHIEVEMENT

	2018 (million USD)		Achievement (%)
	Achieved	Target	
Service Revenue	482.4	439.2	9.8
Net Profit	7.3	12.9	-43,4

Throughout 2018, the Company was able to exceed target in Service Revenue, but unable to achieve Net Profit target.

INFORMATION ON MATERIAL CORPORATE ACTION, INVESTMENT, EXPANSION, DIVESTMENT, ACQUISITIONS, AND DEBT OR CAPITAL RESTRUCTURING

ACQUISITION

In 2018, the Company finished acquisition of PT Adib Cold Logistic, a company in cold storage and cold chain.

INVESTMENT

Throughout 2018, the Company realized investment plans in the form of purchasing asset and other supporting equipment worth USD21.3 million.

MATERIAL INFORMATION ON TRANSACTION WITH CONFLICT OF INTEREST

In 2018, there's no material transaction with conflict of interest. Transaction business with related parties include purchase, sales and rental, in which the Company treated these things as normal business transaction, similar to other third party transaction. The names of parties with relations as well as type and total transactions are disclosed in detail in Note 33 in the Consolidated Financial Statement.

ADOPTION AND INTERPRETATION FROM NEW FINANCIAL ACCOUNTING STANDARD STATEMENT

Throughout 2018, the Company has implemented new standard, revision and interpretation that was released by the Financial Accounting Standard Board of the Indonesian Accountants Association, relevant to the Company's operations and effective for the accounting period beginning on January 1, 2018. Implication of all new standards and revisions as well as the interpretation of what is published does not have a significant impact on the Company's financial statement.

REGULATIONS AND LEGISLATIONS AMENDMENT

In 2018, there is no amendment on prevailing Legislation of the Republic of Indonesia with significant impact on the consolidated financial performance of PT Samudera Indonesia Tbk.

EVENTS AFTER REPORTING DATE

No significant matters happened with an impact that needed disclosure after December 31, 2018 to the date that the Audited Financial Statement was published on March 29, 2019 until the Annual Report is published.

BUSINESS PROSPECTS AND STRATEGIC PLANS

In 2019, the global economy is predicted to still experience a slowdown caused by the slowdown that happened at the end of 2019. The world economy in 2019, according to IMF, will grow 3.5%, in which the growth of developed countries will reach 2.0% and developing countries will reach 4.5%. Prospect in 2019 is predicted to be in the same level. Commodity prices will continue to increase, even though world trading growth trend will slow down below 2017 average. This is all due to the import tariff that the US has implemented.

Data released by OECD stated that Asia and Southeast Asia will still be the motor in economic growth. Despite the slowdown of China economy, India's economic growth is predicted to still skyrocket. OECD highlighted that as a whole, private consumption in this sector will remain strong, supported by the stability of the labor market and transfers between countries. Growth in export will still happen despite uncertainty in trade policies. India's economic growth is projected by OECD to exceed 7% and ASEAN-5 growth exceeding 5.2%. OECD also predicted that ASEAN-3 (Cambodia, Laos, Myanmar) will have stable growth at 7%. MENA region will also slowly catch up.

More on Indonesia, in medium-term OECD projected that Indonesian economic growth from 2019 - 2023 will be at 5.3%. OECD counted the rise in labor market will push private consumption sector to follow the trend from 2007. Sustainable improvement in Indonesia's investment climate will have a positive impact on the expansion of production base and work opportunities. OECD stated that public debt ratio to GDP can still be managed well by Indonesia.

The government, just like OECD, through RAPBN 2019 projected economic growth in 2019 will reach 5.3%, an increase from 5.2% in 2018, with inflation rate at 3.5%. Rupiah's exchange rate against USD will reach Rp15,000 per Dollar and oil price USD70 per barrel. Inflation rate to this day is still under the projection, while the rupiah is at Rp14,300 per US Dollar, and oil price at USD69.9 per barrel. So far this is all still in line with government projection. 2019 for Indonesia will be a dynamic year, because of the Presidential and Legislative Election that will increase risk for investors as well as business players.

Rupiah exchange rate depreciation that happened in 2018 can be converted to source of foreign exchange income if the trade strategy is implemented well. Currency depreciation will make Indonesian commodity goods will be relatively cheaper, which will push domestic goods demands in the international market.

From the shipping industry, regulation implementation plan by International Maritime Organization on the limitation of sulphur in fuel to 0.5% from 3.5% that will be in effect on January 1, 2020 can be an opportunity for international dry bulk cargo type of operation. This will push an increase in scrapping rate that will strengthen bargaining position in the future and make charter rate increase possible. On the contrary tanker rate will only rise slightly, influenced by demolition level of Very Large Crude Carriers (VLCC) that was very high in 2018, along with a decrease in oil production

by OPEC, so the balance between demand and offer does not have a big impact on the income received by operator. The Company is committed to deal with every challenge and opportunity in 2019 with prudence in order to take the right step.

STRATEGIC PLANS

From the business standpoint, the Company is after business lines with a high profit margin, as well as optimizing performance and cost efficiency, and vendor management. From the investment standpoint, the Company will prioritize on Captive Market and Long Term Investment. The Company will focus on risk management to suppress deviation from the target.

Sub-holding implementation in each business line has been conducted with the aim to maximize the growth of each line. The Company is also catching up on digitalization in the Company's operations to prepare for Industrial Revolution 4.0.

From the Financial standpoint, the Company will maintain a strong capital structure and healthy balance sheet including maintaining debt ratio according to the financial covenant that has been approved by related parties. Synergy with Third Parties are expected to help the Company to achieve profitability level that has been targeted.

PORTS BUSINESS

The Company will continue to be committed in finding potential port locations in Indonesia, supported by good information technology system utilization.

LOGISTIC BUSINESS

The Company will increase investment for land, warehouse, distribution centers, container depots as well as land transportation fleet and continue to smooth the logistic business. Not just in Indonesia, the Company will explore other logistic business investments overseas.

SHIPPING BUSINESS

For this segment, the Company plans to improve fleet productivity and maintain the level of Cost of Service in the expected number.

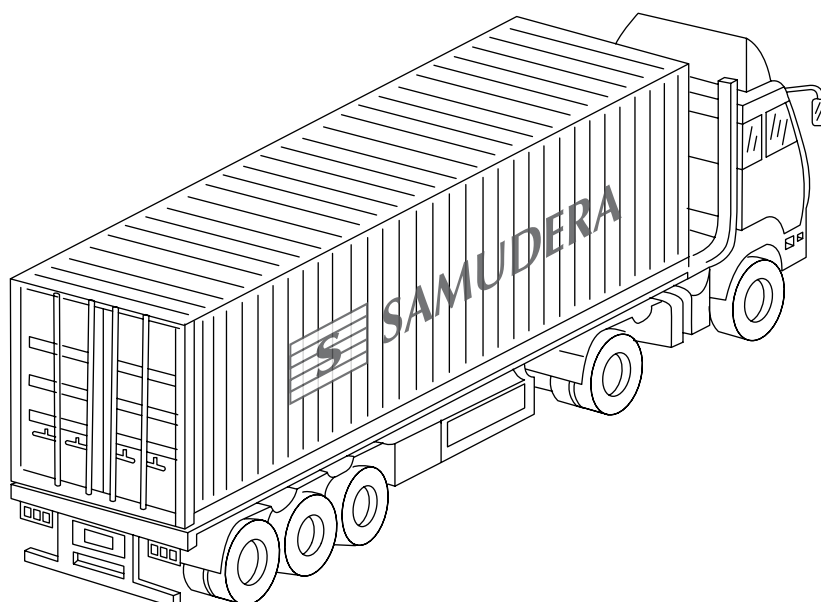
Aside from that, the Company will also look for profitable shipping routes as well as opening new branches for ship agency segment.

PROPERTY BUSINESS

The Company will focus on Company's property asset utilization improvement.

SERVICES BUSINESS

The Company will add services in other fields in order to support the Company's main business.



HUMAN CAPITAL

Human Capital is the Company's main asset. Therefore, it needs to be improved and strengthened continuously by adjusting its competence and capability to the latest development in the digital era to increase the competitiveness of the Company.



ORGANIZATIONAL & HUMAN CAPITAL (HC) DEVELOPMENTS

In 2018, the development of Human Capital (HC) in the Company is conducted holistically and with more integration. The purposes are to improve the capability of HC and prepare HC for the changes in digitalization and business automation.

Therefore, throughout 2018 the Company conducted various activities in its 5 (five) HC area: 'Organizational Development', 'Talent Sourcing and Career Development', 'Compensation and Benefit', 'Relationship between Industry and Employees', and 'Training'. These activities were all conducted in an integrated manner and in line with the Company's vision and mission.

ORGANIZATIONAL DEVELOPMENT

Organizational development is closely related to the maximum achievement of Human Capital performance. The Company's policy in nurturing a sustainable business must be in line with the policies of HC to improve quality, competence, effectiveness, and welfare of the employees. In 2018, the Company's Human Capital division continued to improve, update, and disseminate its management system, database, and technology. Most of the work process has been conducted online as an implementation of digitalization in HC division. This has

enabled the Company to equip all employees and management with processes and equipment that can support the effectiveness and efficiency of business activities.

TALENT SOURCING & CAREER DEVELOPMENT

Human Capital system management is inseparable from talent and recruitment management system in order to attract the best talents, and treating them equally and fairly. In addition to a transparent work assessment system, the Company also plans manpower needs for each business unit through mapping strategies, model, and talent development within the Company. The Human Capital also organized a candidate recruitment program, the Samudera Management Development Program (SMDP) and uses a digital system called the Human Resource Information System (HRIS).

For managerial and directorial positions recruitment, the Company carried out mapping process to search for the best talents and leadership rotation within the Company's business units. The best talents improved their competencies systematically, through trainings and on-job assignments that are in line with the Company's objectives. This career path management is able to motivate employees in achieving their best potentials at work.

COMPENSATION & BENEFIT

One of the priorities of Human Capital in 2018 is improving benefits and welfare of the employees, in relation to employee performance management and talent management system, based on pre-determined references and budget limits. The Company also implemented competitive remuneration structure and consistent grading system in all business units of Samudera Indonesia.

RELATIONSHIP BETWEEN INDUSTRY & EMPLOYEES

The key activities of HC are to assist the management in becoming partners for all employees and to connect aspirations of the employees to the Company's vision and mission. Based on prevailing rules and regulations as well as the regulations of the Company, HC assists, supports, and facilitates communication between employees and management through discussion forums and dialogs, dissemination sessions, get-togethers, and complaint handling. HC also fulfills the needs of employees for a secure and comfortable work environment.

TRAINING

To be in line with the development in science and technology, all employees have to participate in various development activities and trainings to improve their performance. The Company's training and development

activities held by a special division namely Samudera Indonesia Corporate University (SICU). In 2018, there were 84 internal trainings and 76 external trainings as well as other special programs, attended by 2,503 participants with 3,592 training hours in various locations.

Human Capital development is a continuous process carried out by the Company to form and produce high-quality human capital with skills, abilities, and loyalty in carrying out their jobs, who are able to grow according to the demands of the industry. Therefore, they can participate in realizing the Company's set purposes based on key performance indicators.

Development programs in 2018 consisted of trainings on:

CORE DEVELOPMENT & LEADERSHIP
Basic Mentality
Communication Skills
Customer Service's Excellence
Fundamental Skills
Negotiation Skills
Presentation Skills
Problem Solving & Decision Making
Work Ethos
Advanced Leadership for Supervisors and Managers
Coaching & Counseling
Comprehensive Assignment Analysis

MANAGEMENT
Basic English Language Skills
Basic Risk Management
Basic Sales Skills
Financial Training for Non-Finance Staff
Financial Statement Analysis
HC Training for Non-HC Staff
Internal Control & Risk Management for the Board
Legal Training for Non-Legal Staff
Time Management
Total Quality Management
Competitive Marketing Strategies
Corporate Risk Management
Inventory Management
Care Management
Marketing Management
Project Management
Vendor & Procurement Management
Taxation
Report Writing
Comprehensive Assignment Analysis
Guidance & Delegation Skills
Legal & Corporate Actions

PRODUCT KNOWLEDGE
Product Knowledge of Samudera Indonesia
Accounting Standard Application

SPECIAL PROGRAM & CERTIFICATION
Training for Trainers
Work Health and Safety Experts
Retirement Preparation

COMPOSITION & PROFILE OF HUMAN CAPITAL DIVISION

As of 31 December 2018, the Company employs 4,056 staffs, an increase of 56 people or 1.4% from the 4,000 staffs employed in 2017, with the following composition:

Number of Employee	2018	2017
PT Samudera Indonesia Tbk	4,056	4,000

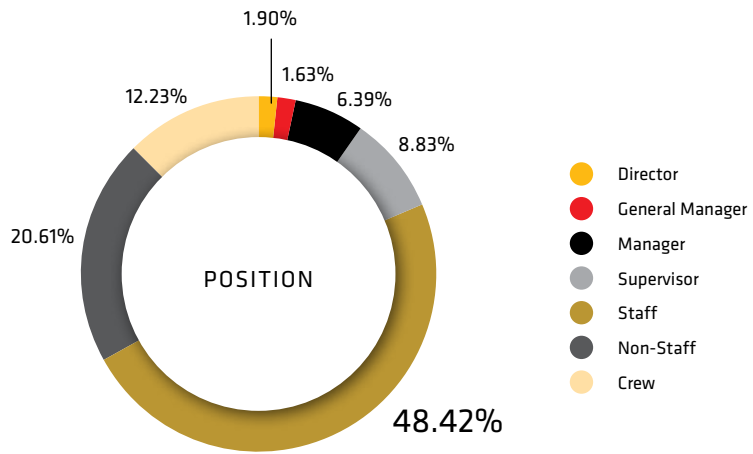
TOTAL EMPLOYEE

4,056
people



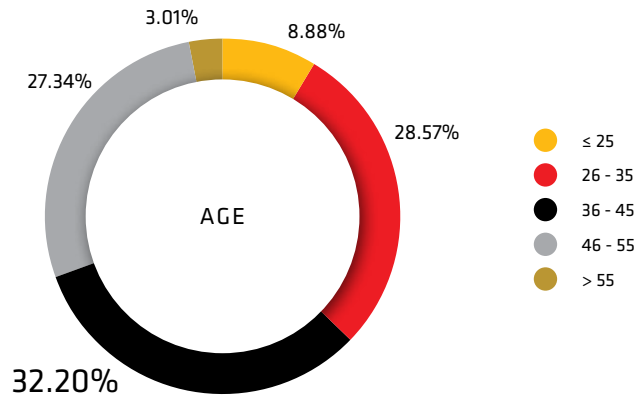
Based on Position

Position	2018	2017	Changes (%)
Director	77	47	63.83%
General Manager	66	60	10.00%
Manager	259	266	-2.63%
Supervisor	358	392	-8.67%
Staff	1,964	1,971	-0.36%
Non-Staff	836	776	7.73%
Crew	496	488	1.64%
Total	4,056	4,000	1.40%



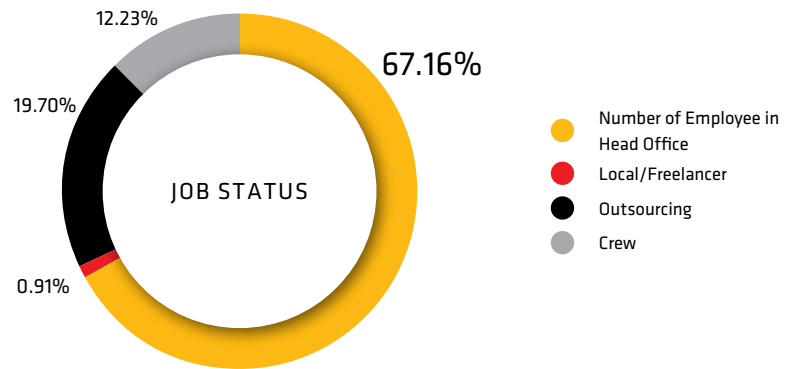
Based on Age Group

Age	2018	2017	Changes (%)
≤ 25	360	376	-4.26%
26 - 35	1,159	1,140	1.67%
36 - 45	1,306	1,330	-1.80%
46 - 55	1,109	1,050	5.62%
> 55	122	104	17.31%
Total	4,056	4,000	1.40%



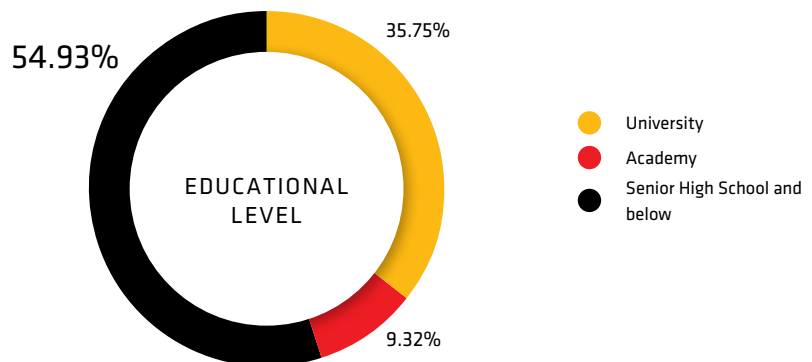
Based on Job Status

Job Status	2018	2017	Changes (%)
Number of Employee in Head Office	2,724	2,736	0.44%
Local/Freelancer	37	47	-21.28%
Outsourcing	799	729	9.60%
Crew	496	488	1.64%
Total	4,056	4,000	1.40%



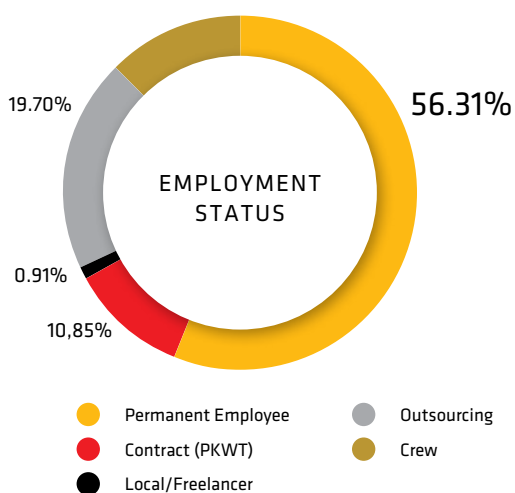
Based on Educational Level

Education	2018	2017	Changes (%)
University	1,450	1,420	2.11%
Academy	378	409	-7.58%
Senior High School and below	2,228	2,171	2.63%
Total	4,056	4,000	1.40%



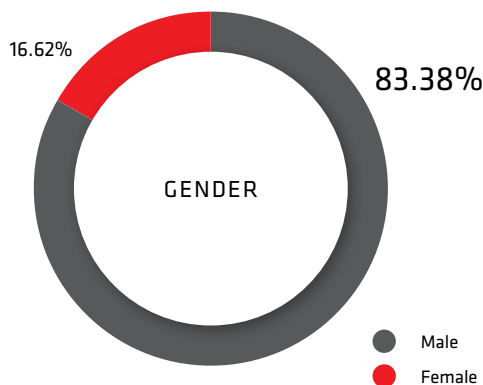
Based on Employment Status

Age	2018	2017	Changes (%)
Permanent Employee	2,284	2,276	0.35%
Contract (PKWT)	440	460	-4.35%
Local/ Freelancer	37	47	-21.28%
Outsourcing	799	729	9.60%
Crew	496	488	1.64%
Total	4,056	4,000	1.40%



Based on Gender

Gender	2018	2017	Changes (%)
Male	3,382	3,328	1.62%
Female	674	672	0.30%
Total	4,056	4,000	1.40%



PLANS IN 2019

The employees' ability in utilizing digital and automation-based information technology and equipment, which have been largely used in 2018, will be even more optimized in 2019 to support productivity and supporting system for decision making, which is assisted by data analysis technology.

In addition, the Company's will also focus on the improvement and development of high quality human resources through sustainable strategic plans and measures on 5 (five) work priorities; namely, talent acquisition program from renowned university or other external parties in SMDP/Management Trainee; improvement of service quality through digital equipment and automation system; development of agile organization to improve work efficiency and effectiveness; improvement of talent management system and employee engagement; and improvement of competitive compensation and benefits system.

OCCUPATIONAL HEALTH, SAFETY, AND ENVIRONMENT (HSE)

Occupational Health, Safety, and Environment (HSE) is the Company's main priority in conducting its operational activities. Compliance to good standard procedures for safety and security is continuously improved from time to time. The Company always prioritizes HSE aspects in an integrated manner to not only impact and benefit the Company's sustainability, but also the surrounding environment and community.

Implementation of HSE aspects is conducted by the supervisor in each business unit by calculating the risk and impact based on the characteristic and requirements of certification, accreditation, and regulations that must be followed by each business unit. The monitoring, evaluation, and improvement of HSE quality and system standard are also continuously performed for a better process of occupational health and safety.

TRAINING

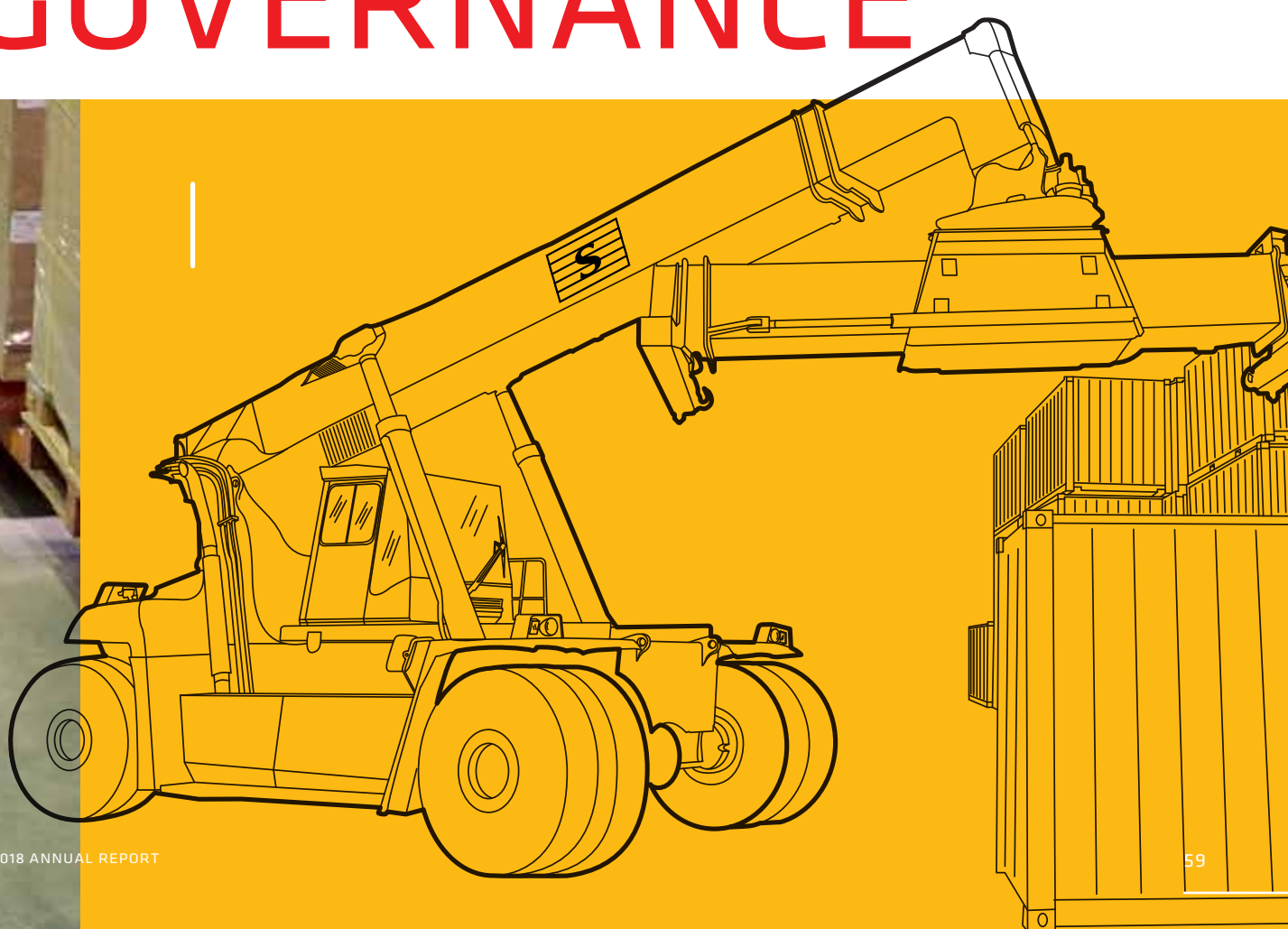
In 2018, the following trainings were conducted:

No	Training Program	2018
1	Basic Safety	2
2	Environmental Assessment	1
3	Fire Class D / Fire Fighting Officer	1
4	K3 - Log Out Tag Out (Loto)	1
5	Hs - Operator Of Loading Equipment	1
6	HSE - Working In Confined Space	1
7	HSE - Rtg Operator	3
8	Maintenance & Reliability	1
9	First Aid	1
10	Development Of Hse Technique For Loading Plane & Anchor (Forklift Operator Certified By Sio Depnaker)	2
11	Introduction To ISO 45001 Seminar	1
12	HSE For Electrician	1
13	Training Operator & Maintenance SMV6/7 ECC100DS	1
14	Risk Management	1
15	Awareness Of QHSE	1



The Company is aware of its purpose of existence, which to provide benefit not only to all the shareholders but also to other stakeholders, such as the neighborhood, environment, labors to customers.

GOOD CORPORATE GOVERNANCE



GENERAL OVERVIEW

As an internal mechanism to conduct risk control and management function that in turn will improve upon investment value for shareholders in the long run. In implementing Good Corporate Governance, Samudera Indonesia refers to the basic principle of TARIF: Transparency, Accountability, Responsibility, Independency, and Fairness.

GOOD CORPORATE GOVERNANCE STRUCTURE

The Company's Corporate Governance structure consists of General Meeting of Shareholders (GMS), Board of Commissioners and Board of Directors, whose appointments refer to the Legislation of Republic of Indonesia Number 40 year 2007 on Limited Liabilities Company. The authority of the three components are regulated in the Company's Articles of Association, in which GMS has the highest position in the Company. Shareholders in GMS have the right to make decisions relating to the Company's business interest.

RIGHTS AND RESPONSIBILITIES OF SHAREHOLDERS IN GMS

Shareholders have the right to receive equal treatment and position in the Annual General Meeting of Shareholders (AGMS) and Extraordinary General Meeting of Shareholders (EGMS), especially in voicing their opinions and contributing in important and strategic decision making process relating to:

1. Appointment and termination of the Board of Commissioners & Directors.
2. Assessment of the Company's performance for reporting year.
3. Determination and approval on the use of Company profit including dividend amount.
4. Amendments to the Articles of Association.
5. Determining the form and total remuneration of the members of the Board of Commissioners and Directors, as well as delegating authority relating to the Board of Directors remuneration to the Board of Commissioners.
6. Appointment of Certified Public Accountants Office.

The Company has held GMS on June 28, 2018, in which the process complied with prevailing regulations and legislations.

GENERAL MEETING OF SHAREHOLDERS (GMS)

ANNUAL GENERAL MEETING OF SHAREHOLDERS (AGMS)

AGMS was held on June 28, 2018 in Soehanna Hall, The Energy Building, 2nd Floor, Sudirman Central Business District Lot 11 A, Jalan Jenderal Sudirman Kaveling 52-53, South Jakarta attended by 2,583,902,140 shares with voting rights equal to 78.89% of all shares with voting rights that the Company has published.

Below are the results of AGMS:

1. 1st Agenda

Approving:

- a. Receiving well the Director's Report on Company management for the 2017 fiscal year as well as ratifying the Company's Consolidated Financial Statement that has been audited by Certified Public Accountants Office Satrio Bing Eny and Partners, member of Deloitte Touche Tohmatsu Limited for Fiscal year ending on December 31, 2017, as stated on the report Number GA118 0240 SIG IBH dated March 26, 2018 with Unqualified Opinion
- b. Provision of settlement and fully discharge (*acquitt et de charge*) all members of the Board of Directors and Commissioners on the management and supervisory activities done in Fiscal Year 2017.

2. 2nd Agenda

Approving:

- a. Determining the use of net profit that the Company gained in the fiscal year 2017 of USD9,679,810.00 (nine million six hundred seventy-nine thousand eight hundred and ten US Dollar) with details as follows:
 - Rp65,502,400,000.00 (sixty five billion five hundred and two million four hundred thousand rupiah) was divided as cash dividend with the total dividend per share of Rp20.00 (twenty rupiah).

- The cash dividend will be paid starting from July 31, 2018; and
 - Posting the remaining profit of 2017 as retained earning that will be used for working capital and investment.
- b. Give authority and power to the Company's Board of Directors with substitution rights to manage further the cash dividend distribution for the year ending on December 31, 2017 according to prevailing regulations.

3. 3rd Agenda

Approving:

Delegating authority to the Company's Board of Commissioners to appoint Certified Public Accountant registered at the Financial Services Authority that will audit the Company's financial statements as well as determining the amount of professional service fee for the fiscal year ending on December 31, 2018.

4. 4th Agenda

Determining:

- a. Determining the Board of Commissioners' honorarium in 2018 maximum of Rp10,500,000,000.00 (ten billion five hundred million rupiah) before tax that will be distributed to the members of the Board of Commissioners and provide authority to the Board of Commissioner to determine division between the members of the Board of Commissioners.
- b. Provide authority to the Board of Commissioners to determine salary and benefits to the Company's Board of Directors for fiscal year 2018.

5. 5th Agenda

Determining:

- a. To reappoint, The Board of Commissioners
 - Chairman: Mrs. Shanti Lasminingsih Poesposoetjipto;

- Commissioner: Mr. Drs. Amir Abadi Jusuf, MA;
- Commissioner: Mr. Ken Narotama Hidayatullah;
- Independent Commissioner: Mr. Dr. Anugerah Pekerti;

The Board of Directors

- President Director: Mr. Masli Mulia;
- Director: Mr. Bani Maulana Mulia;
- Independent Director: Mr. Ridwan Hamid;

The appointment is effective starting from the closing of the Meeting to the Closing of the Annual General Meeting of Shareholders which will be held at 2023, without diminishing the rights of the General Meeting of Shareholders to terminate at any time.

- b. Therefore, the composition of the Company's management since the closing of the Meeting is as follows:
- Board of Commissioners

- Chairman: Mrs. Shanti Lasminingsih Poesposoetjipto;
- Commissioner: Mr. Drs. Amir Abadi Jusuf, MA;
- Commissioner: Mr. Ken Narotama Hidayatullah;
- Independent Commissioner: Mr. Dr. Anugerah Pekerti;
- Independent Commissioner: Mr. Dr. Ir. Kuntoro Mangkusubroto.

Board of Directors

- President Director: Mr. Masli Mulia;
- Director: Mr. Bani Maulana Mulia;
- Independent Director: Mr. Ridwan Hamid;

With stipulation, terms of office of all members of the Board of Directors and Commissioners are until the closing of Annual General Meeting of Shareholders which will be held in 2023, in the exception for Mr. Dr. Ir. Kuntoro Mangkusubroto which will end at the closing of General Meeting of Shareholders which will be held in 2022.

- c. Provide authority and power to the Board of Directors with substitutional rights to conduct all actions in regards to the decisions of this Meeting including but not limited to Deed writing or request as well as signing (if necessary) in relations to the decisions of this Meeting, including announcing at the authorized institutions, according to prevailing legislations.

The number of Shareholders/its trustee that submitted questions and the Voting Results in every Annual GMS agenda are as follows:

Agenda	Total Shareholders/ Trustees With Questions	Vote		
		Agree	Disagree	Abstain
1	2	2,583,902,140 shares or 100% of all shares with voting rights that attend the Meeting.	-	-
2	1	2,583, 902, 140 shares or 100% of all shares with voting rights that attend the Meeting.	-	-
3	0	2,582,926,240 or 99.96% of all shares with voting rights that attend the Meeting.	975,900 shares or 0.04% of all shares with voting rights that attend the Meeting.	-
4	0	2,582,926,240 shares or 99.96% of all shares with voting rights that attend the Meeting.	975,900 shares or 0.04% of all shares with voting rights that attend the Meeting.	-
5	1	2,579,499,640 shares or 99.83% of all shares with voting rights that attend the Meeting.	4,402,500 shares or 0.17% of all shares with voting rights that attend the Meeting.	-

GMS DECISION REALIZATIONS

All Annual GMS 2018 decisions and 2017 that needed to be followed up by Company Management have been implemented.

BOARD OF COMMISSIONERS

DUTIES AND RESPONSIBILITIES OF THE BOARD OF COMMISSIONERS

Referring to the Financial Services Authority Regulation Number 33/POJK.04/2014 on the Board of Directors and Commissioners of Public Companies, the Board of Commissioners has the duty to supervise management policy, management in general both in terms of the Company as well as the Company business that the Board of Directors conduct, along with providing advice to the Board of Directors that includes supervising the implementation of the Company's Long Term Plans, Company Budget Plan, as well as the Articles of Associations and GMS decision, and prevailing legislations, for the interest of the Company and according to the Company's purpose and objectives.

The Board of Commissioners also has Board Manual that serves as a corridor in the implementation of their daily duties and responsibilities.

BOARD OF COMMISSIONERS DUTY IMPLEMENTATION

The supervisory functions conducted by the Board of Commissioners throughout 2018 are:

1. Holding the Board of Commissioners meetings as well as joint meetings with the Board of Directors to discuss the Company's performance.
2. Provide recommendations and approval on Company Budget Plans.
3. Provide recommendations and approval regarding certain transactions that the Company would conduct.

COMPOSITION AND INDEPENDENCY OF THE BOARD OF COMMISSIONERS

Based on AGMS Decision Statement Deed No. 79 on June 28, 2018 from Notary Public MALA MUKTI, S.H., LL.M, with Company Data Change Acceptance Notification Letter No. AHU-AH.01.03-0222734 on July 17, 2018, the composition of the Company's Board of Commissioners in 2018 is:

Position	Name
Chairman	Shanti L. Poesposoetjipto
Commissioner	Amir Abadi Jusuf
Commissioner	Ken Narotama Hidayatullah
Independent Commissioner	Anugerah Pekerti
Independent Commissioner	Kuntoro Mangkusubroto

The criteria of independence in the number of Independent Commissioners has been met in the composition of the Company's Board of Commissioners for fulfilling at least 30% (thirty percent) of all members of the Board of Commissioners. There are 2 (two) Independent Commissioners in the composition of the Board of Commissioners.

The Company has also complied with the OJK regulation regarding requirements of the Independent Commissioners. Requirements stipulated in the regulation among which is not owning shares both directly nor indirectly at the Company; has no affiliation with the Company, a member of the Board of Commissioners, Board of Directors, or Company shareholders; and has no business relationship both directly and indirectly relating to the Company's business activities.

BOARD OF COMMISSIONERS MEETINGS

Throughout 2018, the Board of Commissioners has conducted 6 meetings, with agendas as follows:

Joint Meetings of the Board of Commissioners and Directors Agenda 2018

Meeting Date	Agenda
March 26, 2018	Consolidated Financial Statement for Year Ending on December 31, 2017
April 27, 2018	1. Performance Report Quarter I 2018 2. Agenda Discussion of General Meeting of Shareholders
June 28, 2018	Annual General Meeting of Shareholders
July 30, 2018	1. Performance Review Quarter II 2018 2. Discussion on Company strategies
October 30, 2018	Performance Review Quarter III 2018
December 20, 2018	Discussion on PT Samudera Indonesia Tbk and Subsidiaries Company Budget Plan 2019

Board of Commissioners and Directors Joint Meetings Attendance 2018, as well as Board of Commissioners Meetings 2018

Name	Position	Total Meetings	Attendance
Shanti L. Poesposoetjipto	Chairman	6	6
Amir Abadi Jusuf	Commissioner	6	6
Ken Narotama Hidayatullah	Commissioner	6	5
Anugerah Pekerti	Independent Commissioner	6	6
Kuntoro Mangkusubroto	Independent Commissioner	6	6

Board of Commissioners Agenda 2018

Meeting Date	Agenda
March 26, 2018	Discussion on Audit Findings Quarter I 2018
April 27, 2018	Discussion regarding Risk Management Division
June 28, 2018	Discussion preparation update for Annual General Meeting of Shareholders
July 30, 2018	Discussion on Audit Findings Quarter II 2018
October 30, 2018	1. Discussion on Audit Findings Quarter III 2018 2. Discussion on Samudera Indonesia policies
December 20, 2018	Discussion regarding Risk Management, IT & Procurement.

ASSESSMENT POLICY ON THE PERFORMANCE OF THE BOARD OF COMMISSIONERS AND DIRECTORS

The assessment process on the Board of Commissioners and Directors performance is conducted through GMS mechanism in which the Board of Commissioners and Directors account for their own duties and responsibilities through GMS. The result of the Board of Commissioners and Directors performance assessment will be considered by the Nomination and Remuneration Committee in determining the proposal of remuneration amount of the Board of Commissioners and Directors that will be submitted to the Board of Commissioners according to the performance in the applicable period.

The Company determines the Board of Director performance evaluation criteria based on a number of performance indicators. Among which are financial and operational performance target that are set each year as well as the strategies and innovations and their impact on the Company's performance achievement. Qualitatively, the Board of Directors performance evaluation also includes the implementation of good corporate governance as a fundamental aspect in the Company's business sustainability.

One of the Board of Directors' responsibilities is ensuring that all decisions determined by GMS are implemented. Therefore, the previous year's GMS decisions realization has become the Company's indicator in reviewing the Board of Directors performance.

The Company assesses that the Board of Directors has managed well all things relating to the GMS decisions in 2018.

BOARD OF COMMISSIONERS REMUNERATION STRUCTURE AND DETERMINATION POLICY

The Company's Board of Commissioners Remuneration and Determination Policy is stipulated in GMS by paying attention to the recommendation from the Nomination and Remuneration Committee as well as other relating aspects such as salary survey to other similar companies and Company performance. Remuneration procedure is implemented according to the prevailing legislations. The Company has periodically evaluated remuneration policy, amount and structure for the Board of Commissioners.

Annual General Meeting of Shareholders on June 28, 2018 agreed to determine the Company's Board of Commissioners honorarium in 2018 at a maximum of Rp10,500,000,000.00 (ten billion five hundred million Rupiah) before tax that would be distributed to the members of the Board of Commissioners to determine the distribution between members of the Board of Commissioners.

BOARD OF COMMISSIONERS AFFILIATIONS

Disclosure of the affiliate relationship between the Commissioner with other members of Commissioners, Board of Directors and Shareholders of the Company are as follows:

Name	Position	Board of Commissioners		Board of Directors		Controlling Shareholders	
		Affiliated	Not Affiliated	Affiliated	Not Affiliated	Affiliated	Not Affiliated
		Shanti L. Poesposoetjipto	Chairman	√		√	
Amir Abadi Jusuf	Commissioner		√		√		√
Ken Narotama Hidayatullah	Commissioner	√		√		√	
Anugerah Pekerti	Independent Commissioner		√		√		√
Kuntoro Mangkusubroto	Independent Commissioner		√		√		√

BOARD OF COMMISSIONERS TRAINING

The Board of Commissioners training is a capabilities development program to provide the latest information about the Company business and its policy to provide the latest information on Company business and its policies that can support its supervisory duty. Throughout 2018, the Board of Commissioners has participated in the following programs:

Date	Organizer	Topic	Place
January 22, 2018	PT Samudera Indonesia Tbk	New Logistics landscape after ecommerce era	Yogyakarta
November 5, 2018	Samudera Indonesia Research Initiative	The Challenges Of The Trade Industry Amidst Global And Regional Uncertainties	Jakarta
December 5, 2018	PT Adib Cold Logistic	Cold logistics business in Indonesia	West Java

ORIENTATION PROGRAM FOR NEW COMMISSIONERS

in 2018, the Company did not conduct Orientation Program for new Commissioners.

BOARD OF DIRECTORS

COMPOSITION OF THE BOARD OF DIRECTORS

The term of office for each member of the Board of Directors is determined for 5 (five) years and can be reappointed. The composition of the Company's Board of Directors consists of 3 (three) members that include: 1 (one) President Director, 1 (one) Director, and 1 (one) Independent Director.

The Company's Board of Directors composition is as follows:

Positions	Name
President Director	Masli Mulia
Director	Bani M. Mulia
Independent Director	Ridwan Hamid

SCOPE OF WORK AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Board of Directors is the Company's organ that's fully responsible for all Company management for the interest and purpose of the Company, such as determined by the Articles of Association. Collectively, the Board of Directors has the duties and responsibilities to manage the Company by referring to the Board Manual.

It is the Board of Director's responsibilities to manage the Company's daily activities in supporting performance goal as well as determining the direction and consistent and sustainable strategies.

On principle, every member of the Board of Directors has its duties and authorities according to his/her position, such as described below:

MASLI MULIA

President Director

- Responsible for Company management as a whole together with other members of the Board of Directors.
- Directing the Company's strategies according to the financial and operational targets that have been agreed upon, and actively looking for future opportunities for the Company's business growth.
- Playing a significant role in determining strategic plans for the progress of the Company.
- Representing the Company legally to third parties including to the shareholders.
- Supervise the business, both generally as well as specifically in monitoring the political, economical, financial, and operational situation where the Company conducts its business.

BANI M. MULIA**Director**

- Responsible in the management of operational performance.
- Determining and supporting the implementation of safe, effective and efficient operational standards.
- Determining and implementing strategies and policies regarding human capital development, information & technology system, as well as company communication.
- Developing new business both with existing as well as potential clients.
- Identify potential business growth opportunities, as well as work and strategic probabilities.

RIDWAN HAMID**Independent Director**

- Determine strategic planning in finance to support business operational performance.
- Manage the Company's financial performance effectively and efficiently.
- Look for funding sources for the Company's financial needs including bonds, rights issue and others.
- Coordinate the formulation of long-term strategies as the foundation for Budget Plan by cooperating with other members of the Board of Directors.
- Determining mitigation strategies on various financial risks that the Company may face by coordinating with other members of the Board of Directors.
- Ensuring prompt and accurate financial consolidation.
- Ensuring the Company complies with all prevailing regulations such as OJK, taxes, and other government regulations.
- Ensuring new investments are up to the determined standards.

BOARD OF DIRECTORS REMUNERATION POLICY

The Board of Directors remuneration determination procedure and policy is stipulated in GMS by paying attention to the recommendation from the Nomination and Remuneration Committee regarding the Board of Directors performance assessment based on a number of indicators including the Company performance and the duties and responsibilities of each member of the Board of Directors.

Annual General Meeting of Shareholders held on June 28, 2018 agreed upon providing authority to the Board of Commissioners to determine the amount of salary and benefits for the Company's Board of Directors fiscal year 2018.

BOARD OF DIRECTORS MEETINGS

Throughout 2018, the Board of Directors has held a number of routine meetings with agendas as follows:

Board of Directors Meetings Agendas 2018

Meeting Dates	Agenda
January 18, 2018	Business Achievement Review FY 2017
February 23, 2018	1. Business Achievement Review FY 2017 2. Bank Borrowing Update
March 23, 2018	1. Financial Statement FY 2017, Dividend Proposal 2018, and Bank Borrowing 2. Joint Venture Review 3. Performance vs Cashflow 2017 discussion
April 20, 2018	1. Business Achievement Quarter I 2018 (Unaudited), GMS preparation 2. CAPEX and Cashflow discussion
May 17, 2018	1. Business Achievement Review YTD April 2018 2. AGMS preparation update
June 25, 2018	1. Business Achievement Review YTD May 2018 2. AGMS preparation
July 24, 2018	1. Business Achievement Review YTD June 2018 2. Business Unit Review
August 31, 2018	1. Business Achievement Review YTD July 2018 2. Business strategy discussion
September 26, 2018	1. Business Achievement Review YTD August 2018 2. Outlook 2018 3. Business Development Update
October 23, 2018	1. Achievement Review YTD September 2018 2. Outlook 2018
November 5, 2018	Outlook 2018 Review & Business Units 2019 Budget
December 17, 2018	1. Business Achievement Review YTD November 2018 2. Outlook 2018 3. Budget 2019

Board of Directors Meetings Attendance List 2018

Name	Position	Board of Directors Meetings		Board of Commissioners & Directors Meetings	
		Total Meetings	Attendance	Total Meetings	Attendance
Masli Mulia	President Director	12	12	6	6
Bani M. Mulia	Director	12	12	6	6
Ridwan Hamid	Independent Director	12	12	6	6

COMMITTEES OR BOARD OF DIRECTORS SUPPORTING UNITS

Committees or Board of Directors supporting units can be seen in the organizational structure section. Assessment for those units is internal in nature or self-assessment. No independent party is appointed to do unit performance assessment in 2018.

BOARD OF DIRECTORS AFFILIATIONS

Disclosure of affiliations between members of the Board of Directors with other members of the Board of Directors, Board of Commissioners, as well as the Company's Main Shareholders are as follows:

Board of Directors Affiliations

Name	Position	Board of Commissioners		Board of Directors		Main/Controlling Shareholders	
		Affiliated	Not Affiliated	Affiliated	Not Affiliated	Affiliated	Not Affiliated
Masli Mulia	President Director	√		√		√	
Bani M. Mulia	Director	√		√		√	
Ridwan Hamid	Independent Director		√		√		√

BOARD OF DIRECTORS TRAINING

Board of Directors capabilities improvement is a program to provide information on the latest condition on business locally and globally for capability development to provide the latest information on the company business in its duties to determine Company strategies. Throughout 2018, the Board of Directors has participated in the following programs:

Date	Organizer	Topic	Place
January 22, 2018	PT Samudera Indonesia Tbk	New Logistics landscape after ecommerce era	Yogyakarta
April 4-6, 2018	Australia-Indonesia Centre's Infrastructure research	Port Competitiveness and Financing Workshop	Melbourne
October 12-14, 2018	World Bank	Annual Meeting IMF-World Bank	Bali
November 5, 2018	Samudera Indonesia Research Initiative	The Challenges of The Trade Industry Amidst Global and Regional Uncertainties	Jakarta
December 5, 2018	PT Adib Cold Logistic	Cold logistics business in Indonesia	West Java

ORIENTATION PROGRAM FOR NEW DIRECTORS

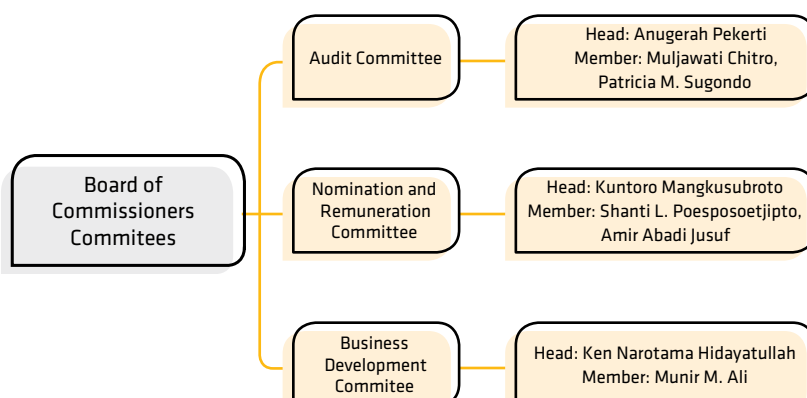
In 2018, the Company does not have Orientation Program for new members of the Board of Directors.

COMMITTEES UNDER THE BOARD OF COMMISSIONERS

In implementing its supervisory duties on the Company's operations, until the end of 2018, the Board of Commissioners is supported by three Commissioners Committees, which are:

- Audit Committee
- Business Development Committee
- Nomination and Remuneration Committee

The number of said committees comply to the general stipulations relating to prevailing corporate governance in Indonesia. The personnel composition of the Board of Commissioners Committee at the end of reporting year is as stated in the following chart:



AUDIT COMMITTEE

Audit Committee is an independent committee in its duties and responsibilities.

Audit Committee Composition and Independence

All members of the Audit Committee are independent professionals chosen according to their competence, educational background and integrity, as well as meeting the requirements and prevailing legislations.

In implementing their duties, the members of the Audit Committee have no conflict of interest that may arise so as to guarantee level of independence in implementing their duties and responsibilities.

Based on the Decision of the Board of Commissioners No SR.13.06017c/SK/SP/DK on the Forming of Audit Committee on June 1, 2013, the Audit Committee composition per December 31, 2018 is as follows:

Name	Position
Anugerah Pekerti	Head of Audit Committee/Independent Commissioner
Muljawati Chitro	Member
Patricia M. Sugondo	Member

The profiles of the Audit Committee can be found in the Company Data chapter of this Annual Report on page 83.

Audit Committee Charter

Audit Committee has Audit Committee Charter to serve as guidelines. The Audit Committee Charter stipulated by the Company include:

- Basis of Regulation
- Definition
- Purpose
- Organization
- Rights and Authority
- Duties and Responsibilities
- Work Mechanism
- Self-Assessment

Duties and Responsibilities of Audit Committee

According to the Audit Committee Charter, the duties and responsibilities of the Audit Committee are as follows:

- a. Financial Statement and Information
 1. Review/study financial information that the Company will release.
 2. Obtain guarantee from the Board of Directors on the truth and accuracy of the information submitted by the Company to the regulators and public.
 3. Maintain the confidentiality of Company document, data, and information.
 4. Review complaints relating to accounting and Company financial reporting.
- b. Good Corporate Governance
 1. Reviewing Company compliance level to legislations and or Company regulations, stock market and taxation as well as other legislations relating to Company activities.
 2. Study and provide recommendations to the Board of Commissioners relating to potential conflict of interest in the Company.
- c. Risk Management
 1. Ensuring the Company has risk management system and procedures.
 2. Ensuring the Company implements risk management system and procedures.

d. Audit

1. External Audit
 - Provide recommendation to the Board of Commissioners on the appointment of Certified Public Accountant.
 - Reviewing performance, independence and objectivity of the Certified Public Account, if they comply with the stock exchange regulations, then study report and improvement recommendation will be submitted to the stock exchange.
 - Communicate with Certified Public Accountant by referring to Audit Standards (SA 260).
 - Provide independent opinion in case of differing opinions between management and Accountant on the service provided.
2. Internal Audit
 - Study internal examination by Internal Audit Division.
 - Review the performance and independence of the Internal Audit Division.
 - Supervise the follow up by Board of Directors on internal audit findings.
 - Review and revise Internal Audit Charter annually or when deemed necessary.

This implementation of these duties have been done according to the Audit Committee charter.

Audit Committee Activities Report 2018

Throughout 2018, the activities that the Audit Committee have done are as follows:

1. Review the Company's quarterly financial statements.
2. Discuss with Internal Audit Division on Internal Audit findings.
3. Discuss with divisions in PT Samudera Indonesia Tbk, the management and subsidiaries.
4. Submit study report and recommendation to the Board of Commissioners.
5. Discuss with External Auditor on the planning of Financial Statement audit and the Company's Consolidated Financial Statement progress.

Audit Committee Meeting

Throughout 2018, Audit Committee has held 6 meetings, with agendas as follows:

Audit Committee Meeting Agendas 2018

Meeting Date	Agenda
March 21, 2018	1. Discussion on Internal Audit findings throughout 2017 quarter 2. Discussion on the final Audit result report 2017 of PT Samudera Indonesia Tbk as well as Management Letter 2017 from Corporate Controller Division and External Auditor
April 24, 2018	1. Interim financial statement review quarter I 2018 from Corporate Controller division 2. Discussion on Assessment result from Risk Management Division for quarter I 2018
July 25, 2018	1. Interim financial statement review quarter II 2018 from Corporate Controller Division 2. Meeting with Internal Auditor to discuss findings throughout quarter II 2018
October 26, 2018	1. Interim financial statement review quarter III 2018 from Corporate Controller Division 2. Meeting with Internal Auditor to discuss findings throughout quarter III 2018
October 29, 2018	Audit Plan Fiscal Year 2018
November 26, 2018	1. Discussion on insurance and Risk Management Report 2018 from Insurance and Risk Management Division 2. Discussion on Project Corporate Strategic Procurement.

The attendance level of the members of the Audit Committee in those meetings are:

Audit Committee Meeting Attendance List 2018

Name	Position	Audit Committee Meeting	
		Number of Meeting	Attendance
Anugerah Pekerti	Head of Audit Committee/ Independent Commissioner	6	6
Muljawati Chitro	Member	6	6
Patricia M. Sugondho	Member	6	6

Furthermore, Audit Committee has also held joint meetings with Board of Commissioners throughout 2018:

Meeting Date	Agenda
March 26, 2018	Audit Committee Report to the Board of Commissioners regarding financial statement for Fiscal Year 2017 (Audited)
April 26, 2018	Audit Committee Report to the Board of Commissioners regarding financial statement and related statement for Quarter I 2018
July 30, 2018	Audit Committee Report to the Board of Commissioners regarding financial statement and related statement for Quarter II 2018
October 30, 2018	Audit Committee Report to the Board of Commissioners regarding financial statement and related statement for Quarter III 2018

Attendance level in those meetings is:

Audit Committee Meeting Frequency and Attendance Level 2018

Name	Position	Audit Committee & Board of Commissioners Meetings	
		Number of Meetings	Attendance
Anugerah Pekerti	Head of Audit Committee/ Independent Commissioner	4	4
Muljawati Chitro	Member	4	4
Patricia M Sugondho	Member	4	4
Shanti L. Poesposoetjpto	Chairman	4	4
Amir Abadi Jusuf	Commissioner	4	4
Ken Narotama Hidayatullah	Commissioner	4	4
Kuntoro Mangkusubroto	Independent Commissioner	4	4

NOMINATION & REMUNERATION COMMITTEE

Nomination and Remuneration Committee is a committee formed by and responsible to the Board of Commissioners in helping to implement the functions and duties of the Board of Commissioners relating to the Nomination and Remuneration on the members of the Board of Directors and Commissioners.

Composition and Independence of the Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are appointed and terminated based on the decisions of the Board of Commissioners meeting. Nomination and Remuneration Committee concurrent positions have paid in mind the competence, independence criteria, confidentiality, code of conduct as well as implementation of each duty and responsibility according to prevailing regulations.

Based on the Board of Commissioners Decision Letter Number SK.18.09.01/SLP/DK on September 12, 2018 on the Appointment of Head and Member of the Nomination and Remuneration Committee of PT Samudera Indonesia Tbk, then the composition of the Nomination and Remuneration Committee per December 31, 2018 is as follows:

Name	Position
Kuntoro Mangkusubroto	Head of Nomination and Remuneration Committee/ Independent Commissioner
Amir Abadi Jusuf	Member/Commissioner
Shanti L. Poesposoetjpto	Member/Chairman

The profiles of the members of the Nomination and Remuneration Committee can be found in the Company Data chapter of this Annual Report on page 80.

Duties and Responsibilities of the Nomination and Remuneration Committee

The main functions of the Nomination and Remuneration Committee are:

1. Provide candidate advice or recommendation that meet certain requirements to be appointed as members of the Board of Directors or Commissioners.

- Review and propose honorarium for Commissioners as well as salary and other benefits that will be received by Directors including determination method by considering each position, duties and responsibilities as well as feasibility generally applicable.

Review and proposal result as well as honorarium determination method for Commissioners as well as salary and other benefits that the Directors will be received as well as considerations are determined together in the Board of Commissioners meeting to be asked for approval to the shareholders. Nomination and Remuneration Committee conducts its duties according to the guidelines that they have.

Nomination and Remuneration Committee Activity Report 2018

Throughout 2018, the activities done by the Nomination and Remuneration Committee are as follows:

- Discussion on the Directors performance criteria.
- Discussion on Directors remuneration.
- Discussion on the Board of Commissioners remuneration.

Nomination and Remuneration Committee Meeting

In 2018, the Nomination and Remuneration Committee has held meetings with agendas to discuss the nomination and remuneration issues relating to their duties and responsibilities with attendance level of each member as follows:

Meeting Date	Agenda
July 30, 2018	Policy discussion regarding Nomination and Remuneration
October 30, 2018	Company Nomination & Remuneration discussion

Attendance level in the meetings is:

Frequency and Attendance Level for Nomination and Remuneration Committee Meeting 2018

Name	Position	Nomination and Remuneration Committee Meeting	
		Total Meetings	Attendance
Kuntoro Mangkusubroto	Head of Nomination and Remuneration/ Independent Commissioner	2	2
Shanti L. Poesposoetjipto	Chairman/Member	2	2
Amir Abadi Jusuf	Commissioner/Member	2	2

Independence of Nomination and Remuneration Committee

In implementing their duties, members of the Nomination and Remuneration Committee has no conflict of interest that may arise so as to guarantee their independence level in implementing their duties and responsibilities.

Nomination and Remuneration Committee Activity Implementation in Fiscal Year 2018

Nomination and Remuneration Committee has implemented their functions and duties in nominating candidates for members of the Board of Commissioners and Directors as well as proposing succession plans for the members of the Board of Directors in line with the needs and development of the Company.

Nomination procedures are implemented transparently by paying attention to the prevailing regulations and legislations especially in the qualifications and independence aspects.

In nominating members of the Board of Directors, the Company prioritizes internal parties first through authority delegation mechanism as well as education and training programs, both done internally in the Company or held by external parties.

Trainings in 2018

Information on the Trainings that members attended in 2018, can be seen in the Board of Commissioners profiles.

BUSINESS DEVELOPMENT COMMITTEE

The Company's Business Development Committee is formed by the Board of Committee on June 1, 2013 in order to implement good corporate governance for performance improvement as well as the Company's business development. The Business Development Committee is led by the Commissioner and responsible to the Board of Commissioners.

Members of the Company's Business Development Committee are appointed and terminated based on the decision of the Board of Commissioners meeting.

Concurrent positions of the Business Development Committee have paid in mind the competence, independence criteria, code of conduct as well as the implementation of each duty and responsibility according to prevailing regulations.

The composition of the Company's Business Development Committee per December 31, 2018 is as follows:

Name	Position
Ken Narotama Hidayatullah	Head of Business Development Committee/Commissioner
Munir M. Ali	Member

Profiles of the Business Development Committee can be found in the Company Data chapter of this Annual Report on page 80-83.

Duties and Responsibilities of the Business Development Committee

The duties and responsibilities of the Business Development Committee are as follows:

- Make an assessment on the proposal of the Company's business development.
- Provide recommendations on the Company's strategic plans.
- Study the Company's consolidated business programs.

Review/analysis results or the suggestion of the Company's Business Development Committee is submitted and discussed together in the Board of Commissioners meeting for approval. Should there be things requiring decisions of the shareholders, the Board of Commissioners will provide recommendations to be submitted to the shareholders.

Business Development Activity Report

Throughout 2018, the activities conducted by the Company's Business Development Committee are as follows:

1. Discussion of duties and performance measurement of prospective Director.
2. Discussion on the corporate structure.
3. Discussion on the investment, divestment and financing.
4. Development of information technology and financial functions.
5. Discussion on the Company Budget Plans 2019.

Business Development Committee Meetings

In 2018, Business Development Committee has held meetings according to the table below:

Date	Agenda
February 5, 2018	Company talents regeneration and business execution ethics
July 30, 2018	Initiative and implementation impact of Big Data and Artificial Intelligence

Frequency and Level of Attendance for Business Development Committee Meeting 2018

Name	Position	Business Development Committee Meeting	
		Total Meetings	Attendance
Ken Narotama Hidayatullah	Head of Business Development Committee/Commissioner	2	2
Munir M. Ali	Member	2	2

CORPORATE SECRETARY

The Company has appointed Ridwan Hamid, domiciled in Jakarta, as Corporate Secretary, since August 5, 2015 who is also the Company's Independent Director, based on the Board of Directors Decision Letter No. Dir.15.08.147/MM/Dir. Corporate Secretary is appointed by and accountable to the Board of Directors.

The profile of the Corporate Secretary can be found in the Board of Directors profiles.

DUTIES AND RESPONSIBILITIES OF THE CORPORATE SECRETARY

The responsibilities of the Corporate Secretary are:

1. Ensuring that announcement on Company information is held correctly and promptly to the capital market supervisory board and other parties.
2. Establish a relationship with capital market supervisory board in terms of regulation amendments and other issues.
3. Ensuring compliance to prevailing legislations and providing recommendations to management in corporate governance.
4. Keeping a record of shareholders and is responsible in providing the latest and most comprehensive information to the shareholders.
5. Become a connector between the Company and its Shareholders, Financial Services Authority and other stakeholders.
6. Follow the development of the capital market.

CORPORATE SECRETARY DUTY IMPLEMENTATION

In 2018, the Company's Corporate Secretary has implemented various main activities, such as:

1. Provide information transparency to the public, as well as information availability in the Company's website
2. Submit report to the Financial Services Authority and Indonesian Stock Exchange promptly.
3. Organize and document General Meeting of Shareholders.
4. Organize and document Board of Directors and/or Board of Commissioners meetings.
5. Submit Annual Report periodically to the Board of Directors.
6. Participate in trainings held by Financial Service Authority (OJK) regarding the latest OJK regulations.

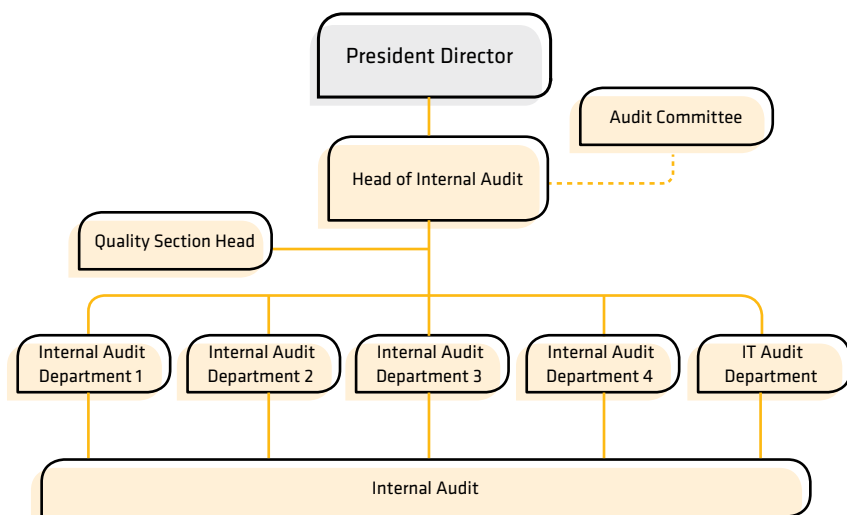
CORPORATE SECRETARY TRAINING PROGRAM

Corporate Secretary has participated in various training programs, workshops and seminars held by Financial Services Authority, Indonesian Stock Exchange and Indonesian Corporate Secretary Association to improve upon his competence.

INTERNAL AUDIT

The establishment of the Internal Audit Division is one of the form of Company commitment in implementing Good Corporate Governance (GCG) consistently.

INTERNAL AUDIT STRUCTURE AND COMPOSITION



Internal Audit Division is led by Head of Internal Audit appointed and terminated by the President Director with approval by the Board of Commissioners.

HEAD OF INTERNAL AUDIT

Head of Internal Audit is led by Elshinta Rahayu Wiraharja, CA, CPA, CIA, CISA, CRMA based on the Board of Directors Decision Letter No. 2165/SK/HC/SI/VIII/2018. She got her Bachelor's in Economics with a major in Accounting from Parahyangan Catholic University Bandung in 2000.

Previously, she served as Internal Audit Senior Manager in PT Anugerah Pharmindo Lestari and Head of Internal Audit in PT GE Finance Indonesia. She has also worked in PT Sandoz Indonesia as Business Process Controller, Treasury Manager and Compliance Officer and PT Bina San Prima as Accounting Manager as well as Auditor in KAP Siddharta Siddharta & Widjaja (KPMG).

She is also a member in professional organizations, among which are: Institute of Internal Auditors – Indonesia Chapter, Indonesian Institute of Accountants, and ISACA.

TOTAL EMPLOYEE

Per December 31, 2018, the total members of Samudera Indonesia Internal Audit are 14 people, consisting of:

Position	Total Members	Total Certified Members	Type of Certification
Head of Internal Audit	1	1	CA, CPA, CIA, CISA, CRMA
Internal Audit Manager	4	4	QIA, ERMCP, Ak
Internal Auditor	7	-	-
Quality Assurance	1	-	-
IT Auditor	1	-	-
Total Members	14	5	

PROFESSIONAL CERTIFICATIONS

The total members of the Company's internal audit that are certified as of December 31, 2018 are 5 people.

INTERNAL AUDIT HUMAN CAPITAL (HC) DEVELOPMENT

Throughout 2018, members of internal audit who have participated various education/ training both certification programs as well as non-certification, are as follows:

1. Creative Thinking Technique.
2. Samudera Indonesia Product Knowledge.
3. Yard Operation.
4. CRMA (Certification in Risk Management Assurance) Exam.
5. Leadership for New Manager.
6. Leadership for New Supervisor.
7. Port Management.
8. 2018 IIA National Conference.
9. Vendor Management.
10. Fraud Detection Using Data Analytics.
11. Performing an Effective Quality Assessment.
12. IT and Security Governance in Industrial Revolution 4.0.
13. Freight Forwarding and Logistic Business.

Aside from those education/training activities, Internal Audit Division also held a sharing session, in which each auditor is required to share relevant knowledge to all team members.

DUTIES AND AUTHORITY OF INTERNAL AUDIT

Corporate Internal Audit 's Duties

In implementing its audit activities, Internal Audit Division is guided by the Internal Audit Charter determined by the President Director through the approval of the Board of Commissioners. The duties that have to be implemented are:

- Determine and implement Annual Audit Plan.
- Test and evaluate the implementation of internal control and risk management system according to Company policy.
- Examine and assess the efficiency and effectiveness of all Company activities.
- Provide objective recommendations and improvement suggestions on activities examined on all levels of management.
- Make Audit Result Report and submit the report to the Directors and Board of Commissioners.

- Monitor, analyze and report the follow up for recommended improvements.
- Cooperate with Audit Committee
- Plan a program to evaluate the quality of internal audit activities done.
- Do special examination when needed.

AUTHORITY OF INTERNAL AUDIT DIVISION

The Internal Audit Division authority, include:

- Has unlimited access to all relevant data, properties, and employees.
- Directly communicate with the Board of Directors including conducting meetings with them and the Board of Commissioners and/or Audit Committee.
- Coordinate their activities with external auditor.

Description of Internal Audit Division Activities

Throughout 2018, the activities conducted by Internal Audit Division are as follows:

- I. Determine:
 1. Annual Audit Plan
 2. Development Program for Internal Audit Division.

- II. Conduct Audit on:
 1. Indonesian Employee Welfare Cooperative
 2. Samudera Indonesia Group Cooperative
 3. PT Masaji Kargosentra Tama, Medan branch.
 4. PT Masaji Kargosentra Tama, Semarang branch.
 5. PT Pelabuhan Samudera Palaran.
 6. PT Prima Nur Panurjwan.
 7. PT Samudera Agencies Indonesia, Jambi branch.
 8. PT Samudera Agencies Indonesia, Medan branch.
 9. PT Samudera Agencies Indonesia, Palembang branch.
 10. PT Samudera Agencies Indonesia, Pontianak branch.
 11. PT Samudera Agencies Indonesia, Semerang branch.
 12. PT Samudera Perdana.
 13. PT Samudera Perdana, Medan branch.
 14. PT Samudera Perdana, Palembang branch.

15. PT Smaudera Properti Indonesia.
16. PT Samudera Sarana Logistik, Medan branch.
17. PT Samudera Sarana Logistik, Palembang branch.
18. PT Samudera Sarana Logistik, Semarang.
19. PT Samudera Shipping Services.
20. PT Silkargo Indonesia, Medan branch.
21. PT Silkargo Indonesia, Palembang branch.
22. PT Silkargo Indonesia, Pontianak branch.
23. PT Silkargo Indonesia, Semarang branch.
24. Samudera Shipping Line Ltd. , Singapore.

- III. Implement fairness assessment on Interested People Transaction (IPT) in Samudera Shipping Line, Ltd., Singapore.

All audit findings are followed up to ensure that adequate improvement actions have been taken. All audit findings and their follow up are periodically reported to the Audit Committee and Board of Directors.

INTERNAL CONTROL SYSTEM

The board of Directors is responsible for the Company's internal control process. The Company has implemented internal control system, including financial and operational control, that meets the control framework that has been internationally acknowledged (The Committee of Sponsoring Organizations of the Treadway Commission – COSO).

Internal control principle in the Company covers a control environment component, risk assessment, control activities, information – communication, as well as monitoring process, in all business lines in the Company.

The Company's control system implements the three lines of defense concept, where the Management has the duty to conduct adequate internal control system and company monitoring in its first line. Management is supported by the second line, which is the risk management function and other control and monitor the control function regularly. In the third line, Audit Internal Division provides fair belief on governance system, risk and control through examination activities.

EVALUATION ON THE EFFECTIVENESS OF INTERNAL CONTROL SYSTEM

Internal Audit Division helps the management to ensure there's good coordination between the Company's control functions, including financial and operational controls, so each of the function can run effectively.

By referring to the internal audit standard that is published by Institute of Internal Auditors (IIA), the Internal Audit Division provides assurance service and advisory to the stakeholders. In fulfilling that role, the Internal Audit Division refers to relevant and significant risk-based approach in those areas.

EXTERNAL AUDITOR

Based on authority given by GMS in the Annual General Meeting of Shareholders on June 28, 2018 and paying attention to the recommendation of the Audit Committee as well as prevailing legislations, the Board of Commissioners has appointed Certified Public Accountants Office (KAP) Satrio Bing Eny & Partners as external auditor to conduct audit on the Company's consolidated financial statements for the fiscal year ending on December 31, 2018.

The appointed Certified Public Accountant Office (KAP) is an independent KAP registered in Bapepam-LK (now OJK) with a good reputation. The audit process conducted by appointed Certified Public Accountant has met the objectivity criteria on fairness and suitability with the Indonesian Financial Accounting Standard.

KAP Satrio Bing Eny & Partners has conducted audit on the Company's consolidated financial statements for 3 fiscal year periods in a row, from fiscal year 2016 – 2018. 2018 is the third year for appointed external auditor to audit the Company's annual financial report.

Audit results on the Company's Financial statement for fiscal year 2018 that KAP Satrio Bing Eny & Partners conducted stated that the consolidated financial statements attached present unqualified opinion on all things material, the financial position of PT Samudera Indonesia Tbk and subsidiaries on December 31, 2018 as well as the financial performance and cash flow for the year ending on the date according to Indonesian Financial Accounting Standard.

Aside from financial audit services, Certified Public Accountant Office Satrio Bing Eny & Partners does not provide any other service to the Company.

RISK MANAGEMENT

Risk Management is the embodiment of the Company's commitment on the importance of risk management in its daily business activities. This embodiment of Risk Management is written in the Enterprise Risk Management (ERM) policy that was published in 2017 and is adapted into one of the Company's values. ERM includes the identification process of an event that can affect the achievement of the Company's strategic purposes. Furthermore, ERM is a framework to assess risk in terms of likelihood an impact, determining response plans and monitoring progress.



ENTERPRISE RISK MANAGEMENT (ERM) FRAMEWORK

GOVERNANCE AND PROCESS

To obtain the full depiction of the exposure landscape, multiple types of risks are considered i.e. financial, strategic and operational. In order to support a consistent, robust and focused approach to risk management; the risks are divided into three main categories comprising Samudera Indonesia's risk universe, namely the near term Known Risks, the long-term Emerging Risks and the industry and geography related Business Portfolio Risks.

The main findings are reviewed by the Board of Directors as well as the Board of Commissioners and serve as input to the annual strategy and capital allocation processes. Specific risks are regularly revisited to ensure adequacy and effectiveness of the risk responses. The Audit Committee quarterly reviews the process for adequacy and potential improvements.

RISK MANAGEMENT SYSTEM

The regional and multi-industrial nature of the Company makes it subject to a number of risks. These include exposure stemming from changes to regulatory and operational conditions in certain regions, potential accidents putting employees or assets at risk, fluctuations in currencies, volatility in freight rates and oil prices.

Several mechanisms are in place to mitigate the gross risks and limit the Company's exposure, such as health, safety and environmental management systems, governance frameworks, hedging of exchange rate exposures, financial policies and insurance activities. Following these embedded efforts to mitigate and limit the gross risk exposure of the Company, the most significant residual risks are consolidated and reported to the Board of Directors and the Board of Commissioners for assessment of the need for further mitigating actions and decision on corresponding resource allocation. In an effort to reduce the exposure even further, the key residual risks are subsequently addressed through designated senior management ownership allocation for each risk and elaboration of additional actions.

Below are a few main risks as well as their mitigating steps that have been formulated:

Risks	Mitigating Steps
SHORT TERM RISK	
Short term risk is interpreted as actual risks for the year. A few residual risks have short term nature, among which are:	
1. Primary market imbalance and changes in market trends	Steadying focus on commercial and operational quality in a sustainable way, strengthening organization through restructuring.
2. Failure to comply to the law and regulations	Asking key employees to sign integrity pact to always protect the business by ensuring good governance; complying to prevailing regulations and laws.
3. Business development that is only focused on certain lines of business.	Diversification strategy.
4. Freight rate	Develop network and utilizing existing network, improve cost efficiency, develop new services
5. Accident and pollution to the ships and work equipment operated by the Company.	Consistently build and support accident-free operation and optimizing occupational safety program, insuring assets and workers as well as liabilities
6. Cyber-attacks that may impact finances and operations.	Do cyber security assessment as well as tight monitoring focused on Business Continuity Management.
LONG-TERM RISK	
Long term risk is the potential in long-term trend that threatens the Company's long term goals.	
1. Pressures from global and regional trends in economy and politics.	The Company specifically monitors national and regional political development as well as technological development.
PORTFOLIO RISK	
Portfolio Risk is risk exposure relating to the Company's business composition and location.	
1. Decline in contribution from main business line.	Maintain and develop business networks, improve cost efficiency, optimize equipment and network utilization of all business units, industry consolidation, and continuing to diversify the Company's revenue, as well as business development towards new business lines.

LITIGATION

- PT Silkargo Indonesia, currently is facing a civil lawsuit from PT Putra Tunas Sejati in Medan state Court registered in case No. 87/Pdt.G/2013/PN.Mdn. on August 4, 2014, PT Putra Tunas Sejati has submitted an Appeal on the Decision of Medan High Court to the Supreme Court of Republic of Indonesia. Until December 31, 2018, the civil lawsuit is still in examination process in the Supreme Court of Republic of Indonesia and has no material impact on the Company.
- On November 2018, one of the Group's dry-bulk ships, Sinar Kapuas, was detained in San Lorenzo port, Honduras, for claims of cargo delivery delay. Efforts in releasing the ship from detainment are underway.

ADMINISTRATIVE SANCTION

Throughout 2018, the Company, members of the Board of Commissioners and Directors are not facing any administrative sanctions from capital market authority as well as other authorities with potential material impact on the Company.

CODE OF ETHICS

CODE OF ETHICS PRINCIPLES

Code of Ethics is a series of behavior standards used as guidelines in implementing business activities according to prevailing laws and ethics. Code of Ethics implementation are divided into a few parts, which are:

- The Company's responsibility to the Employees
- The Company's responsibility to the Government and Public
- Information Security and Reliability
- Conflict of Interest
- Relations with Media, Activities and Political Contribution

CODE OF ETHICS SOCIALIZATION AND IMPLEMENTATION EFFORTS

To support the implementation of Code of ethics in all its business units, the Company actively socializes and publishes the Company's Code of Ethics. Among which through direct presentation in front of the employees as well as distributing code of ethics book to all employees.

The implementation effort of the Company's Code of Ethics is done by the leaders in every division, business unit, as well as branches. The Code of Ethics is applicable to all members of the Board of Directors, Commissioners, and Company employees.

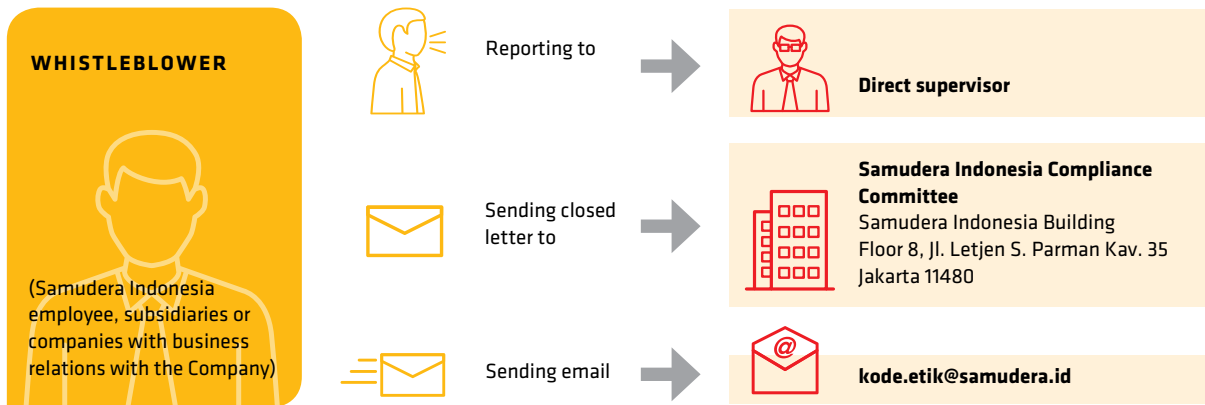
CORPORATE VALUES

Corporate values can be found in the vision and mission section

WHISTLEBLOWING SYSTEM

The Company has implemented Whistleblowing System as prevention, reporting, and control on all forms of deviations in the organization that can result in damages to the stakeholders as well as the Company.

SYSTEMATICS OF WHISTLEBLOWING SYSTEM



PROTECTION FOR WHISTLEBLOWER

The Company guarantees that information about the report as well as the whistleblower is confidential. Whistleblowers will also get protection according to the mechanism in Samudera Indonesia based on the prevailing legislations.

COMPLAINTS HANDLING AND PARTIES IN CHARGE

Every complaint or report on the violation/deviation will be followed up by the Company by putting forth the presumption of innocence, confidentiality, and handling professionalism.

After verifying the report that has come in, then a follow up investigation by Compliance Committee will take place as well as cooperation with other related work units.

Parties proven to have committed violations/deviations will be sanctioned according to the prevailing regulations.

WHISTLEBLOWING REPORT

Throughout 2018, there is no report of violation/deviation that came through to the Company's Whistleblowing System.

CORPORATE SOCIAL RESPONSIBILITY

Not only ensuring that every subsidiaries implements the stated profit-oriented business strategies, The Company also realizes that it is its duty to give real benefits not only for the shareholders but also the stakeholders, especially the society around the operational areas, the environment, employees, and customers.

To build a harmonic and mutually supportive relationship between the Company and communities around the operational areas, the Company implements Corporate Social Responsibility (CSR). CSR serves as the Company's commitment in building a sustainable business to all stakeholders.

The Company considers that the sustainable, long-term implementations of CSR's commitments can be strong foundations in building a community that upholds the Company's values and gives added values to stakeholders, especially those who reside near in the operational areas. In order to realize these, the Company continues to build synergy and cooperation with all business units, subsidiaries, and affiliates.

THE FOUNDATION AND POLICIES OF CORPORATE SOCIAL RESPONSIBILITY

In carrying out CSR programs, the Company bases its policies on the existing Law and Regulations, in accordance with:

1. Law No. 40 of 2007 on Limited Liability Companies, which states that the Corporate Social and Environmental Responsibilities should be included the Company's commitments in building sustainable economy to improve the quality of life and environment. They are beneficial for the Company itself, local communities, and the general public.
2. Law No. 25 of 2007 on Capital Investment, which states that every investor is under the obligation to:
 - Implement corporate social responsibility
 - Respect the cultural traditions of local communities around the location of capital investment business activities.

CORPORATE SOCIAL RESPONSIBILITY POLICY FOCUS

In general, the implementation of Corporate Social Responsibility is focused on the living standard improvements of the communities around the Company's operational locations, communities living in coastal area, and the communities who need it.

The implementation of Corporate Social Responsibility policies is focused on the following activity categories:

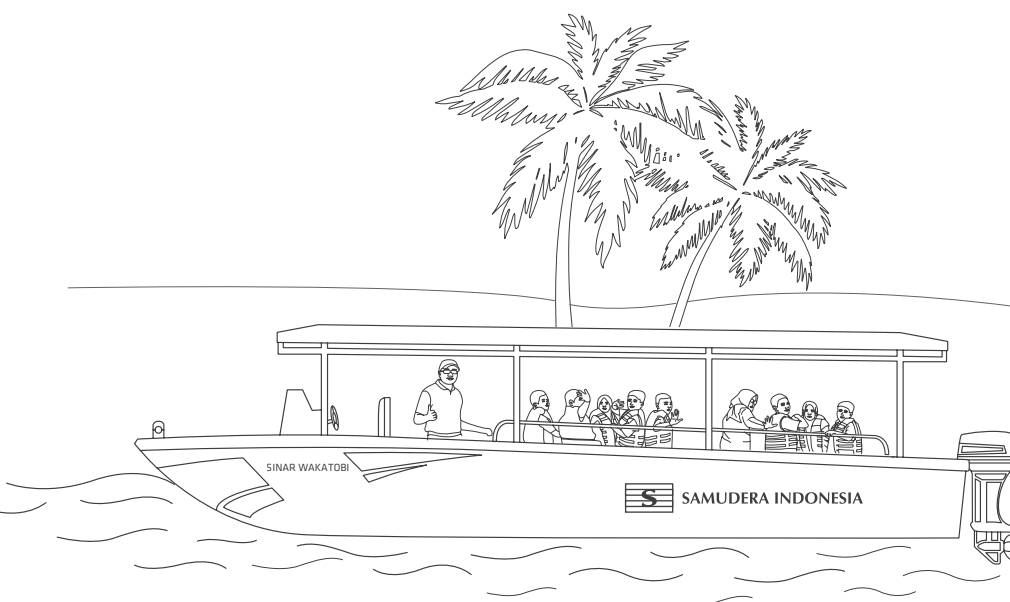
- a. Social & Economic Activities
- b. Religious Activities
- c. Educational Activities
- d. Health and Sports Activities
- e. Humanitarian and Natural Disaster Relief Activities
- f. Environmental Conservation Activities
- g. Public Facilities Repair & Development Activities

CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES IN 2018

The implementation of the Company's CSR programs were carried out under the Samudera Indonesia Peduli name. In 2018, the the Company focused on sustainable programs and were expected to become the identity of Samudera Indonesia.

The total amount of funds used for Samudera Indonesia Peduli activities in 2018 was Rp5,907,225,309 with the following amount and percentage for each activity category:

Category	Total (Rp)	%
Social and Economic	2,353,503,711	39.84%
Religious	1,385,531,050	23.45%
Humanitarian and Natural Disaster Relief	935,850,070	15.84%
Health and Sports	535,080,644	9.06%
Environmental Conservation	190,832,999	3.23%
Educational	401,830,835	6.8%
Public Facilities Repair and Development	104,596,000	1.77%
Total (Rp)	5,907,225,309	100.00%



1



In 2018, the total amount of funds for Corporate Social Responsibility activities spent by the Company increased by 55.92% compared to the previous year.

Below are the flagship Corporate Social Responsibility programs that have been successfully carried out by the Company:

- **School Boat Program**

Initiated in 2017, the program shows the Company's concern towards children living in residential areas near rivers and/or islands in Indonesia with economic limitations and difficulties in accessing transportation for school. The boat, 'Sinar Wakatobi', started to routinely operate in 2018 to transport schoolchildren who live along the Citarum River in Muara Gembong Sub-District, Bekasi District, West Java to and from their school.

For the next stage of the program, the Company will build the second boat, 'Sinar Waisai', which will operate at the same place but with different routes since there is a great need of water transportation for local communities such this.

- **Mangrove Planting Program**

The Company supports environmental preservation with the planting of 5,000 Mangrove for Belawan, North Sumatera. Mangrove planting all along the river around Samudera Indonesia's office in Belawan aims to prevent abrasion and returns the function of mangrove forest to retain sedimen and making new plains, that are expected to be useful in improving environmental quality and improve the livelihoods of fishermen in Belawan.

- **Aid for Natural Disaster Victims**

In 2018, the Company plays an active role in helping natural disaster victims in Indonesia. One of the examples is with

Posko Lombok Bangkit program held by Samudera Indonesia Peduli by providing emergency clinic using a portacamp in cooperation with Endri Foundation for natural disaster victims who required health services. The Company also built an emergency classroom for child refugees in Lokokrangan, Kayangan Village, Kayangan Sub-District, North Lombok District. In the emergency response period, the Company also sent foodstuff and medicines to natural disaster victims in Lombok. For the natural disaster in Palu and Donggala, the Company also actively help the victims and survivors by providing a Surgery Room and an Emergency Room from containers, placed in front of UNDATA Hospital Palu in cooperation with



2



1. The first school boat, 'Sinar Wakatobi', to transport schoolchildren who live along the Citarum River in Muara Gembong Sub-District, Bekasi District, West Java.
2. The annual Blood Donation event.
3. Surgery Room and Emergency Room for natural disaster victims and survivors in Palu and Donggala.
4. Environmental conservation through a program Planting 5,000 Mangroves for Belawan, North Sumatera.



3

also contributed in the repair and regular docking annually of the 1st RSA, Darmawan Lie. Yayasan Dokter Peduli is a social foundation with the main activities of helping and giving medical services and free medicines for communities without health access on remote islands in Indonesia.

blood donation events. The Company also supports educational activities by becoming a sponsor for various university student competitions in the maritime field or educational seminars like the previous years. In the field of education, Samudera Indonesia Peduli also initiated Gerakan Berbagi Buku Berbagi Ilmu ('Sharing Books, Sharing Knowledge' Movement). In this program, employees are asked to participate by donating books for taman baca/small reading libraries that need the books. Another social activity of the Company is to give social assistance to community groups in need, for example: irrigation equipment for Seren Village's farmer group in Purworejo, with the aim of increasing agricultural products to improve the local economy.

PERSPEBSI (Perhimpunan Spesialis Bedah Saraf Indonesia/Association of Indonesian Neurosurgeons). In addition, the Company sent foodstuff for the refugee victims of Palu and Donggala natural disasters in Makassar and facilitated free cargo shipping to send aid to Palu and Donggala.

• **doctorShare Program**

In 2018, the Company still supported Dokter Peduli Foundation's activities through doctorShare, a program providing free health services for people on islands without hospital or health center. The Company supports doctorShare activities by procuring and sending medical equipments, and by shipping spare parts to build the 3rd Floating Hospital (Rumah Sakit Apung/RSA) and RSA Nusa Waluya 2. The Company

- **Social and Education Program**
Moreover, the Company's routine social activities that had been carried out in the previous years that were still ongoing in 2018 are donating, providing school equipment to orphans, help for the poor, repairing religious facilities, and holding

In the future, the Company will focus on conducting sustainable Corporate Social Responsibility programs for the welfare of the community, through social and economic empowerment activities as well as community developments that hold and uphold the values of the Company, namely integrity and professionalism.



4

CHAPTER

6



CORPORATE DATA




SAMUDERA SHIPPING

BOARD OF COMMISSIONERS

Shanti Lasminingsih Poesposoetjipto,

Indonesian citizen, born on 1948. Has been Chairman since May 15, 2008 based on Deed of Minutes of Extraordinary General Meeting of Shareholders No. 25, and has been re-appointed on May 22, 2014 based on Deed of Minutes of Extraordinary General Meeting of Shareholders No. 41.

Prior to serving as Chairman, she served as the member of Board of Commissioners of the Company, from June 2000 to May 2008.

She also currently serves as Chairman for PT Asuransi Bintang Tbk and President Director for PT Ngrumat Bondo Utomo, PT NBU Indonesia Utama & PT Samudera Indonesia Tangguh.

Organizational Activities

- Founder and Chairwoman of Singapore Chamber of Commerce Indonesia
- Honorable Chair Member of Indonesia – Germany Chamber of Commerce

- Supporting Board Member of The Nature Conservancy Indonesia Program
- Supporting Board Member of The Nature Conservancy – Asia Pacific
- Founder & Ambassador of Family Business Network Asia
- Chairwoman of Fitrah Foundation
- Member of National Policy Committee of Archipelago Family Business
- Head of Consulting Board for The Financial Club, Athletic Club Jakarta, Indonesia

Educational Activities

- Member of Consulting Board for Southeast Asia, INSEAD Management School
- Head of Consulting Board for Management Education and Training Foundation, Jakarta
- Head of Consulting for the Board of Indonesia International Education Foundation, Jakarta
- Board Member of School of Management and Business Bandung Institute of Technology
- Head of Consulting Board of AIESEC Indonesia
- Member of Supporting Board of Sanata Dharma University, Yogyakarta
- Founder & member of Wharton e-fellow, Wharton Business School, University of Pennsylvania, USA

Awards

- “Woman Inspire Award 2002” for Technology Informatics in Asia Pacific - Women’s Business Connection Singapura
- “Nature Guard Award” – for her leadership & dedication for conservation (2006), The Nature Conservancy
- “Woman Entrepreneur of the Year” - Enterprise Asia, Asia Pacific Entrepreneurship Award (2009)
- “Ganesa Wirya Jasa Utama” from Bandung Institute of Technology (2013)
- “The Order of the Crown” – from The monarchy of Belgium for her roles in building cooperation between the two countries as Chairwoman of Indonesia – Belgium, Netherlands & Luxemburg Chamber of Commerce.
- “Women of the Year” – for outstanding achievement in responsible leadership in Asia Corporate Excellence & Sustainability Awards 2018 (ACES Awards 2018), held by MORS Group, Singapore (October 2018).

Education

- Diplom Ingenieur (Dipl.Ing) - Munich-Jerman (TU-Muenchen) Technological University, Majoring in Electronics, specializing in Computer Science (1974)



CHAIRMAN

SHANTI

LASMININGSIH POESPOSOETJIPTO

Anugerah Pekerti, Indonesian citizen, born in 1938. Has effectively served as member of Board of Commissioner since 2000, and appointed as Independent Commissioner on June 7, 2001 based on Deed of Minutes of Annual General Meeting of Shareholders No. 6 and re-appointed on June 2, 2016 based on Deed of Minutes of Annual General Meeting of Shareholders No. 3.

He graduated with a Bachelor's in Psychology from University of Indonesia (1967) and Doctor of Philosophy in Business Administration from University of Southern California (1985).

He once served as an Independent Commissioner for PT United Tractors Tbk and PT Astra Agro Lestari Tbk, and member of Advisory Board for the National Commission for Human Rights and Advisor for Indonesian Physics Olympics Team.



INDEPENDENT COMMISSIONER

ANUGERAH

PEKERTI

Kuntoro Mangkusubroto, Indonesian citizen, born in 1947. He's been appointed as Independent Commissioner since May 24, 2017 based on Deed of Minutes of Annual General Meeting of Shareholders No. 290.

He graduated with a Bachelor's in Industrial Engineering at Bandung Institute of Technology (ITB), Master of Science - Industrial Engineering at Northeastern University, Master of Science - Civil Engineering at Stanford University and Doctor of Engineering - Decision Science at ITB. He also received the title of Professor of Decision Science - SBM ITB and Doctor of Engineering (Honoris Causa) - Northeastern University.

He was once appointed as President Director of PT PLN (Persero), PT Tambang Batubara Bukit Asam (Persero), PT Tambang Timah (Persero) and Chairman of PT Unilever Indonesia Tbk.

Currently, he also serves as Chairman of PT Holcim Indonesia Tbk, PT Jakarta Propertindo and Commissioner of PT Triputra Agro Persada.

He has had several vital positions in the government: Minister of Mining and Energy, Head of Presidential Working Unit in Supervisory & Controlling of Development Program (UKP4), Vice Head of Investment Coordinating Board (BKPM), and Head of Rehabilitation and Reconstruction Board (BRR) Aceh & Nias.

He received Bintang Mahaputera Adhipradhana award the year 1999, Honorary Lee Kuan Yew Exchange Fellow - Singapore, Royal Norwegian Order of Merit - Commander with Star, National Democratic Institute Award 2013 for Civic Innovator, Asia Game Changers Award - Asia Society.



INDEPENDENT COMMISSIONER

KUNTORO

MANGKUSUBROTO

Amir Abadi Jusuf, Indonesian citizen, born in 1951. He has served as Commissioner since May 12, 2010 based on Deed of Minutes of Annual General Meeting of Shareholders No. 14 and was reappointed on May 22, 2014 based on Deed of Minutes of Annual General Meeting of Shareholders No. 41.

He currently also serves as Chairman and Chief Executive Partner RSM Indonesia. He once served as Chairman for PT Asuransi Bintang Tbk, Independent Commissioner & Head of Audit Committee of PT Bank Universal Tbk, Member of Audit Committee for PT HM Sampoerna Tbk and PT Bank Danamon Tbk.

In professional organizations, he's been trusted to become Head of Profession Department and Head of Examination Board for Public Accountant's Certification (IAI), Head of IAI's Public Accountant Compartment and Head of Certification Board, Indonesian Public Accountants Institute (IAPI).

He also founded and became the Vice Head of Indonesian Curator and Manager Association (AKPI), and member of committee for IFEA (Indonesia Financial Executive Association).

In the social aspect, he currently serves as the Head of Supervisory Board for Biodiversity Foundation (KEHATI) and Head of Supervisory Board for Lontar Foundation.

COMMISSIONER

AMIR

ABADI JUSUF



He started his career in Soedarpo Informatics as Business Process Analyst & Business Representative in San Diego, USA (1999-2001). He continued his career as IT Consulting Service Director (2005-2006) and Chairman for Soedarpo Informatics since 2008 – now.

He once served as President Director of PT Bayu Buana Gemilang (2008-2014).

Today, he also serves as Chairman of PT Perusahaan Pelayaran Nusantara Panurjwan & PT Galangan Kapal Yasa Wahana Tirta Samudera, Commissioner of PT Tata Bandar Samudera and PT Samudera Wadah Mitra and Director of PT Ngrumat Bondo Utomo & PT NBU Indonesia Utama.

In the year 2009 & 2010, he was appointed by Indonesian Ministry of Research & Technology as judge for "101 Indonesian Innovation" program. In the year 2014, he was appointed as one of the "50 Inspiring Figures" from Engineering Faculty, University of Indonesia.

Ken Narotama Hidayatullah, Indonesian citizen, born in 1976, has effectively served since June 2, 2016 based on Deed of Minutes of Annual General Meeting of Shareholders No. 3. He has a bachelor's in Engineering from the Engineering Faculty of University of Indonesia (1999).



KEN

NAROTAMA HIDAYATULLAH

COMMISSIONER

COMMITTEE

AUDIT COMMITTEE

Anugerah Pekerti*	Head of Audit Committee
Muljawati Chitro	Member
Patricia M. Sugondo	Member

BUSINESS DEVELOPMENT COMMITTEE

Ken Narotama Hidayatullah*	Head of Business Development Committee
Munir M. Ali	Member

NOMINATION AND REMUNERATION COMMITTEE

Kuntoro Mangkusubroto*	Head of Nomination & Remuneration Committee
Shanti L. Poesosoetjipto*	Member
Amir Abadi Jusuf*	Member

*) Profiles can be found on Board of Commissioner's Profile page



PATRICIA MARINA SUGONDO

member of audit committee

Muljawati Chitro has served as member of Audit Committee since 2009 and was re-appointed by the decision of Board of Commissioner Number SR.13.06.017d/SK/SP/DK dated 1 June 2013.

MULJAWATI CHITRO

member of audit committee



She also serves as member of Audit Committee for PT Austindo Nusantara Jaya Tbk and Independent Commissioner of PT Asuransi Jiwa Adisarana Wanaartha, and Managing Partner for Muljawati, Rini & Partners (Public Accountant).

She graduated from Atmajaya University (1990) majoring in Accounting and post-graduate program from PPM (2002). She's also a certified public accountant.

Previously, she served as Audit Committee Member of PT Asuransi Bintang Tbk (2005-2010), PT Century Textile Industry Tbk (2001-2008), and PT Metrodata Tbk (2002-2003).

Patricia Marina Sugondo is appointed as Audit Committee since 2009 and has been re-appointed based on Board of Commissioner's Decision Letter No. SR.13.06.017d/SK/ SP/DK dated on 1 June 2013.

She also serves as member for Audit Committee for PT Elang Mahkota Teknologi Tbk and PT Sarana Menara Nusantara Tbk. Currently, she actively serves as Financial and Business Consultant for PT GNV Solution.

She graduated from Atmajaya University (1990), with a Bachelor's in Economics majoring in Accounting. She's also a certified public accountant. She previously worked at PriceWaterhouse Coopers, Jakarta with the latest position Senior Manager Assurance & Business Advisory Services



MUNIR MACHMUD ALI

member of business development committee

Munir Machmud Ali was appointed as member of Business Development Committee based on Board of Commissioner's Decision No SR.13.06.017f/SK/SP/DK dated June 1, 2013. He graduated from University of Indonesia (1990), with a Bachelor's in Economics majoring in Accounting and received Master's in Business Administration in Finance from University of Illinois (1995).

Currently, he also serves as CEO for Crowe Horwath Indonesia and Teaching Staff in the Accounting department of University of Indonesia.

BOARD OF DIRECTORS



PRESIDENT DIRECTOR

MASLI

MULIA

Masli Mulia, Indonesian citizen, born in 1946. Has effectively served as President Director since May 12, 2010 based on Deed of Minutes of Extraordinary General Meeting of Shareholders No. 14 and was re-appointed on June 2, 2016 based on Deed of Minutes of Annual General Meeting of Shareholders No. 3. He graduated from The Indonesian Marine Academy (1970).

He joined the Company since 1971 as Deck Officer and later served as Captain of vessels operated by the Company. Prior to his current position as President Director, he served as Corporate Managing Director-Logistics Group (1990-2010).

Currently, he also serves as President Commissioner for PT Ngrumat Bondo Utomo, PT NBU Indonesia Utama, PT Samudera Indonesia Tangguh & Executive Chairman Samudera Shipping Line Ltd.

In the past, he served as Chairman of the Indonesian Logistics & Forwarders Association, and is now a member of its Supervisory Board. He was also Chairman of the ASEAN Federation of Forwarders Associations (2008-2010) and Chairman of the Intermoda & Logistics Permanent Committee at the Indonesian Chamber of Commerce and Industry (2010).

Currently, he serves as member of Advisory Board in the Indonesian National Shipowners Association (INSA).

Bani Maulana Mulia, Indonesian citizen, born in 1980. Has served as Director since June 2, 2016 based on Deed of Minutes of Annual General Meeting of Shareholders No. 3.

Previously, he served as Representative Commissioner since 2013 and Secretary of the Board of Commissioners since 2009.

Currently, he also serves as Managing Director for PT Ngrumat Bondo Utomo, PT NBU Indonesia Utama & PT Samudera Indonesia Tangguh.

Moreover, he also serves as President Director in PT Samudera Terminal Indonesia, PT Samudera Perkapalan Indonesia, PT Samudera Agencies Indonesia, PT Samudera Properti Indonesia, PT Samudera Indonesia Logistik Kargo, PT Silkargo Indonesia & PT Perusahaan Pelayaran Nusantara Panurjwan.

In terms of organizational activities, he is active as Vice Chairman of Sea Transportation Permanent Committee at Indonesian Chamber of Commerce and Industry (KADIN) and Transportation &

Energy committee member at Indonesian Employers Association (APINDO). He is also active in Young Presidents Organization (YPO) and serves as Chapter Chair-PAN Indonesia (2015-2017).

He studied in the Economics Faculty of University of Indonesia, majoring in Management, then continued his education in Deakin University, Australia, majoring in Finance.



MANAGING DIRECTOR

BANI

MAULANA MULIA



Ridwan Hamid, Indonesian citizen, born in 1963. He has effectively served as Director since May 22, 2014 based on Deed of Minutes of Extraordinary General Meeting of Shareholders No. 41 and has been re-appointed as Independent Director since June 2, 2016 based on the Deed of Minutes of Annual General Meeting of Shareholders No. 3.

Prior to joining the Company, he started his career in Prasetio Utomo & SGV-Arthur Andersen (1987-1992), with his last position being Head of Mergers & Acquisitions Team. He then moved and held various positions in Coca-Cola Amatil Indonesia (1992-2005).

He subsequently occupied several other important positions, namely as CFO (2005-2008) and President Director (2008-2010) of Hutchison Port, member of the Executive Committee of the International Association of Ports and Harbors (2010-2011), as well as CEO and President Director of Anglo Eastern Plantations Group, which owns 17 palm oil plantation companies and CPO factories all over Indonesia (2011-2014).

He earned his Bachelor of Economics majoring in Finance and Accounting from Padjadjaran University, Bandung (1987).

FINANCE DIRECTOR

RIDWAN

HAMID

ADDRESS OF COMPANY & SUBSIDIARIES

HEADQUARTERS

PT Samudera Indonesia Tbk	Gedung Samudera Indonesia Jl. Letjen S. Parman Kav. 35, Jakarta Barat, DKI Jakarta, 11480, Indonesia
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SAMUDERA SHIPPING

PT Perusahaan Pelayaran Nusantara Panurjwan	Komplek Perkantoran Yos Sudarso Megah Jl. Yos Sudarso No. 1 Blok B 15 Tanjung Priok, Jakarta Utara, DKI Jakarta, 14320, Indonesia
Samudera Shipping Line Ltd	6 Raffles Quay #25-01 Singapore 048580, Singapore
Foremost Maritime Pte Ltd	
PT Samudera Agencies Indonesia	Gedung Samudera Indonesia 3 rd Floor Jl. Letjen S. Parman Kav. 35, Jakarta Barat, DKI Jakarta, 11480, Indonesia
PT Samudera Perkapalan Indonesia	
PT Samudera Shipping Indonesia	Gedung Samudera Indonesia 3 rd A Floor Jl. Letjen S. Parman Kav. 35, Jakarta Barat, DKI Jakarta, 11480, Indonesia
PT Samudera Asahi Shipping	
PT Cumawis	
PT Samudera Shipping Services	Gedung Samudera Indonesia 5 th Floor Jl. Letjen S. Parman Kav. 35, Jakarta Barat, DKI Jakarta, 11480, Indonesia
PT Samudera Amanah Tanker	
PT Samudera Indonesia Ship Management	Jl. Kali Besar Barat 39, Jakarta Barat, DKI Jakarta, 11230, Indonesia
Samudera Bharat Feeder Pvt Ltd	57/3, 3rd Floor Armenian Street, Chennai-600 001, India
LNG East-West Shipping Company (Singapore) Pte Ltd	1st Harbourfront Place #13-01 Harbourfront Tower One, 098633 Singapore
Prime Maritime DWC LLC	Building E, Office 345, Business Park Dubai World Central P.O. Box 644269, Dubai, United Arab Emirates
Samudera Shipping Line (India) Pvt Ltd.	402, 4th Floor, Rustomjee Aspiree, Everard Nagar Road, Off Eastern Express Highway, Sion Mumbai 400022, India
Samudera Intermodal Sdn Bhd	Suite 12.02, Level 12, Menara Trend Intan Millenium Square, No. 68, Jalan Batai Laut 4, Taman Intan, 41300 Klang, Selangor Darul Ehsan, Malaysia
Samudera Traffic Co Ltd	Green Tower, 9th Floor, 3656/27-28 Rama IV Road, Klongton-Klong Toey, Bangkok 10110, Thailand
Ocean Shipping Pte Ltd	6 Raffles Quay # 25-01 Singapore 048580, Singapore
Samudera Cargo Services LLC	Office No. 1109, The Onyx Tower 1 Sheikh Zayed Road, The Greens, Dubai, PO Box 644269 - United Arab Emirates

SAMUDERA PORTS

PT Samudera Terminal Indonesia	Gedung Samudera Indonesia 3 rd A Floor
PT Samudera Konsultan Terminal Indonesia	Jl. Letjen S. Parman Kav. 35, Jakarta Barat, DKI Jakarta, 11480, Indonesia
PT Prima Nur Panurjwan	Komplek Perkantoran Yos Sudarso Megah Jl. Yos Sudarso No. 1 Blok B/19-20, Tanjung Priok, Jakarta Utara, DKI Jakarta, 14320, Indonesia
PT Tangguh Samudera Jaya	Komplek Perkantoran Yos Sudarso Megah
PT Samudera Sarana Terminal Indonesia	Jl. Yos Sudarso No. 1 Blok A1-7, Tanjung Priok, Jakarta Utara, DKI Jakarta, 14320, Indonesia
PT Pelabuhan Samudera Palaran	Jl. P. Diponegoro RT 18 Kelurahan Bukuan Palaran, Samarinda, Kalimantan Timur, 75241, Indonesia

PT Asta Rika Stuwariindo	Jl. Perak Timur No. 260 Surabaya, 60165, Jawa Timur, Indonesia
PT Samudera Golden Mitra	Jl. P. Diponegoro RT 22 Kelurahan Bukuan Palaran, Samarinda, Kalimantan Timur, 75241, Indonesia

SAMUDERA LOGISTICS

PT Samudera Perdana	Jl. Walisongo No. 60 Tugurejo, Tugu, Semarang, Jawa Tengah, 50151, Indonesia
PT Samudera Laksana Perdana	Jl. Kelud Raya No 15 E Semarang, Jawa Tengah, 50237, Indonesia
PT Silkargo Indonesia	Jl. Kali Besar Barat 39, Jakarta Barat, DKI Jakarta, 11230, Indonesia
Silkargo Logistics (Singapore) Pte Ltd	6, Raffles Quay # 25-02 Singapore 048580, Singapore
Samudera Logistics DWC LLC	Office No. 416, Building A5, Dubai Aviation/Logistics City Dubai South, United Arab Emirates
PT Samudera Sarana Logistik	Jl. Raya Cakung No. 15 Semper Timur, Cilincing, Jakarta Utara, DKI Jakarta, 14130, Indonesia
PT Masaji Tatanan Kontainer Indonesia	
PT Samudera JWD Logistics	
PT Masaji Kargosentra Tama	Kawasan Industri & Pergudangan Marunda Center Blok E 7 No A & B Jl. Marunda Makmur, Segara Makmur, Tarumajaya, Bekasi, Jawa Barat, 17211, Indonesia
PT Adib Cold Logistic	Jl. Raya Narogong Km 11, Bantargebang, Kota Bekasi, Jawa Barat, 17151, Indonesia
PT Maruzen Samudera Taiheiyo	Gedung Samudera Indonesia Lt. 3A
PT KCTC Samudera Logistics	Jl. Letjen S. Parman Kav. 35, Jakarta Barat, DKI Jakarta, 11480, Indonesia
PT GAC Samudera Logistics	Komp. Delta Silicon II Jl. Waru Blok F2 No. 5 Lippo Cikarang, Bekasi, Jawa Barat, 17850, Indonesia
Shal Hawk Silkargo Sdn Bhd	Blok X Oasis Square No. 2 Jalan PJU 1A/7A Oasis Ara Damansara 47301 Petaling Jaya, Selangor, Malaysia
PT Masaji Prayasa Cargo	Gedung Kirana Three Lt. 12 Lot. C, D, E Kirana Commercial Avenue Jl. Boulevard Raya Kav. 1 Kelapa Gading, Jakarta Utara, DKI Jakarta, 14240, Indonesia

SAMUDERA PROPERTY

PT Samudera Properti Indonesia	Gedung Samudera Indonesia Jl. Letjen S. Parman Kav. 35, Jakarta Barat, DKI Jakarta, 11480, Indonesia
Samudera Property Ltd	Office No. 1109, The Onyx Tower 1 Sheikh Zayed Road, The Greens, Dubai, PO Box 644269 - United Arab Emirates

SAMUDERA SERVICES

PT Samudera Daya Mitra	Gedung Samudera Indonesia Lt. 7 Jl. Letjen S. Parman Kav. 35, Jakarta Barat, DKI Jakarta, 11480, Indonesia
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ACCOUNTABILITY STATEMENT OF ANNUAL REPORT 2018

This Annual Report, together with the Financial Statements and other relevant information, is the responsibility of the Management of PT Samudera Indonesia Tbk and has been approved by all members of the Board of Commissioners and the Board of Directors:

Jakarta, April 2019

BOARD OF COMMISSIONERS



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ANNUAL REPORT

PT SAMUDERA INDONESIA Tbk