

CLIENT	:	
DOCUMENTS TO REVIEW	:	1. Deed of Establishment Number 18, dated January 22, 2021, of PT. Tommorowland Development Bali 2. Validation of the Establishment of a Legal Entity Limited Liability Company Number AHU-0005617.AH.01.01.Tahun 2021 PT. Tommorowland Development Bali; 3. Business Identification Number 1251000122966 dated January 26, 2021, of PT. Tommorow Development Bali; 4. Deed of Land Lease Number 09, dated May 19, 2022 between Mr. I Wayan Dirgantara, ST and Mr. Andrej Frey for and on behalf of PT. Tommorowland Development Bali; 5. Deed of Land Lease Number 15, dated May 30, 2022, between Mr. Ida Bagus Gede Cahyadi and Mr. Andrej Frey for and on behalf of PT. Tommorowland Development Bali; 6. Draft Master Agreement PARQ Family
PREAMBLE	:	PT. Tomorrowland Development Bali is a legal entity established under the laws of the Republic of Indonesia, based on the Deed of Establishment Number 18, dated January 22, 2021, and has received establishment validation number AHU-0005617.AH.01.01.Tahun 2021 from the Ministry of Law and Human Rights on January 26, 2021. PT. Tomorrowland Development Bali has a Business Identification Number 1251000122966, dated January 26, 2021. Currently, PT. Tomorrowland Development Bali has lease rights to a 995 m² plot of land and a 10,086 m² plot of land, both of which are valid based on their respective lease agreements until January 1, 2053.
ANALYSIS AND RECOMMENDATION/ CORRECTION	:	PT. Tommorowland Development Bali ("Company"), the Deed of Lease Number 09, dated May 19, 2022, states that the payment term for the 995 m² plot of land has been fully paid upon signing the lease deed. Furthermore, the Deed of Lease Number 15, dated May 30, 2022, for the payment term of the 10,086 m² plot of land, indicates that the fifth payment term will be due May 30, 2023. In essence, Indonesia adopts the principle of Freedom of Contract, in which the content of an agreement is based

	on the consensus of the parties involved in the contract. However, the principle of Freedom of Contract does not grant complete freedom to determine the content of the agreement but is subject to limitations as per Article 1320 of the Indonesian Civil Code. This article sets forth the following provisions: 1. An agreement between the parties 2. The capacity of the parties to enter into a commitment 3. The presence of a specific object of the agreement 4. The existence of a lawful cause Regarding the Draft Master Agreement prepared by PT. Tomorrowland Development Bali, known as PARQ Family, it is mandatory to comply with the above 4 provisions in order for an agreement to be legally valid and not subject to annulment or void by law. Therefore, based on our analysis, there are several notes that need to be adjusted in the Draft Master Agreement prepared by PARQ Family, which are: 1. The listed prices, if using the US Dollar (USD) exchange rate, must include and agree on the exchange rate for 1 USD to Indonesian Rupiah and display the Rupiah value in the agreement; 2. In the “Background” section, the term “Hak Guna Bangunan/HGB” (Building Use Right) should be removed since PARQ Family has lease rights, and the land address needs to be updated according to the leased land location; 3. PARQ Family should provide clarification in regard to transfer of the lease rights for 30 years, which is until January 1, 2053, because one of the leased lands has not yet been fully paid, with the due date being May 30, 2023; 4. Point 14 or Article 14 regarding Taxes: transfer/lease taxes, value-added taxes, property taxes, and other fees, including construction taxes, should be detailed in separate sub-points or sub-articles for each tax resulting from the agreed transaction in the Draft Master Agreement, so that the parties understand and acknowledge the tax responsibilities incurred from the agreement;
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	5. Point 20 or Article 20 regarding Governing Law and Point 23 or Article 23 regarding Dispute Resolution should be reexamined to determine if Indonesian Law, as the stated governing law, can be applied in the arbitration process at the Singapore International Arbitration Centre (SIAC); 6. There are several instances of Indonesian text that need correction due to writing errors, mixing with Balinese language and English phrases within the Indonesian version in several articles. 7. Location of the object does not allow for online check of Zoning. Due to that reason we ask the Developer to provide us with KKKPR document or similar zoning confirmation. 8. Also clarification is needed in regard to type of PBG that is planned to acquire 9. Clarification is needed in regard to definition of word “Substantially” in Article 13.1 of Master Agreement 10. Clarification is needed in regard to possibility of Exceeding of 6% penalty under Article 13.1 11. Clarification is needed to the Article 16. Main question is – in case Client will sublease the object to next owner will he be liable for damages of future owner. Same question arises to occupiers that caused damages during Rental of Object through PARQ management 12. Clarification is needed in regard to possibility of change of Address under Appendix 3 to the agreement
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I, **Arakita Rida Rimbayana**, hereby declare that this document is an English translation of a document prepared in Indonesian Language. The optimum attempt has been made during the translation process to keep the original document's literal meaning without jeopardizing the overall continuity of the text. However, differences may occur in translation and if they do the original text has precedence in law.



Arakita Rida Rimbayana
21st of March, 2023