The issue of tender offers has surfaced, among others, because there have been several cases of takeovers of public companies by other parties, causing losses to other shareholders, especially public shareholders. The main issues to be discussed, namely how the regulation of Tender Offers in Indonesia, what are the legal consequences of Tender Offers. This research aims to find out the regulation of Tender Offer in Indonesia and the impact of Take Over on Public Companies that are taken over. The form of research in writing this journal is a normative legal research jurisdiction using a statutory approach. The results in this research. The regulations regarding takeovers and tender offers are contained in Law Number 8 of 1995 concerning the Capital Market and Government Regulation number 27 of 1998. the result of this study is that in 2011 the Government passed Law Number 21 of 2011 concerning the Financial Services Authority which resulted in the transfer of power regarding macroeconomic regulation from Bank Indonesia to OJK which includes the Take Over and Tender Offer process. In 2020 PT Garudafood Putra Putri Jaya, Tbk. Did a Takeover (Take Over) to PT Mulia Boga Raya, Tbk.

Keywords: Tender Offer, transport, local government

A. Introduction

The capital market is a part of the financial market, in addition to the money market and capital market and other financial institutions which are very important for national development in general. The definition of capital market in article 1 point 13 of the Law on Capital Markets states that "Capital Markets are activities concerned with public offerings and Securities trading, public companies related to the Securities they issue, as well as institutions and professions related to Securities." Activities in the capital market are always synonymous with money which has a very large circulation and in a matter of seconds large amounts can be withdrawn from a country through the capital market vehicle. Investment is all forms of investment activities carried out by domestic investors and foreign investors to do business in the territory of the Republic of Indonesia. Based on the source, investment can be classified into 2 (two), namely domestic investment and foreign investment. Domestic investment is an
investment activity to do business in the territory of the Republic of Indonesia carried out by domestic investors using domestic capital. At the same time, foreign investment is an investment activity carried out by foreign investors using domestic capital. In carrying out its business a company can carry out various efforts to develop its business by taking into account the applicable provisions. One way is through corporate action. Corporate action is generally divided into 3 (three): mergers, acquisitions, and consolidation.

Company takeovers or acquisitions in Indonesia are regulated in Law Number 40 of 2007 concerning Limited Liability Companies and more specifically in Government Regulation Number 27 of 1998 concerning Mergers, Consolidations, and Acquisitions of Limited Liability Companies. Transferring control from the expropriated party to the acquirer does not result in the expropriated party’s shares dissolving or ending. Takeovers are mostly carried out by business actors for various reasons and purposes, either to develop their business or to save companies experiencing financial difficulties. Takeovers can be made between companies in a group of companies or by a company that has offered its shares to the public through the stock exchange (go public) to a company that has not yet gone public or vice versa a company that has not yet gone public to a company that has gone public. In the process of taking over a public company, the new controller is required to carry out the Mandatory Tender Offer procedure for shares owned after the acquisition process takes place if the new controller’s share ownership is greater than 80% (eighty percent) of the paid-up capital of the public company, the new controller must transfer return shares to society. However, until now, the time limit for the transfer of shares has yet to be determined with certainty so that the new controller can carry out the transfer or acquisition process without any time restrictions.

The tender offer presents a clear and inherent conflict of interest between management and shareholders. On the one hand, an offer allows shareholders to sell their shares at a price above the market price. On the other hand, tender offers are the primary mechanism by which management can be forcibly deprived of control. Buyers wishing to acquire companies through tender offers seek to do so quickly, using various means to pressure shareholders to sell as soon as possible. This pressure often causes shareholders to make mistakes, due to lack of information and equal treatment among all shareholders. There should be a clear, specific, and objective tender offer procedure, which allows new investors or shareholders to know the takeover rules before entering this market. The bid offered should be benchmark, but distributing % of all shares as a more realistic solution keeping in mind the focus on company ownership. On the other hand, the right transition period to carry out the offer. Lastly, increasing the role of fiduciary duty attached to the Board of Directors and management, this makes them responsible for providing official opinion when a takeover occurs. Then, no doubt, the purchase of shares can bring benefits to shareholders. Therefore, regulations must place special emphasis on minimizing costs without causing disincentives in the implementation of tender offers.

---

7 Indonesia, Peraturan Pemerintah Nomor 27 Tahun 1998 tentang Penggabungan, Peleburan, Pengambilalihan Perseroan Terbatas
The novelty of this research is that the legal consequences of takeovers and tender offers on company controllers are only limited to the transfer of control to the party taking over, but the company still exists and is valid as before. Furthermore, the status of the company is the possibility that the public company will no longer qualify as a public company, so that naturally going private occurs. This is stated in POJK Number 3/POJK.04/2021 concerning the Implementation of Activities in the Capital Market Sector.

With the background stated above, we raise 3 (three) main issues to be discussed, namely how are the arrangements regarding Tender Offers in Indonesia, what are the legal consequences of Tender Offers. The purpose of writing this article is to identify whether the tender offer of PT. Garudafood Putra Putri Jaya Tbk has complied with the laws and regulations, and understands the tender offer process comprehensively. The form of research in writing this journal is normative juridical legal research using a statutory approach. The legal materials used consist of two types, namely primary legal materials and secondary legal materials. The results of this research are First, the obligatory tender offer is a form of legal protection for Public Shareholders in the event of a Takeover and Legal Consequences of Take Over and Tender Offer Against Company Controllers only to the extent that there is a transfer of control to the party taking over but the company still exists and valid as before.

B. Discussion
1. Based on Law Number 8 of 1995 concerning the Capital Market jo. POJK Number 9/POJK.04/2018 concerning Takeover of Public Companies

A Tender Offer is one of the Capital Market activities closely related to the Takeover of an issuer (Target Company) by another issuer (Takeover Company). If the word Tender Offer is combined with the word Takeover of a company, it can be concluded that a Takeover of a company with a Tender Offer of shares is a business takeover that gives a position of control over a company. The main requirement for conducting a tender offer must comply with transparency, fairness, and reporting principles. As stipulated in the Capital Market Law and the Anti-Monopoly and Unfair Business Competition Law. A tender offer is the main procedure that must be carried out when there is a sale of shares in a public company or one that has gone public. Company takeovers can be carried out internally or externally. Internal takeovers are takeovers of companies within their group, while external takeovers are takeovers of companies outside the group or from other groups. Juridically, the way to take over a company is to buy shares either in part or in whole of that company. According to Moin, the takeover or acquisition process is divided into three parts, namely:

a. The plan is to collect information on the target company and carry out screening and then selecting targets to be acquired.

b. The process involves conducting due diligence (investigation of the target company), negotiation, and closing (agreement of the takeover of the target company).

c. Post-acquisition means starting a "new life" after mergers and acquisitions.

Based on Law Number 8 of 1995 concerning the Capital Market jo. POJK Number 9/POJK.04/2018 concerning Takeover of Public Companies:

Takeover (take over) company in in Market Capital is the process of taking over shares of a certain public company. Which done through market capital. Because action corporation This concerned with the capital market, the regulations that apply in corporate actions like in this also include market regulations valid capital. The following is the take over procedure company open Which arranged in POJK Number 9/POJK.04/2018 about Company Takeover Open:

a. Negotiations on Acquisitions
   Based on Chapter 4 POJK a quo, candidate controller new can announce negotiation on plan Takeover. If make an announcement, then at least it is announced via:
   1) 1 (One) letter news daily circulating in Indonesian national; or
   2) Stock Exchange website. In matter candidate controller new decide For No announcing the negotiations, then the new prospective Controller includes the Parties Which involved in negotiations must keep negotiation information confidential the. (Article 6)

b. After happening takeover, controller new must announce in most A little 1 (One) letter news daily Indonesian language with national circulation or on the Exchange website Effect And convey to Authority Service Finance regarding happening takeover most slow 1 (One) working day after expropriation (Article 7)

c. Do Offer tenders Must According to the elucidation of Article 83 of the Law on Capital Markets, a Tender offer is an offer through the mass media to obtain equity securities by purchasing or exchanging other securities. There are several types tender offer, namely:
   1) Offer tenders Must. A Mandatory Tender Offer is an offer that must be made by controller new to buy remainder company stock Open. This Mandatory Tender Offer is exempted from: (Article 7 letter b POJK Number 9/POJK.04/2018): shares owned by shareholders who have made transactions Takeover with a new Controller, share Which owned Party other Which has get offer with the same terms and conditions as the new Controller, share Which owned Party other Which on moment together Also conduct a Mandatory Tender Offer or a voluntary tender offer on share Company Open ones The same, shares owned by Major Shareholders and, share Which owned by controller other Company Open
   2) Offer tenders Volunteer. Offer tenders Volunteer is offer Which done in a manner volunteer by the Party by purchasing or exchanging securities others through the mass media to to obtain Equity Securities issued by the Target Company.

Mandatory Tender Offer after takeover happen, so new controllers have to do Mandatory Tender Offer process. The provisions for the tender offer process must be regulated in POJK Number 9/POJK.04/2018. Delivery document to OJK And Company Open Which taken over (Article 12). Delivery Documents must be submitted no later than 2 (two) working days after the announcement of the Acquisition. OJK can request changes and/or additional information on documents for review purposes or disclosure to the public within 5 days (Article 13 paragraph 1). Announcement openness information Offer tenders Must Based on Article 83 UUPM states that: “Any party making a tender offer to buy Securities Issuer or Company Public must follow provision about openness, fairness, and reporting set by Bapepam.” Chapter 83 This very relevant because it's basically a takeover something company open or issuer will oblige party Which take over For do tenders offer except action takeover the excluded For do tenders offer by the regulations governing takeovers of public companies.” Then in Article 84 UUPM states that: “Issuer or Company Public Which do amalgamation, consolidation, or takeover of companies must follow the provisions about openness, fairness, And reporting which stipulated by Bapepam and other laws and regulations.” With validity Constitution Number 21 Year 2011 about Financial Services Authority, since 31 December 2012 the functions, task, And authority

---

arrangement And supervision activity service finance in sector Market Capital including related with arrangement regarding the Tender Offer transferred from the Capital Market Supervisory Agency and Financial Institutions to OJK). Based on POJK Number 9/POJK.04/2018, controller new must announced the disclosure of information in the form of announcement text in framework Offer tenders Must Which announced most A little through:

a. 1 (one) daily newspaper with national circulation; or
b. Stock Exchange website.

c. Carry out Mandatory Tender Offer for 30 (thirty) days after the announcement (Article 13 letter a)
d. Finish transaction Offer tenders Must with method delivery of money (Article 13 letter b)
e. Submit a report on the results of the Mandatory Tender Offer to the Authority Service Finance most slow 5 (five) day Work after ending transaction settlement (Article 16).

Offer tenders Sukare la arrangements regarding Voluntary Tender Offers at the outset formulated based on Decision Chairman Bapepam-LK No. Kep-263/BL/2011 about Voluntary Tender Offer dated 31 May 2011 (Regulation Bapepam-LK No. IX. F. 1). Regulation Bapepam-LK No. IX. F. 1 revoked And stated does not apply with POJK No. 54/POJK.04/2015 concerning Voluntary Tender Offers. Tender Offer Volunteer is form Offer tenders Which done by siBidder For buy share from something Company Open (Target Company) which is done not because it is an obligation law. Tender Offer made because it is an obligation law is Offer tenders Must.16

The provisions for the mandatory tender offer process regulated in POJK No. 54/POJK.04/2015 about Offer tenders Volunteer is as following:

a. Convey Statement Offer tenders Volunteer to Authority Financial Services, Stock Exchanges, Target Companies, and other Parties (Art 2). The statement must also be published in at least 2 (two) daily newspapers in Indonesian language (Article 5 paragraph 1)

b. Period Offer tenders (Chapter 17) . The Voluntary Tender Offer Period must start no later than 2 (two) day Work after Statement Offer tenders Volunteer become effective. The period of the Voluntary Tender Offer is a minimum of 30 (threetwenty) days and can be extended up to 90 (nine twenty) days, unless otherwise agreed by OJK.

c. Transaction Offer tenders Volunteer (Chapter 18) . Transaction Offer tenders Volunteer Must resolved most slowin time 12 (two mercy) day after period offer ends with the delivery of money or delivery of Securities in exchange.

d. Report results from Offer tenders Volunteer (Chapter 34) . Report results from Offer tenders Volunteer to the Authority Service Finance most slow 10 (ten) working days from date settlement Offer tenders Volunteer end. POJK Number 9/POJK.04/2018 And POJK Number 54/POJK.04/2015 have the same principles, but there are clear differences between the rules about Takeover And Offer tenders Mandatory and rules about Offer tenders Volunteer. POJK Number 9/POJK.04/2018 set definition of Acquisition, namely action either directly or indirectly directly, resulting in a change of Controller. Based on this definition, There are three important elements of a takeover, namely:

a. there is action;
b. action can be taken either directly or indirectly; And
c. the action causes a change in the company's control.

The broad definition of “action” can include any action, incl Voluntary Tender Offer. Although the Mandatory Tender Offer is consequence must from takeover, condition different in case Voluntary Tender Offer. Theoretically, Voluntary Tender Offers can cause a Takeover,


107
only if there is a change in company control. However, since there is no precedent regarding a Voluntary Tender Offer causing a change in company control in Indonesia (Takeover), the term “act”, in practice, means the resulting Expropriation from acquisition share. If Takeover happens because implementation Offer tends Volunteer, Offer tends Mandatory exemption accordingly Article 23 letter (m) POJK No. 9/POJK.04/2018.

The bid price in a tender offer is as follows:

- Must be higher than the highest tender offer price submitted previously by the same party within 180 days prior to the announcement of the planned tender offer.
- It must be higher than the highest market price for the relevant securities on the Stock Exchange within the last 90 days prior to the announcement of the planned tender offer.

2. Legal Consequences of Tendering

Takeovers can have legal consequences for the status of the company, controlling the company. The following will explain the legal consequences of the Acquisition.

a. Legal Consequences of Tender Offers on Company Status

It is possible for the number of shareholders of the Public Company to be taken over to be significantly reduced resulting in the possibility that the Public Company no longer fulfills the requirements as a Public Company, so naturally Go Private occurs. The definition of a Public Company can be seen in Law no. 8 of 1995 concerning the Capital Market, namely companies that have a minimum capital of three billion and have a minimum of 300 shareholders. The definition of Going Private is not regulated in Indonesian Legislation, but we can find it in the Black's Law Dictionary, namely as follows: “The process of changing a public corporation into a close corporation by terminating the corporation's status with the Securities Exchange Commission as a publicly held corporation and by having its outstanding publicly held shares acquired by a single shareholder or a small group”.

From the above understanding, we can conclude that Go Private is a process of changing the status of a Company that was originally bound by the OJK, because it is a Company whose shares are partially owned by the public, then changes to a Closed Company whose shares are only owned by a few shareholders. Therefore, Go Private is a corporate action which is the opposite of Go Public. Go Private can also occur on purpose, that is, if an investor buys up shares from a Securities Company, through a Tender Offer, and succeeds in buying shares in a large number, so that as a result the number of shareholders of the securities also decreases and the result is not longer meet the requirements of a public company. This Go Private method is carried out by taking over either hostile (hostile take over) or friendly take over (friendly take over) but the legal consequences are the same, namely the company returns to being an ordinary company (closed) and is forced to be delisted from existing stock exchanges.

The reason for a Public Company to go private is because it feels burdened by the costs that must be incurred and the obligations as a Public Company. The costs and obligations include, among others, the high cost of legal and accounting consultants, the cost of holding a GMS, the obligation to comply with Capital Market regulations, the busyness of serving securities analysts, and limitations in conducting transactions with affiliated parties. As previously mentioned, to protect Public Shareholders in the event of a New Controller in a Public Company, a Tender Offer is required. However, because there is no provision limiting the number of public shares that can be obtained by the New Controller in the implementation.
of the Mandatory Tender Offer, POJK No. 9/POJK.04/2018 for the transfer of shares if the implementation of the Mandatory Tender Offer results in share ownership by the new Controller of greater than 80% (eighty percent) of the paid-up capital of the Public Company. This is to prevent Go Private. With the intentional implementation of Go Private by a Public Company, Public Shareholders can no longer own shares of the Company concerned and benefit from the ownership of these shares. If the implementation of Go Private is followed by a Voluntary Tender Offer, the shares belonging to the Public Shareholders can be purchased at a higher price so that the Public Shareholders do not suffer a loss by releasing their shares.

b. Legal Consequences of the Tender Offer for Company Controllers

Company takeover or acquisition comes from the words *acquisitio* (Latin) and *acquisition* (English), literally acquisition means buying or getting something/object to be added to something/object that was previously owned. The definition of acquisition in terms of terminology is the takeover of a company by buying shares or assets of the company, the company purchased still exists. Acquisition is often seen as an investment in a subsidiary, namely a majority shareholding of another company, thereby creating a parent–subsidiary relationship. Companies whose shares are owned by other companies will remain intact as a business entity and as an independent business entity. So, the two or more companies still exist as a business entity. The acquisition does not result in a company whose shares are being taken over, to be dissolved or ended. The company still exists and is valid as ever.

The legal consequences are limited to the transfer of control to the party taking over. Article 1 point (4) POJK No. 9/POJK.04/2018 explains that Public Company Controllers, hereinafter referred to as Controllers, are parties who either directly or indirectly:

1) Have shares of a publicly listed company of more than 50% (fifty percent) of all shares with fully paid-up voting rights; or
2) Have the ability to determine, either directly or indirectly, in any way the management and/or policies of a public company.

This second point is the control concept of the management system. Management is the activities carried out to lead and supervise the operation of a business entity. There are basically three managerial tasks, namely managing organization and work, managing people, managing production or operations. Included in the management of the organization and work is planning and control. Specifically regarding control, it is narrowed down to the function of supervising and controlling work performance, which is included in the appraisal process. The control function involves implementing policies, assessing performance, and taking corrective actions on performance and information on various evaluation needs from all functions.

c. Legal Consequences of Tender Offers on Employment

The takeover certainly brings changes on the managerial side. These changes can be on increasing targets, tightening company regulations, and increasing welfare. It is not uncommon for some workers to accept these changes. Therefore, Article 126 paragraph (1) of Law No. 40 of 2007 concerning Limited Liability Companies provides one of the protections for workers. Employees are a part or person who can be said to play an important role in advancing the running of the company, therefore, in taking over a company, the interests of the workers who work for the company must also be prioritized because in this way the takeover process

---


can proceed without harming the parties, especially workers. Article 61 paragraph (2) of Law no. 13 of 2003 concerning Manpower states that work agreements do not end due to the death of the entrepreneur or the transfer of rights over the company due to sales, inheritance or grants. Then, Article 61 Paragraph (3) stipulates that in the event of a company transfer, the rights of the worker/laborer become the responsibility of the new entrepreneur, unless otherwise specified in the transfer agreement which does not reduce the rights of the worker/laborer. Basically, a change in company status as a result of a Takeover does not end the work agreement between the entrepreneur/employer and the worker/worker. However, the consequences of the Takeover do not rule out the possibility of Termination of Employment (PHK).

Often for reasons of increasing efficiency and streamlining business, after a Takeover, it is decided that some workers will be laid off. According to the Constitutional Court Decision No. 117/PUU-X/2012, employers can only terminate the employment relationship, if the employer wishes to restructure the organization by downsizing or downsizing for the sake of human resource efficiency or repositioning or rotating either by mutation (movement of equivalent positions), demotion (demotion), or promotion (advancement) in order to adjust qualifications and work competencies. Work competence is in accordance with the factors of management needs and job formations that are really needed. Considering that the downsizing carried out by the new owner could be one way to maintain the company's existence or save a company that is starting to be considered unhealthy, so reducing workers is permissible. Under these conditions, employers are obliged to provide workers' rights in accordance with Article 163 paragraph (2) of the Manpower Law, namely severance pay equal to 2 times the provisions in Article 156 paragraph (2), long service pay 1 (one) time the provisions in Article 156 paragraph (3), and compensation for rights according to the provisions in Article 156 paragraph (4). An employee has the right to apply for dismissal after a company takeover is carried out, if after the takeover has a direct impact on the position of the worker concerned.

Workers have the option to declare that they are not willing to continue the employment relationship only if the work conditions as stated in the work agreement (including in the Company Regulations or Collective Labor Agreement) are not in accordance with the job in the new position in connection with a reposition or rotation due to restructuring. Human Resources in the companies concerned. Under these conditions, employers are required to provide workers' rights in accordance with Article 163 paragraph (1) of the Manpower Law, namely severance pay of 1 (one) time according to the provisions of Article 156 paragraph (2), gratuity pay 1 (one) time of the provisions of Article 156 paragraph (3) and compensation for rights according to the provisions in Article 156 paragraph (4)\(^2\). The potential benefits of holding a tender offer include\(^2\):

1) **Fast (Speed).** Tender offers can be completed as quickly as 20 (twenty) working days from launch (or around five to six weeks from the signing of the agreement), compared to four months or more for mergers, which must be approved by shareholders at a special meeting following the SEC proxy review process.

2) **Risk Reduction (Risk Reduction).** Faster time in a higher tender offer means a shorter period during which the target is exposed to market risk, MAC risk (Material Adverse Change) and other non-settlement risks and the risk during which the buyer is exposed to the risk of the topping bid risk is also shorter.

3) **Shareholder "Approval".** Attempts by dissident shareholders to "hold" the merger transaction by engineering a "no" vote have been one of the major M&A developments in 2007, and the tender offer structure offers several advantages that may be useful in this


situation, including that (1) the tender offer does not suffer from the so-called “dead vote” problem that arises in a contested merger transaction when a large number of shareholders sell their shares after the listing date and then do not vote for their shares, or do not change their vote when they sell their economic interest his (2) ISS and other proxy advisory services generally do not currently make recommendations with respect to tender offers, leaving shareholders to make decisions based on their economic interests rather than ISS' perceptions of process or other non-cost factors; and (3) recent experience suggests that dissident shareholders may be less likely to try to "play" this tender offer than a merger vote, therefore the risk of a "no" vote (less than 50% of tenders) May be lower than traditional voted mergers.

4) Benefits of Securities Law ( Securities Law Benefits ). A company that is not currently reporting financially (such as a company with options backdating issues) may be the subject of a tender offer but, because of SEC staff's interpretation of proxy rules, there is concern among M&A and securities attorneys that the company may not be able to issue a merger authorization and therefore it cannot hold proper shareholder voting rights over the merger. SEC staff has indicated an intention to mitigate these concerns, but has not done so formally.

One possible explanation of the empirical results for failed bids is the average return on (at least) two types of targets that successfully reject tender offers, namely:

1) parties willing to agree to the acquisition but rejecting the offer because it does not match what management believes to be the “true” values within the company, and

2) parties who decline the offer because their management has a "preference for control" to keep the job, extra income, or share of any agency fees they incur. Firms in the first category would be expected to accept more suitable future bids, whereas firms in the second category would be more likely to do so and would be more likely to accept future bids if they developed a reputation for having a preference for control.

At some point, the market, based on the information disclosed, must be able to distinguish between those companies that are willing to accept a more suitable offer and those that are not with the market value of the former increasing and the market value of the latter decreasing. A recent study by Bradley, Desai, Kim and Sokol investigated post-bid returns of failed tender bid targets, finding that the market value of targets that accepted other bids within five years of the failed bid maintained or increased their returns after rejection of the bid. the initial offer, whereas the party that does not accept a further offer loses all profits from the date of announcement of the rejection of the offer.

With millions and even billions of dollars at stake, the precise definition of a "tender offer" is critical. Any application of the All Holders/Best Price Rule to transactions other than the meaning "during the tender offer" hinders the clarity and firmness of the transaction. When the company is still negotiating and private transactions before the actual tender period as the bidding commencement period becomes more risky. During the period prior to the bidding, it is prohibited to bargain for a successful acquisition. The inability to complete a private transaction will also reduce the general attractiveness of the acquisition, thereby reducing the bidder's bidding price. Finally, it would create an ambiguous initiation issue to induce litigants to oppose any agreement executed in the immediate future of the tender offer. The “bright-line timing ” approach, by allowing important transactions both before and after the tender offer, gives bidders the certainty they need. The company should set up employment or retention arrangements in a way that facilitates the independence of the agreement from the tender offer. Because a critical element of many strategic business acquisitions is maintaining the continuing

employment of the company's key employees (such as senior management and exemplary employees) by offering appropriate incentives. The following is a chronology of cases along with case analysis.

Case chronology

1) Throughout 2020, the Company did not temporarily stop trading shares/delist any shares.
2) PT Garudafood Putra Putri Jaya Tbk took over PT Mulia Boga Raya Tbk officially on 14 October 2020.
3) as much as 55% from whole shares or a total of 825 million shares issued worth Rp 953.70 billion PT Mulia Boga Raya was purchased by PT Garudafood Putra Putri Jaya Tbk Which resulted change control on PT Glorious Boga Raya.
4) Garudafood bought shares of PT Mulia Boga Raya Tbk from sellers who consists from six following people:
   a) Lie Po function (holder share majority) with ownership as big 371.25 million share (45%).
   b) While Sandjaya Rusli grasp 226.88 million share (27.5%).
   c) Berliando Tumban Torang 96.25 million (11.66%),
   d) Augustine estuary 82.5 million (10%),
   e) Marcello Riveliono 24.06 million (2.92%).
   f) Amelia Fransisca 24.06 million shares (2.92%).
5) In July 2021, PT Garudafood Putra Putri Jaya Tbk bought another 9.52% stake in PT Mulia Boga Raya Tbk., or equivalent to 142.85 million share.
6) As a result, Garuda Food's shareholding status remained controlling and increased to 66.07%.

The following is the timeline for PT Mulia's takeover process Boga Raya Tbk by PT Garudafood Putra Putri Jaya Tbk:

<table>
<thead>
<tr>
<th>Announcement of takeover plan</th>
<th>September 16, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Official takeover</td>
<td>October 14, 2020</td>
</tr>
<tr>
<td>An announcement has been made of the takeover</td>
<td>October 15, 2020</td>
</tr>
<tr>
<td>Announcement of Information Disclosure</td>
<td>November 16, 2020</td>
</tr>
<tr>
<td>mandatory tender offer</td>
<td></td>
</tr>
<tr>
<td>Mandatory tender offer period</td>
<td>November 17- December 16 2020</td>
</tr>
<tr>
<td>Transaction offer tenders must</td>
<td>December 23, 2020</td>
</tr>
<tr>
<td>Additional shares of Garuda Food</td>
<td>July 2021</td>
</tr>
</tbody>
</table>

Corporate action (corporate action) carried out by PT. Garudafood Putra Putri Jaya Tbk, are as follows:

1) On March 24, 2020, the Company disclosed information on the Company's plan to buy

---

back the Company's shares in significantly fluctuating market conditions of 15,000,000 (fifteen million) shares with a maximum nominal value of Rp. 15,000,000,000, (five twelve billion Rupiah), this Corporate Action began on April 21, 2020 until June 5, 2020, in which for this Corporate Action the Company refers to POJK No. 2/POJK.04/2013 concerning Buyback of Shares Issued by Issuers or Public Companies in Significantly Fluctuating Market Conditions and OJK Circular Letter No. 3/SEOJK.04/2020 concerning Other Conditions as Market Conditions That Fluctuate Significantly in the Implementation of Share Buybacks Issued by Issuers or Public Companies.

2) On July 28, 2020, the Company disclosed information on the Company's plan to carry out a plan to buy back shares that have been issued by the Company as much as 2% (two percent) of the Company's shares of the entire issued and fully paid-up capital in the Company with a maximum allocation of funds of IDR 100,000,000,000,- (one hundred billion Rupiah), this Corporate Action starts from 7 September 2020 to 26 November 2020 for the first session, in which for this Corporate Action the Company refers to POJK No. 30/POJK.04/2017 concerning Buyback of Shares Issued by Public Companies and approval from the Extraordinary General Meeting of Shareholders on 3 September 2020.

3) On October 14, 2020, the Company officially acquired the shares of PT Mulia Boga Raya Tbk (“MBR”), amounting to 825,000,000 (eight hundred twenty five million) shares which constitute 55.00% (fifty five point zero zero percent) of Total issued and fully paid capital is in MBR, MBR is a company from Indonesia engaged in the industrial processing of dairy products and other dairy products which includes product diversification within the scope of the food and beverage industry and the food and beverage trade. The MBR product brands that are quite popular at the moment are Prochiz and Top Chiz, where the Company has announced this Corporate Action through the published Daily newspaper on Wednesday 14 October 2020 and as stipulated in the disclosure of information that has been submitted to the Financial Services Authority and PT. Indonesia Stock Exchange through the electronic reporting system based on the Company's letter number 168/LO-LGL/X/2020 dated 14 October 2020 concerning Announcement of the Execution of the Acquisition of PT Mulia Boga Raya Tbk by PT Garudafood Putra Putri Jaya Tbk;

4) The Company carried out an announcement of information disclosure regarding the Mandatory Tender Offer plan for MBR shares to the Financial Services Authority and the Indonesian Stock Exchange through an electronic reporting system based on the Company's letter number 188/LO-LGL/XI/2020 on November 16, 2020, where the Company made a purchase of 23,256,600 (twenty three million two hundred fifty six thousand six hundred), so that after the completion of the Mandatory Tender Offer on December 23, 2020, the Company's ownership in MBR increased to 848,256,600 (eight hundred forty eight million two hundred and five thousand six hundred) shares representing 56.55% of the total issued and paid-up capital in the MBR, while the results of the Mandatory Tender Offer have been submitted by the Company to the Financial Services Authority through an electronic reporting system based on the Company's letter number 199/LO-LGL/XII/2020 dated 28 December 2020 regarding the Report on the Results of the Mandatory Tender Offer for the Shares of PT Mulia Boga Raya Tbk by PT Garudafood Putra Putri Jaya Tbk.

Based on the aforementioned regulations, the acquisition process of PT Mulia Boga Raya Tbk by PT Garudafood Putra Putri Jaya Tbk has complied with the provisions stipulated in the laws and regulations as follows:

a) Negotiations on Acquisitions. Based on Article 4 POJK Number 9/POJK.04/2018 the candidate for a new controller may announce takeover negotiations by at least 1 (one) nationally circulated daily newspaper or Stock Exchange website. In this case, on September 16 PT Garudafood Putra Putri Jaya Tbk has announce plan takeover PT
Glorious Boga Raya Tbk in various newspapers such as Sinarmas Sekuritas, and others.

b) Fulfil provision condition "controller" based on POJK Number 9/POJK.04/2018, namely having more than 50% shares. In this case, at first PT Garudafood Putra Putri Jaya Tbk had bought 55% shares of PT Mulia Boga Raya Tbk. Then ownership the shares increase to 66.07% in 2021.

c) Announcement of takeover. Based on Chapter 7 paragraph (1) POJK Number 9/POJK.04/2018, After the occurrence of a Takeover, the new Controller is obliged to announce in most A little 1 (One) letter news daily speak Indonesia Which circulating national or site web Exchange Effect And convey to the Financial Services Authority regarding the takeover no later than 1 (one) working day after the Acquisition. In this case, on October 15, 2020, PT Garudafood Putra Putri Jaya Tbk has announced the takeover of PT Mulia Boga Raya Tbk in various newspapers such as Kompas, CNN Indonesia, CNBC Indonesia, and other newspapers.

d) Announcement Offer tenders Must (Tenders offers). Based on Chapter 83 of the Capital Market Law, it is stated that the tender offer must pay attention to openness, fairness and reporting. On November 16, 2020, PT Garudafood Putra Putri Jaya Tbk through the website that is www.garudafood.com has upload document Openness Information In Order Offer tenders Must.

e) Implementation Offer tenders must

1) carry out the Mandatory Tender Offer for 30 (thirty) days starting 1 (one) day after the announcement
2) finish transaction Offer tenders Must with method submission Money, most slow 12 (two mercy) day after periodtime offer as meant in letters a end.

Based on the Disclosure of Information Documents in the Context of the Offer tenders Must, stated that:
Date Announcement Openness Information on November 16, 2020 Period Offer. tenders Mandatory date: 17 November to 16 December 2020. Dates Payment 23 December 2020. This has complied with the a quo POJK provisions.

C. Conclusion

Based on the discussion and analysis results from From this research, it can be concluded that: First, a mandatory tender offer is a form of legal protection for Public Shareholders in the event of a Takeover. In Indonesian laws and regulations, the term that is widely used is expropriation. There are several definition about takeover in various regulation legislation Indonesia that is: Chapter 1 number 11 Constitution Number 40 Year 2007 about Company Limited, Chapter 1 number 11 Regulation Government Number 27 Year 1998 about amalgamation, Smelting, And Takeover Company Limited And Chapter 1 Number 5 Regulation Authority Service Finance Number 9/POJK.04/2018 about Public Company Takeover. These regulations resulted in a change in control over the company being taken over.

A result Law take Over And tenders Offer Against The controller of the Company is only limited to the occurrence of the transition control to the party who took over but the company remains exist And valid like before. More Against Status Company that is possibility Company Open the No Again fulfil condition as Public Company, so naturally Going Private occurs. it is stated in POJK Number 3/POJK.04/2021 concerning Organizing Activities in the Sector Capital market. Then, Article 61 Paragraph (3) regulates in the event of a transfer company, the rights of workers/laborers are the responsibility of the new entrepreneur, unless otherwise specified in the transfer agreement which does not reduce the rights workers/labourers. In the analysis of take over cases conducted by PT Garudafood Putra Putri
Jaya Tbk (Garuda Food) against PT Mulia Boga Raya Tbk (Cheese prochiz) has fulfil provision as regulated in irregulation legislation as following: negotiation in takeover, Fulfil provision condition "controller" based on POJK Number 9/POJK.04/2018 that is own share more from 50%, Announcement has he did takeover, Announcement Offer tenders Must (Tenders offers), and has done Execution of the Offer tenders must.

Bibliography

A. Book

B. Journal


c. **Regulations**

Indonesia, Undang-Undang No. 8 tahun 1995 tentang Pasar Modal


Peraturan Pemerintah Nomor 27 Tahun 1998 tentang Penggabungan, Peleburan, Pengambilalihan Perseroan Terbatas

POJK No. 54/POJK.04/2015 tentang Penawaran Tender Sukarela

POJK Nomor 9/POJK.04/2018 tentang Pengambilalihan Perusahaan Terbuka

Putusan Mahkamah Konstitusi No. 117/PUU-X/2012

Undang-Undang Nomor 40 Tahun 2007 tentang Perseroan Terbatas

Undang-Undang No. 13 Tahun 2003 tentang Ketenagakerjaan

Undang-Undang No. 40 Tahun 2007 tentang Perseroan Terbatas

Undang-Undang Nomor 21 Tahun 2011 tentang Otoritas Jasa Keuangan

d. **Websites**

