

Annual Report 2020

Wahana Musik Indonesia (WAMI)



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Greetings From Chairman



CHICO A. E. HINDARTO
Chairman
Perkumpulan Wahana Musik Indonesia (WAMI)

Assalamu'alaikum Wr. Wb.

Greetings to my fellow composer members, music publishing partners, members of The Board of Supervisory Agency and all stakeholders.

We hope that all of our colleagues will remain in good health despite the pandemic that has been lasting over the past one year and a half. This global pandemic has disrupted various activities in many industries, including the music industry. The pandemic has given major impact to many industries which used music in their business activities and thus has caused major decline in royalty collection worldwide.

In this unfavorable condition, Wahana Musik Indonesia (WAMI) continues to make its best effort to carry out its function as a Collective Management Organization (CMO), by always prioritizing the interests of composer members and music publishing partners. As a non-profit organization that emphasizes transparency to

all stakeholders in copyright management, this Annual Report is one form of fulfillment of WAMI's responsibilities. As in last year, I also delivered the 2020 Annual Report as an e-report which is downloadable from WAMI's website.

In this pandemic situation, licensing contribution from Digital category is getting more dominant compared to other categories. WAMI's commitment to strengthen the Documentation and Distribution team, as well as the information system infrastructure, which has been improved from time to time, supports data processing for the Digital category. WAMI is currently building an information system that is internationally recognized. It is something that is inevitable in the digital technology development in the music industry. In addition, as a CMO that has been promoted as a Full Member of CISAC in May 2019, WAMI always gets references from international CMOs as a benchmark for providing services to members, operational procedures, technology support, human resources development, and everything that enables WAMI to become World class CMO.

As in previous years, in 2020 WAMI has been consistently carrying out royalties distributions. We distributed General category royalty of the 2019 period in June 2020, while we carried out the distribution of the Digital category in April and October 2020. The Live Events Category royalty distribution was carried out in March, July and November

2020. WAMI also carried out additional distributions in 2020, outside of the regular distribution schedule. This additional distribution was aimed to provide more benefits to composer members and music publishing partners during this pandemic situation.

The role of the Documentation and Distribution functions is very important in doing identification, data processing and royalty distribution to rights holders. WAMI expects active contributions from composer members and music publisher partners to update the music work data records in WAMI's database regularly. We require regularly updated data to enable music usage data processing in both digital platforms and non-digital platforms. As per the latest update, the information technology improvement that is being built by WAMI needs continuous adjustments. To get a reliable system, WAMI has been supervised by experienced experts from abroad who have backgrounds in building information technology for international CMOs. Based on the latest status, we expect that the basic functions of this information technology system can start operating in early 2022.

Finally, on behalf of all WAMI's management, I would like to thank you for the trust, support, and continuous cooperation from all parties to WAMI in 2020. WAMI always gives its best effort for the interest of all right

holders and stakeholders, as responsibility for the trust of WAMI. May we all always be healthy and get the best from this cooperation which is based on mutual respect.

Wassalamu'alaikum Wr. Wb.

Jakarta, September 2021

Chico Adhibaskara Ekananda Hindarto

Chairman

Perkumpulan Wahana Musik Indonesia (WAMI)

Licensing Report

The increase of the Public Performing Rights royalty collection each year for the General category reflects the royalties received from the usage of music works at karaoke venues, shops, restaurants/cafes, cinemas, hotels, offices and music concerts. More licenses from users will continue to be implemented widely throughout Indonesian territory.

Licensing and collections in 2020 experienced a major decline and this was significantly affected by the global COVID-19 pandemic that occurred in 2020.

The government implemented a policy to restrict activities and business closures in March 2020. This

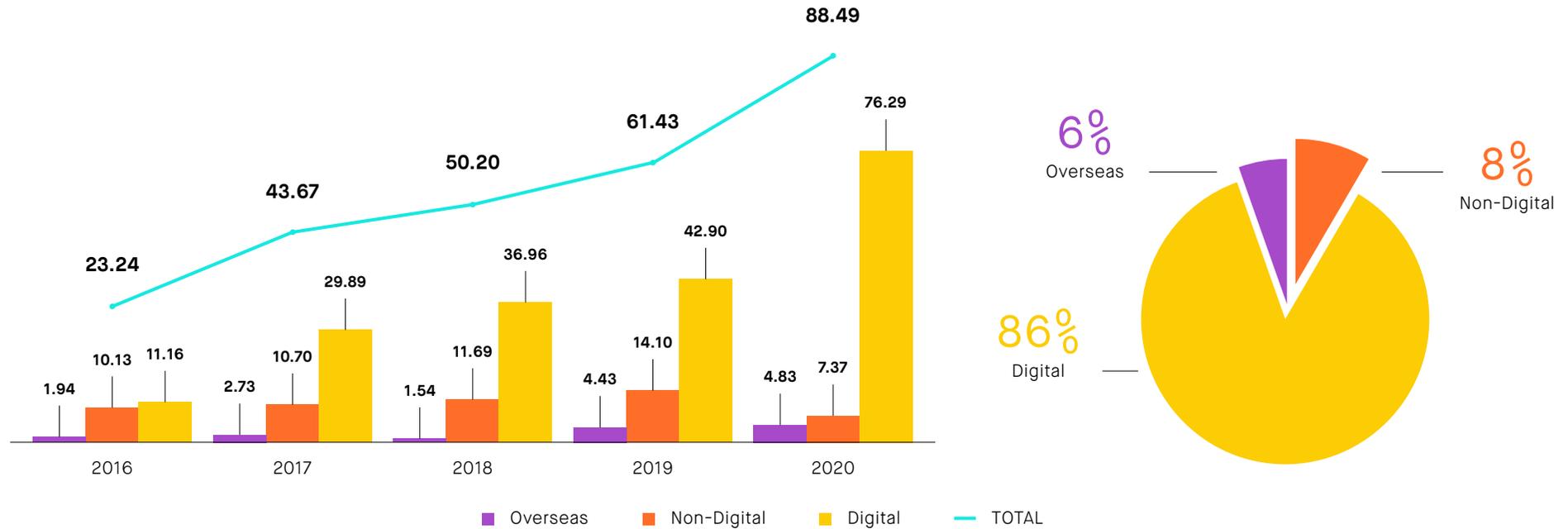
policy continued to have a negative impact on the Indonesian economy and music work users, including promoters of live music performances (live concerts).

Tariff revisions that have already been implemented in 2021 to increase royalty collection must be postponed and further reviewed, despite the Government Regulation No. 56 of 2021 on Royalty Management of Songs and/or Music Copyrights as a follow-up to implementing the Copyright Law of Republic of Indonesia.

Meanwhile, the license in the Digital category continues to be improved by collaborating with various digital platforms or applications that use music works.

Royalty Collection

(Numbers in Billion Rupiah)



During the last five years collecting royalties from licensing activities had been showing positive increments. Royalty tariff that was stipulated by LMKN in 2016 and the implementing of a one-stop payment policy directly to LMKN has increased user confidence in making royalty payments. Since then our licensing team has been constantly looking for unlicensed services that ran their business operations in Indonesian territory. Those contributed to the increase in royalty collection over the past five years.

In 2020, overall collection increased by 44% compared to the previous year. However, global COVID-19 pandemic has forced many users in the Non-Digital category to reduce or stop their business activities. This resulted in a decrease in royalty collection from this category. While overseas collection has slightly increased from the previous year.

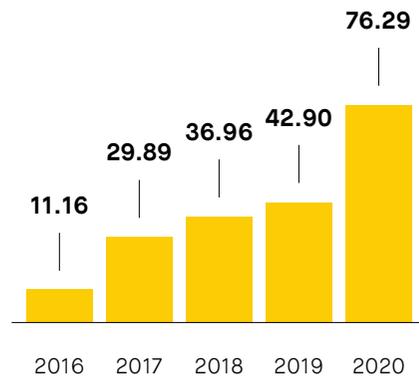
Digital revenue has been showing its resilience and achieved significant increase compared to previous year.

Digital category contributed 86% of the total royalties collected in 2020, and has been the highest contributor among all categories.

DIGITAL ROYALTY COLLECTION

Digital Royalty Collection

(Numbers in Billion Rupiah)



These past five years the nature and extent of how household viewing habits have changed, mass-streaming services became massively popular. The advent of Internet TV, video sharing platforms like YouTube, and other on-demand services has massively increased flexibility and choice for viewers.

In 2020, based on Nielsen Annual Marketing Report, the time spent streaming increased by almost 75%. With movie theaters and live entertainment largely shut down and travel and dining options limited due to pandemic COVID-19, public prefer entertainment close to home, including streaming videos.

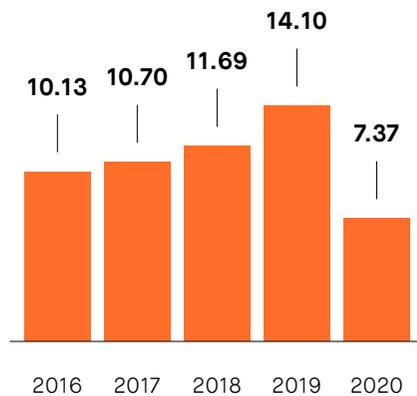
The shifting of people’s habits affected Digital category royalty collection from music streaming services (Music and Video on Demand), websites, full track downloads, and applications. Digital royalty collection had increased by 78% compared to the previous year. It has been the highest increment for the past five years.

These are some DSPs (Digital Service Providers) which had acquired or renewed their license from WAMI in 2020: **Apple Music, Facebook, Hago, Tiktok, Joox, Deezer, Smule, and Ayodance.**

NON-DIGITAL ROYALTY COLLECTION

Non-Digital Royalty Collection

(Numbers in Billion Rupiah)

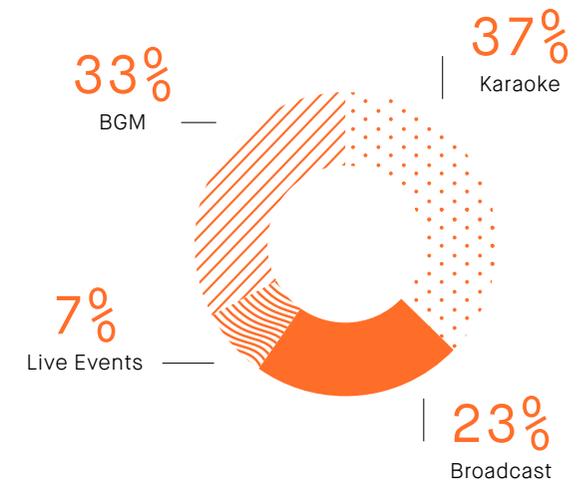


Non-Digital categories comprises Broadcast category and General category which is divided into BGM (Background Music), Live Events, Karaoke and Cinema. This category has borne the brunt of the pandemic and had a significant decrease in 2020 by 48% compared to the previous year. This was the first decline during the last five years.

In 2020, the Karaoke category had the highest contribution to Non-Digital collections at 37%, and the Live Events category had the lowest contribution at 7%. As in the previous year, in 2020 no income has been collected from the Cinema category. Since before the COVID-19 pandemic, LMKN and GPBSI (Association of Indonesian Cinema Corporations) have not yet come to a consensus on the royalty rate.

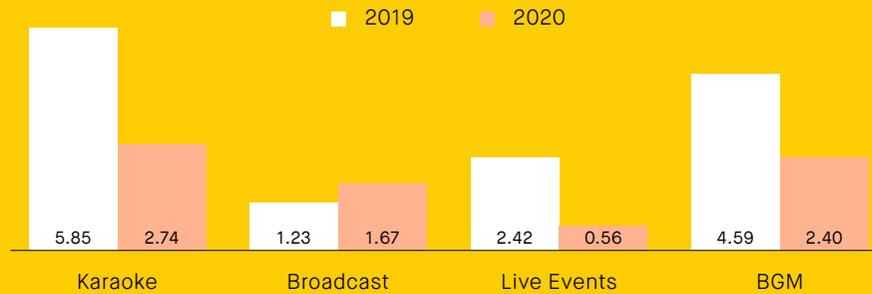
Non-Digital Category Contribution Year 2020

(Numbers in Percentage)



Comparison of Non-Digital Royalty Collection by Category Between 2019 and 2020

(Numbers in Billion Rupiah)



KARAOKE

Karaoke places were one of the public places which had lost a significant number of customers during COVID-19 Pandemic, especially given concerns over how the respiratory virus spread. Many karaoke places paused or at least shut down their activities. This has been affecting the royalty collection from the Karaoke category in 2020 which had decreased by 53% compared to the previous year.

LIVE EVENTS

One of the biggest lifestyle disruptions of the COVID-19 pandemic has been the loss of live music. The restrictions on large gatherings and congregating indoors were a heavy blow for the music industry which affected royalty collection in this category. It had decreased by 77% compared to the previous year.

BROADCAST

Quarantine and self-isolation during COVID-19 pandemic affecting increased broadcast media consumption. Royalty collection from the Broadcast category in 2020 has been the highest in the past five years. It has been the only Non-Digital category which had increased in 2020 compared to 2019. Royalty collection from the Broadcast category increased by 35% compared to the previous year.

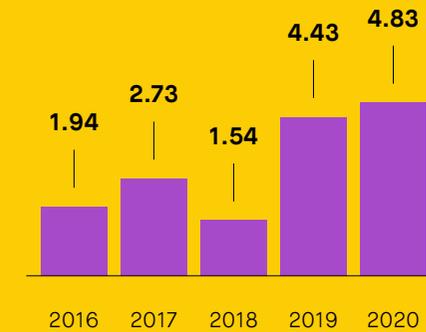
BGM

BGM category comprises the following sub-categories: Transportations, Hotels, Malls, Shopping Centers, Restaurants, Cafes, Discotheques, Rest Areas, Public Places, and Recreation Centers. Royalty collection from BGM in 2020 decreased by 48% compared to the previous year.

OVERSEAS ROYALTY COLLECTION

Overseas Royalty Collection

(Numbers in Billion Rupiah)

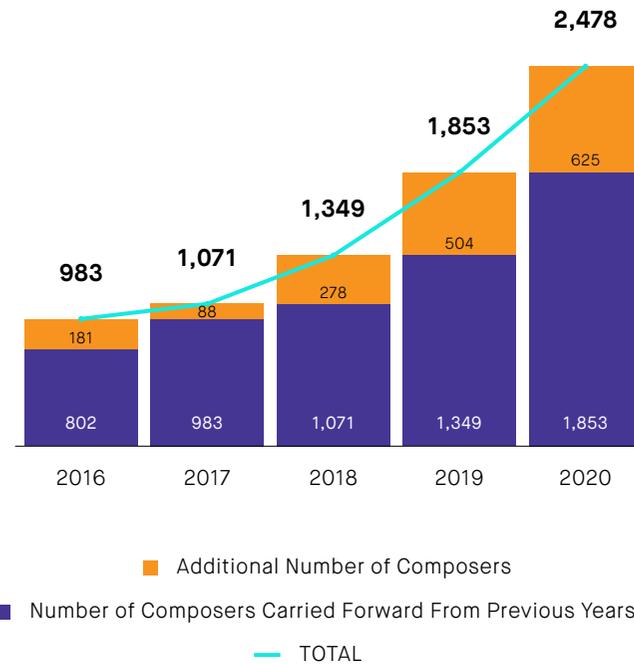


Overseas collection has slightly increased from the previous year which is 9%. New reciprocal agreements with foreign CMOs (Collective Management Organizations) have been continuously to be concluded to optimize overseas collection.

Copyright Report

MEMBERSHIP REPORT

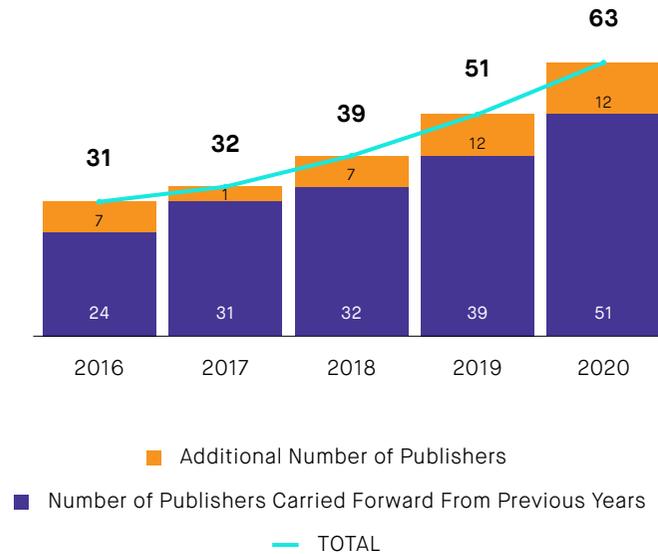
Number of WAMI Composer Members



The government's policy to restrict activities and business closures since March 2020 has postponed some membership activities. Online education and socialization have not been very beneficial because the direct and face-to-face approach with composer members or copyright holders is still considered more efficient.

In the past five years, WAMI's composer members have been continuously increasing accumulatively. The year 2020 is the year which has the most positive increments. WAMI received new mandates from 625 Composers in 2020, which is 24% higher than the new mandates acquired in the previous year. Accumulatively, in 2020 composer members increased by 34% compared to the previous year.

Number of WAMI Music Publisher Members

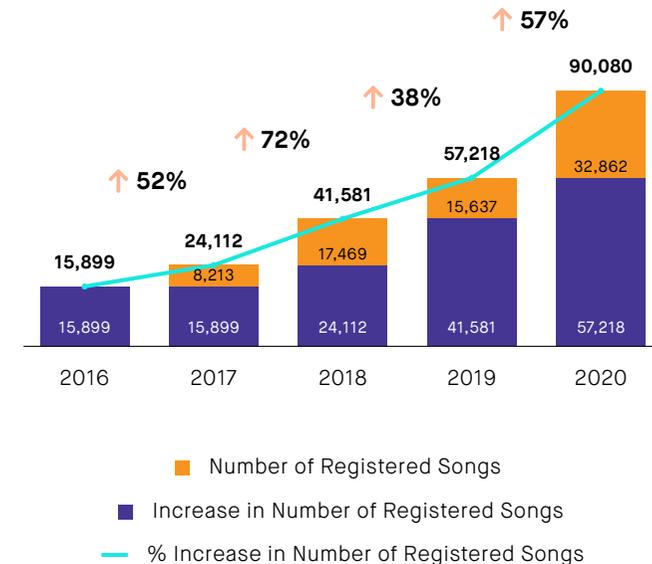


Number of publisher members has also been continuously increasing accumulatively. WAMI received new mandates from 12 Publishers in 2020. Accumulatively, in 2020, the number of publisher members increased by 24% compared to the previous year.

In 2020, the Board of Supervisory Agency has established a new policy regarding members who resigned from WAMI. Members who resign are possible to return at the earliest 1 (one) year later. The maximum number allowed to re-registration is up to 1 (one) time only and will have to go through a preliminary interview process.

DOCUMENTATION REPORT

Number of Songs Registered on WAMI

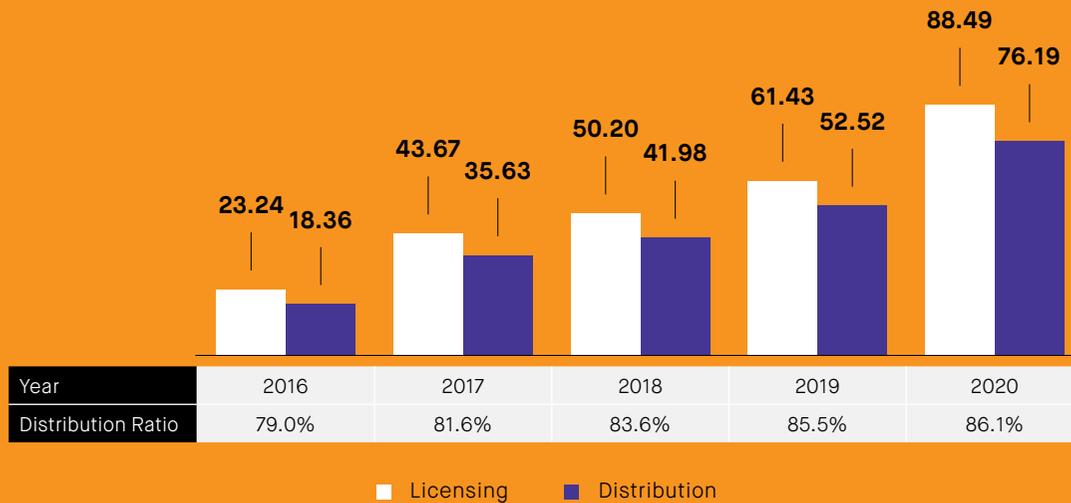


In line with the increasing number of composer members and music publisher partners, the number of songs registered in WAMI's database has also been increasing. During the past five years, the addition number of songs registered in WAMI's database continued to increase significantly. In 2020, WAMI received mandates of 32,862 new songs bringing the total number of songs registered in WAMI's database to 90,080 songs, 57% increase compared to previous year.

DISTRIBUTION REPORT

WAMI Licensing and Distribution Comparison

(Numbers in Billion Rupiah)



The ratio of distribution against collection over the last five years had been continued to show positive increments. The distribution ratio in 2016 was 79%, it means that the use of operational fund that year reached 21%. This amount was exceeding the 20%-limit stipulated in the Copyright Law No. 28/2015 article 91 paragraph (1). It happened because the distribution amount in 2016 was the result of collection in 2015, which in 2015 there was a transition of WAMI's legal entity from a Limited Liability Company (PT) to an Association. In 2020, the distribution that has been carried out was 86.1% of the amount of collection that year.

Prior to 2016, WAMI’s royalty distribution schedule was set at only one time in a year. In 2016 alone, WAMI carried out three royalty distributions, two distributions for the Live Events category and one distribution for the General category and Digital category. Since 2017 WAMI

has changed the distribution schedule from 3 times a year to 6 times a year, consisting of three Live Events distributions, two Digital category distributions and one General category distribution. The implementation provisions of the distribution are as follows.

The table below shows distribution schedule for General category (which includes BGM/ Background Music, Karaoke, Broadcast and Cinema):

COLLECTION PERIOD	DISTRIBUTIONS
January – December (current year)	July (next following year)

Digital category distribution shall be carried out based on the availability of the usage and transactional reports and targeted to be made by this schedule:

COLLECTION PERIOD	DISTRIBUTIONS
January – June (current year)	October (current year)
July – December (current year)	April (next following year)

Live Events (music concerts) category distribution shall be made by this schedule:

COLLECTION PERIOD	DISTRIBUTIONS
January – April (current year)	June (current year)
May – August (current year)	October (current year)
September – December (current year)	February (next following year)

The distributions that WAMI carries out are all based on usage reports. Since for the General category (BGM, Karaoke, Broadcast, and Cinema) many users have not provided usage reports, WAMI uses an approach which refers to the available usage and monitoring report that is tailored to the user’s character. The use of this reference method is not perfect. Therefore, to compensate, WAMI

distributes minimum royalties to all members, which is carried out one time in a year along with the distribution schedule for the General category.

The ratio of distribution values that have been carried out since 2016 on average is over 80% of the standardized percentages stipulated by law. This of course provides benefits for the composers.

Members Survey Report

Completion period	Oct 26, 2020 - Feb 9, 2021
Questionnaires distributed	1,541
Questionnaires returned and filled	182
Success rate	11.81%

Scale	
1 = Highly disagree	4 = Agree
2 = Disagree	5 = Highly agree
3 = Somewhat agree	

WAMI'S PERFORMANCE

WAMI's Communication Media

- 4.10 1. Information provided on WAMI's social media is interesting.
- 4.35 2. Information provided on WAMI's social media is beneficial.
- 4.47 3. Information provided on WAMI social media can be trusted.

WAMI's Membership Department

- 4.38 1. WAMI's membership department provides friendly service.
- 4.22 2. WAMI's membership department is well organized.
- 4.32 3. WAMI's membership department provides professional service.
- 4.27 4. I receive a service from WAMI's membership department that according to my expectation.
- 4.24 5. It is easy for me to contact WAMI's membership department.

WAMI's Members Satisfaction

- | | | | |
|------|--|------|---|
| 4.61 | 1. In my opinion, becoming a WAMI's member is a right decision. | 4.22 | 7. I am satisfied with the efforts carried out by WAMI's membership department in updating the data on a regular basis. |
| 4.25 | 2. I am satisfied with the overall WAMI's performance. | 4.07 | 8. I am satisfied with the distribution reports that I received from WAMI. |
| 4.43 | 3. Giving mandate to WAMI was my right decision. | 4.14 | 9. I am satisfied with WAMI's regular distribution schedule. |
| 4.43 | 4. I am gaining benefit from being a WAMI's member. | 4.13 | 10. I am satisfied with the information provided through WAMI's social media. |
| 4.25 | 5. I am satisfied with the service provided by WAMI's membership department. | 4.10 | 11. I am satisfied with WAMI's social media design. |
| 4.22 | 6. I am satisfied with the response given by WAMI's membership department. | 4.11 | 12. I am satisfied with the postings' routine on WAMI's social media. |

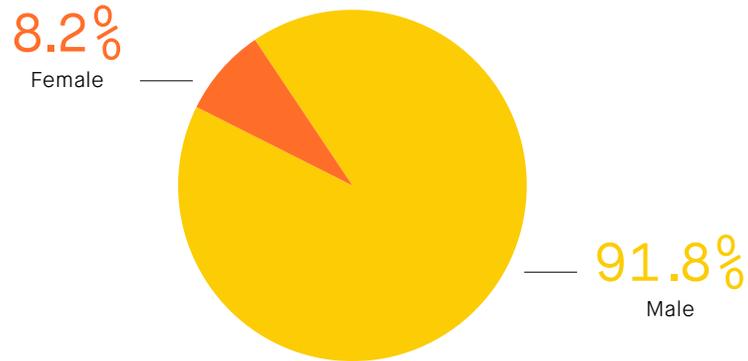
WAMI's Members Loyalty

- | | |
|------|--|
| 4.55 | 1. I will remain to become a WAMI's member. |
| 4.52 | 2. I will continuously support WAMI. |
| 4.52 | 3. I will spread positive information about WAMI. |
| 4.52 | 4. I would recommend other composers who have not joined any Collective Management Organization (CMO) to become WAMI's member. |

RESPONDENT DEMOGRAPHIC DATA

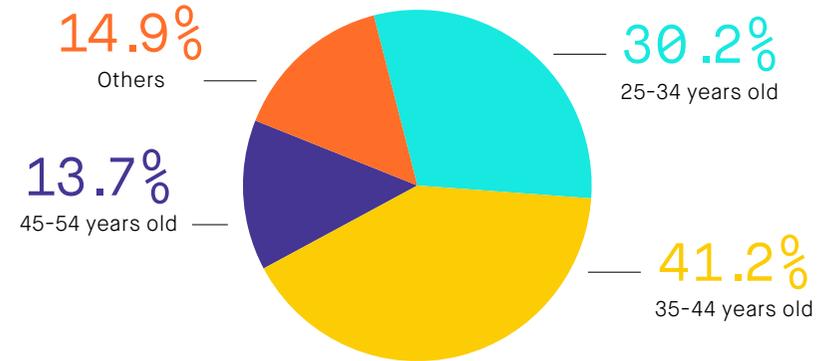
Sex

182 Responses



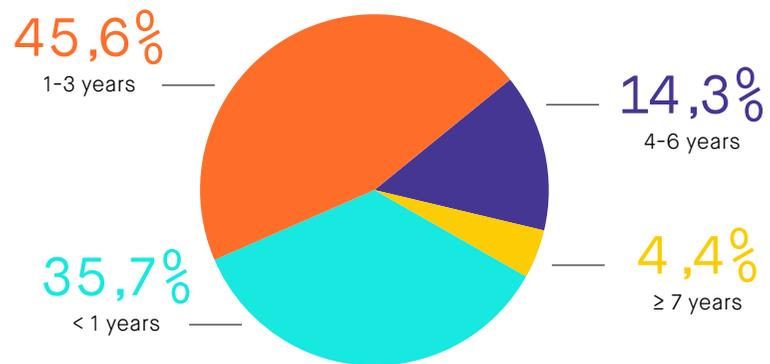
Age

182 Responses



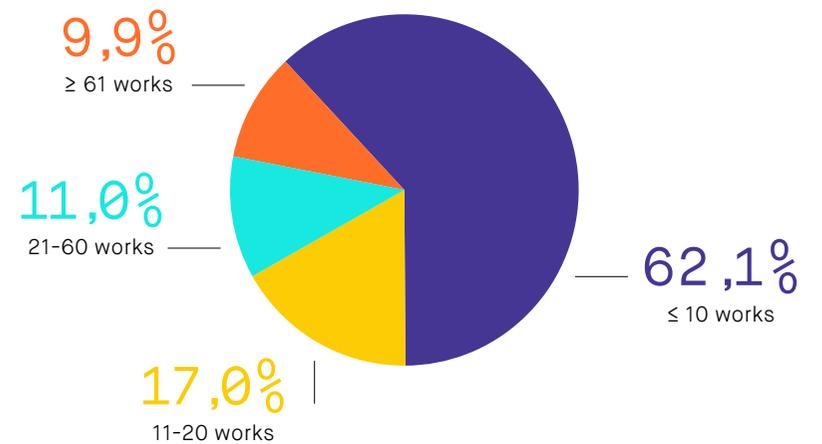
The Period of Time of Becoming WAMI's Member

182 Responses



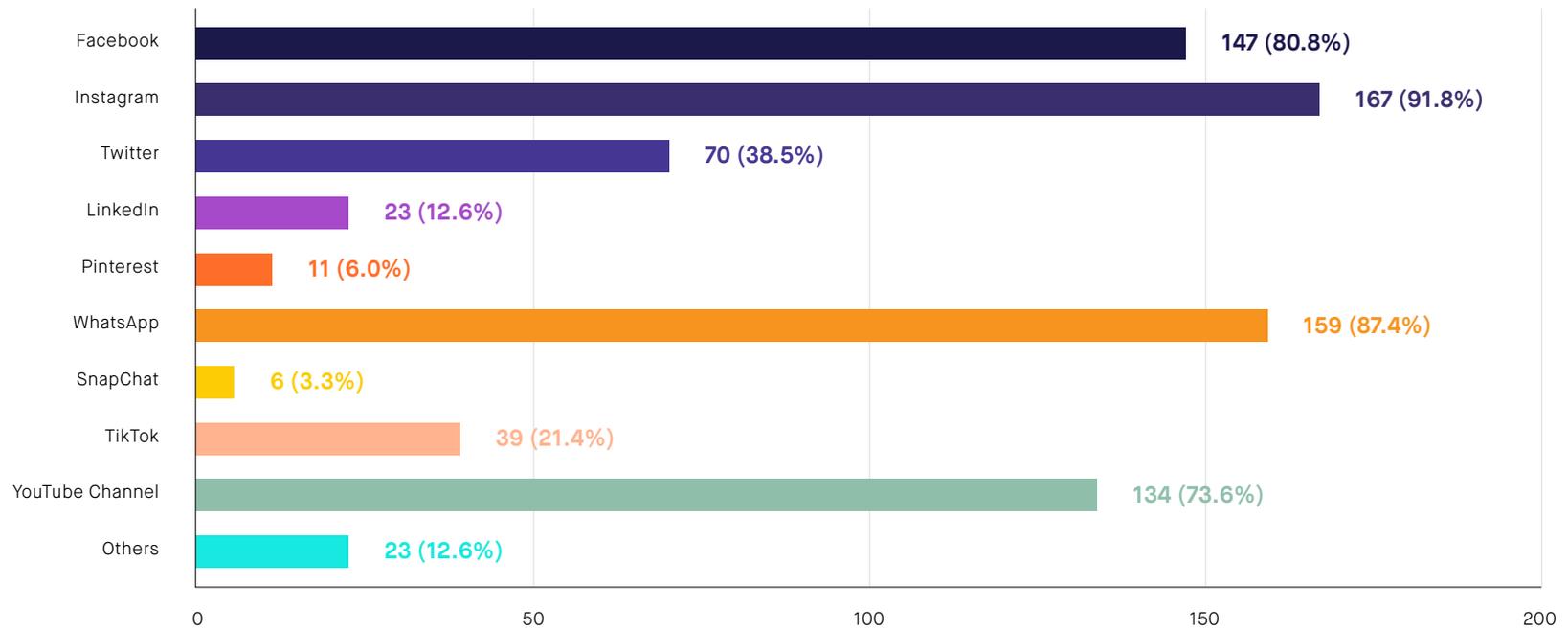
Number of Works Released

182 Responses



Owned Social Media Accounts

182 Responses



Note:

This survey was conducted by 182 respondents who filled and returned the questionnaires so that this descriptive statistic does not reflect the actual condition of all members.

International Relations Report

Being a Full Member of CISAC has given WAMI more opportunities to conclude representation agreements with foreign CMOs (Collective Management Organizations) either in the form of reciprocal or unilateral agreements. New representation agreements with foreign CMOs (Collective Management Organizations) have been continuously concluded to optimize royalty collection of Indonesian composers' music works that have been used abroad commercially. It also allows WAMI to collect royalty on behalf of composers for the music work commercial usage within Indonesian territory.

In 2020 alone, WAMI had signed Reciprocal Representation agreements with **IPRS** (India), **TEOSTO** (Finland), **SIAE** (Italy), **ANCO** (Moldova), and **COSCAP** (Barbados). Up to 2020, WAMI has concluded representation agreements with 64 foreign CMOs from 57 countries. Some of the representation agreements were concluded under the blanket reciprocal agreement with BUMA (Netherlands) in 2018. Those CMOs are ACDAM (Cuba), AGADU (Uruguay), AKKA-LAA (Latvia), AMAR SOMBRÁS (Brazil), APDAYC (Peru), ARTISJUS (Hungary), COSGA (Ghana), COTT (Trinidad and Tobago), EAU (Estonia), GEMA (Germany), GESAP (Georgia), HDS-ZAMP (Croatia), LATGA (Lithuania), MASA (Mauritius), MESAM (Turkey), MRCSN (Nepal), OSA (Czech Republic),

RAO (Russian Federation), RUPIS (Belarus), SACVEN (Venezuela), SADAIC (Argentina), SICAM (Brazil), SOZA (Slovakia), SPAC (Panama), STEF (Iceland), ZAIKS (Poland) and ZAMP Macedonia (Macedonia).

CISAC allows WAMI and all of its members to join CISAC's events, General Assembly and Asia Pacific Committee meeting, where WAMI can meet together with foreign CMOs. Both events are the opportunity for CISAC's members to share their expectations, source of satisfaction and any disappointment.

In the General Assembly, WAMI as a Full Member of CISAC is entitled to vote and elect the CISAC's Board of Directors as well as the Internal Audit Committee. It is an annual event that reviews CISAC's activities. While CISAC's General Assembly is held every year before the end of June, the Asia Pacific Committee meeting is held twice a year.

In 2020, due to the pandemic COVID-19, CISAC did not hold The General Assembly. However, WAMI and other members were still given a chance to vote through a survey questionnaire. For the same reason, the Asia Pacific meeting was conducted virtually on May 21, 2020 and November 26, 2020.

List of CMOs with Reciprocal/Unilateral Agreement with WAMI
America



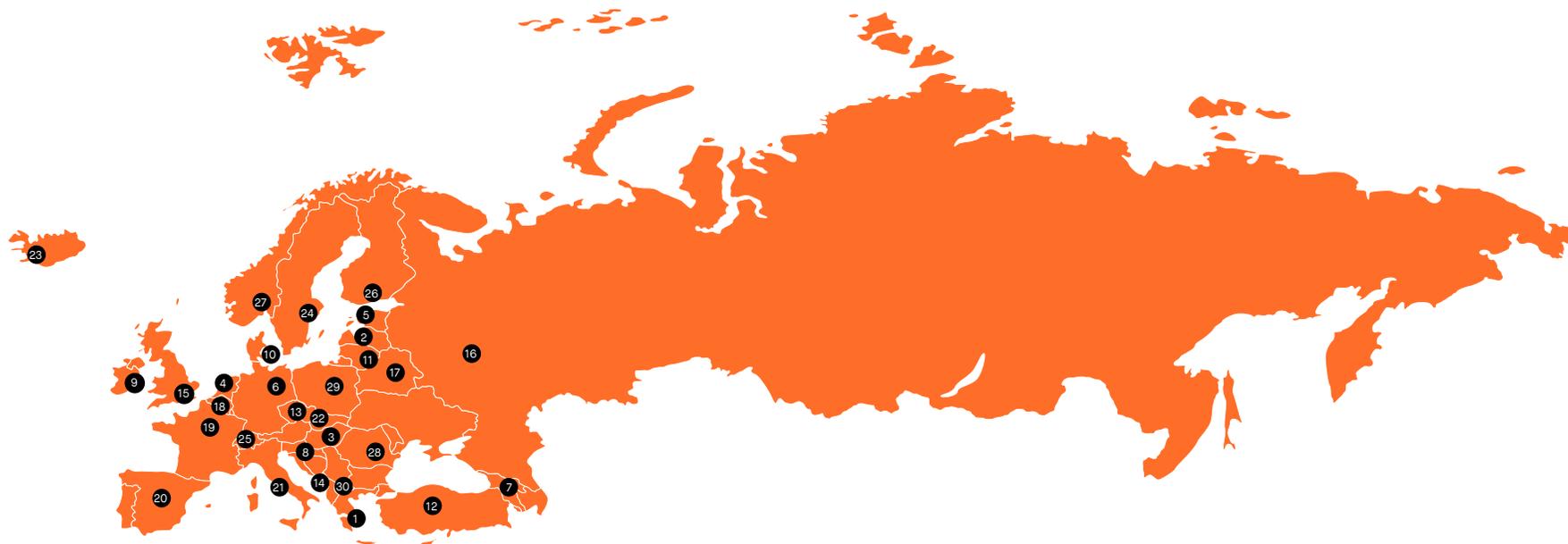
NO.	CMO	COUNTRY
1	ABRAMUS	Brazil
2	ACDAM*	Cuba
3	AGADU*	Uruguay
4	AMAR SOMBRÁS*	Brazil
5	AMRA	USA
6	APDAYC*	Peru
7	ASCAP	USA
8	BMI	USA
9	COTT*	Trinidad and Tobago
10	HFA	USA

NO.	CMO	COUNTRY
11	SACVEN*	Venezuela
12	SADAIC*	Argentina
13	SESAC	USA
14	SICAM*	Brazil
15	SOCAN	Canada
16	SPAC*	Panama
17	UBC	Brazil

* Included in Reciprocal Agreement with BUMA

List of CMOs with Reciprocal/Unilateral Agreement with WAMI (cont.)

Europe



NO.	CMO	COUNTRY
1	AEPI/AUTODIA	Greece
2	AKKA-LAA*	Latvia
3	ARTISJUS*	Hungary
4	BUMA	Netherlands
5	EAU*	Estonia
6	GEMA*	Germany
7	GESAP*	Georgia
8	HDS-ZAMP*	Croatia
9	IMRO	Ireland
10	KODA	Denmark

NO.	CMO	COUNTRY
11	LATGA*	Lithuania
12	MESAM*	Turkey
13	OSA*	Czech Republic
14	PAM CG	Montenegro
15	PRS	United Kingdom
16	RAO*	Russia
17	RUPIS*	Belarus
18	SABAM	Belgium
19	SACEM	France
20	SGAE	Spain

NO.	CMO	COUNTRY
21	SIAE	Italy
22	SOZA*	Slovakia
23	STEF*	Iceland
24	STIM	Sweden
25	SUISA	Switzerland
26	TEOSTO	Finland
27	TONO	Norway
28	UCMR-ADA	Romania
29	ZAIKS*	Poland
30	ZAMP Macedonia	Macedonia

* Included in Reciprocal Agreement with BUMA

List of CMOs with Reciprocal/Unilateral Agreement with WAMI (cont.)

Africa, Asia and Australia



NO.	CMO	COUNTRY
1	APRA	Australia
2	CASH	Hong Kong
3	COMPASS	Singapore
4	COSGA*	Ghana
5	FILSCAP	Philippines
6	IPRS	India
7	JASRAC	Japan
8	KOMCA	South Korea
9	MACA	China (Macau)
10	MACP	Malaysia

NO.	CMO	COUNTRY
11	MASA*	Mauritius
12	MCSC	China
13	MCT	Thailand
14	MOSCAP	Mongolia
15	MRCNS*	Nepal
16	MÜST	Taiwan
17	VCPMC	Vietnam

* Included in Reciprocal Agreement with BUMA

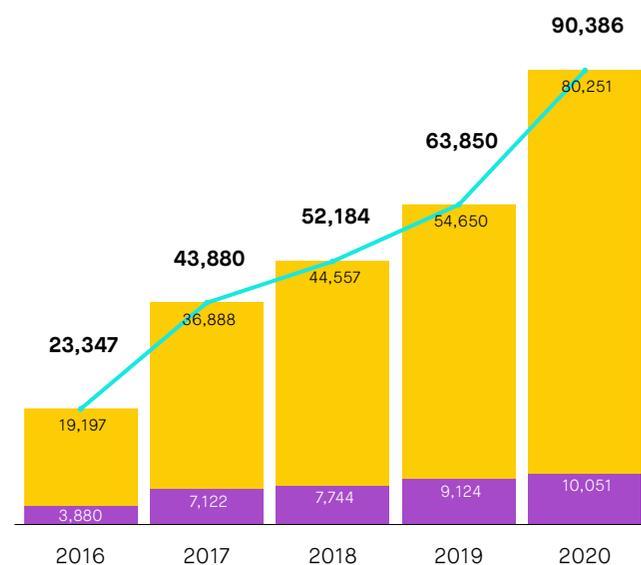
Financial Performance Report

FINANCIAL KEY PERFORMANCE TREND 2016 - 2020

Income, OPEX and Distributable 2016 - 2020

(Numbers in Million Rupiah)

Description	2016	2017	2018	2019	2020
Income	23,347	43,880	52,184	63,850	90,386
OPEX	3,880	7,122	7,744	9,124	10,051
Distributable	19,197	36,888	44,557	54,650	80,251



WAMI's financial key trend has been so impressive for the past five years (2016-2020). Total Income amount had been increasing significantly while OPEX (Operating Expense) amount had been relatively steady; as a result, Distributable amount had been increasing for the past five years. It shows that WAMI had been getting more efficient over the past five years.

Note: Total Income consists of Total Collection Amount and Other Income.

- Operating expense (OPEX)
- Distributable
- Income

Income Allocation for OPEX and Distributable

(Numbers in Million Rupiah)

Year	Income	OPEX		Distributable	
2020	90,386	10,051	11%	80,251	89%
2019	63,850	9,124	14%	54,650	86%
2018	52,184	7,744	15%	44,557	85%
2017	43,880	7,122	16%	36,888	84%
2016	23,347	3,880	17%	19,197	82%

For the past five years, Income allocation for OPEX had been at the average of 15% with declining trend, while its allocation for Distributable had been at the average of 85% with increasing trend.

In 2020, OPEX ratio against Income was the lowest for the past five years. While on the contrary, Distributable ratio against Income in the year 2020 was the highest during the period.

Year-To-Year (YoY) Growth Income, OPEX and Distributable

Income	OPEX	Distributable
2020 ↑ 42%	2020 ↑ 10%	2020 ↑ 47%
2019 ↑ 22%	2019 ↑ 18%	2019 ↑ 23%
2018 ↑ 19%	2018 ↑ 9%	2018 ↑ 21%
2017 ↑ 88%	2017 ↑ 84%	2017 ↑ 92%
2016	2016	2016

During the past five years, all aspects had been showing positive progress in terms of value. The 2016-2017 increase was the most significant in all aspects.

INCOME STRUCTURE AND ANALYSIS

Income Trend 2016 - 2020

(Numbers in Million Rupiah)

Income	2016	2017	2018	2019	2020	Average
Digital	11,165	30,172	36,957	42,898	76,291	39,497
Karaoke	8,081	7,677	5,758	5,851	2,744	6,022
Overseas	1,944	2,800	1,545	4,429	4,829	3,109
BGM	1,555	2,678	3,464	4,592	2,406	2,939
Broadcast	168	68	1,546	1,233	1,664	936
Live Events	268	277	932	2,423	559	892
Cinema	60	-	-	-	-	12
Other Income	106	208	1,983	2,424	1,893	1,323
TOTAL	23,347	43,880	52,184	63,850	90,386	54,729

Note:

Digital income includes income from performing, mechanical and synchronization rights

The table on the side shows the breakdown of Income structure, which consist of Digital income (including performing, mechanical and synchronization rights income), Overseas/Foreign, BGM (Background Music), Karaoke, Live Events, Broadcast (include TV, radio, satellite, cable, etc), Cinema and Other Income from internal fund financing sources.

Income Contribution to Total Annual Income

Income	2016	2017	2018	2019	2020	% Average
Digital	48%	69%	71%	67%	84%	68%
Karaoke	35%	17%	11%	9%	3%	15%
Overseas	8%	6%	3%	7%	5%	6%
BGM	7%	6%	7%	7%	3%	6%
Broadcast	1%	0%	3%	2%	2%	2%
Live Events	1%	1%	2%	4%	1%	2%
Cinema	0%	0%	0%	0%	0%	0%
Other Income	0%	0%	4%	4%	2%	2%

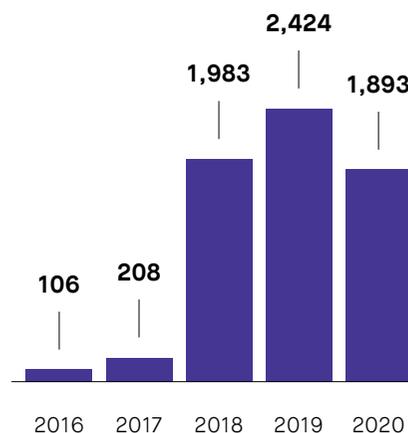
Year-to-Year (YoY) Growth of Royalty Collection Income

Digital	Karaoke	Overseas	BGM	Broadcast	Live Events
2020 ↑ 78%	2020 ↓ -53%	2020 ↑ 9%	2020 ↓ -48%	2020 ↑ 35%	2020 ↓ -77%
2019 ↑ 16%	2019 ↑ 2%	2019 ↑ 187%	2019 ↑ 33%	2019 ↓ -20%	2019 ↑ 160%
2018 ↑ 22%	2018 ↓ -25%	2018 ↓ -45%	2018 ↑ 29%	2018 ↑ 2168%	2018 ↑ 236%
2017 ↑ 170%	2017 ↓ -5%	2017 ↑ 44%	2017 ↑ 72%	2017 ↓ -59%	2017 ↑ 3%
2016	2016	2016	2016	2016	2016

Looking at the income growth trend for the past five years (2016-2020), Digital income had been continuously increasing and became the primary contributor of income with contribution average at 68%. Karaoke income had been declining most of the time with exception in 2019, where it had increased by 2%. However, on average, Karaoke had become the second highest contributor of income with contribution average at 15%. Income from BGM and Live Events category tend to increase continuously except in 2020 due to COVID-19 pandemic, where these two categories suffer the most. Overseas and Broadcast income fluctuated over time. As for Cinema, no income has been received since 2017.

Other Income

(Numbers in Million Rupiah)



Other Income mainly sourced from Time Deposit investment as a part of WAMI’s financial strategy. During the past five years, Other Income had been continuously increasing except in 2020. In 2020, Other Income had declined by 22% due to decrease in interest rates and losses on foreign exchange rates.

DISTRIBUTABLE AND DISTRIBUTION PAYABLE

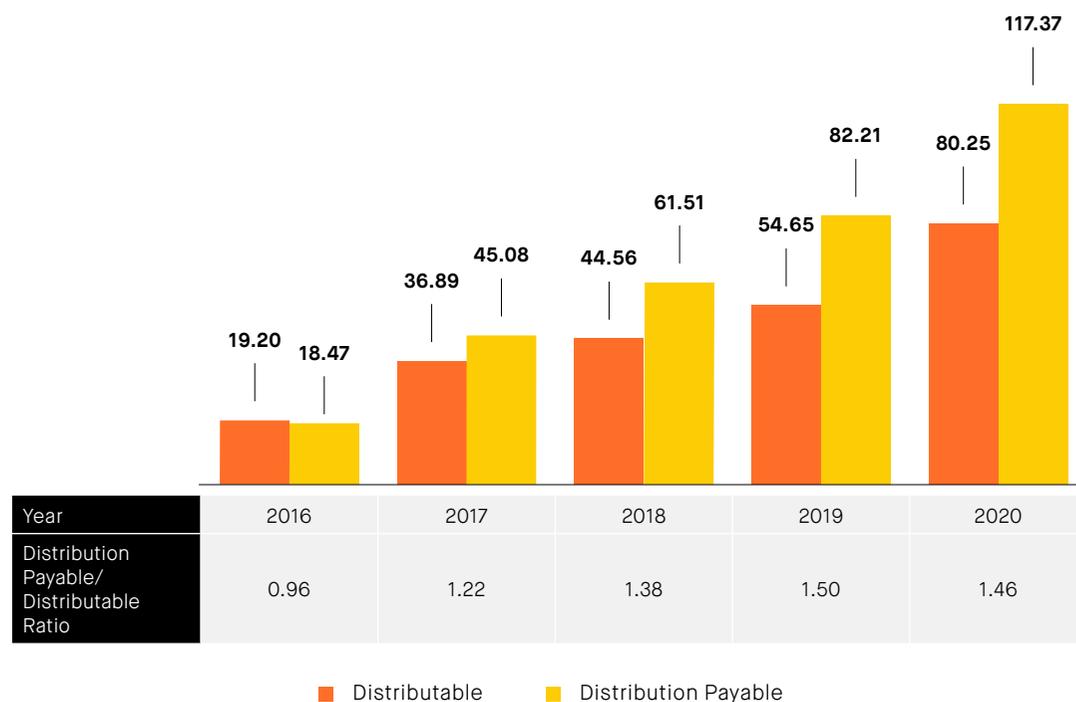
Distributable and Distribution Payable Trend 2016 - 2020

(Numbers in Million Rupiah)

Description	2016	2017	2018	2019	2020	Average
Distributable	19,197	36,888	44,557	54,650	80,251	47,109
Distribution Payable	18,471	45,078	61,510	82,214	117,365	64,928
Distribution Payable/Distributable Ratio	0.96	1.22	1.38	1.50	1.46	1.31

Distributable and Distribution Payable Trend 2016 - 2020

(Numbers in Billion Rupiah)



Distributable amount is a net-off of current year Income against current year OPEX, also includes changes in net assets, while Distribution Payable amount (net amount due to the right holders) is the net accumulated Distributable amount which has been carried forward from previous year(s) up to the current year.

The average ratio of Distribution Payable / Distributable for the last five years is at 1.31, whereas the ideal ratio is 1. If the total ratio is greater than 1 in the current year, it means that there is some amount of Distribution Payable that has been carried forward from the previous year(s) and should be paid in the next following year. However, if the ratio in the current year is less than 1, it means that there is some amount of Distributable which is paid in the current year.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Independent Auditor's Report

Amachi, Arifin Mardani & Muliadi have audited the Financial Statements of Perkumpulan Wahana Musik Indonesia, which consists of a Statement of Financial Position as of December 31, 2020, as well as a Statement of Activities, a Statement of Changes in Net Assets, and a Statement of Cash Flows for the year ended, and an overview of significant accounting policies, information and further explanation, **with result fairly Opinion, in all material respects of the financial position of Perkumpulan Wahana Musik Indonesia** as well as its financial performance and cash flows for the ended year, in accordance with Indonesian Financial Accounting Standards, on July 5, 2021.

Auditor's Significant Note To Financial Statements

GENERAL

Perkumpulan Wahana Musik Indonesia ("WAMI") was established on April 17, 2015 based on Notarial deed No. 09 made by Syarifudin, SH. The deed has been approved by the Minister of Law and Human Rights of the Republic of Indonesia in a decree No. AHU-0000571.AH.01.07.Tahun 2015 dated April 21, 2015.

The Association's articles of association have been amended several times, based on Notarial Deed No. 43 January 31, 2020 made by Dian Fitriana, SH, MKn., regarding Changes in the Composition of Members. The articles of association have been approved by the Ministry of Law and Human Rights of the Republic of Indonesia, with Decree No. AHU-0000095.AH.01.08 Year 2020 January 31, 2020.

The Association's current activity is to collect royalties from the use of copyrighted works for the right to publish in accordance with applicable regulations in Indonesia and then distribute them to owners of copyrighted works who are already registered as members of the Association. Owners of copyrighted works also receive periodic distribution reports through expeditions and/or electronic mail.

Overview of Significant Accounting Policies

NOTE OF FINANCIAL STATEMENTS

The accounting and financial reporting policies adopted by Perkumpulan Wahana Musik Indonesia are prepared based on generally accepted accounting principles in Indonesia, namely the Indonesian Financial Accounting Standards (PSAK) established by the Indonesia Institute of Certified Public Accountants (IAI), in particular PSAK 45 on "Financial Reporting for Non-Profit Organizations". The basis for the preparation of financial statements is the principle of business continuity (going concern) using the historical cost concept as the basis for measurement. The Statement of Cash Flows is prepared using the indirect method by classifying cash receipts and payments into operating, investing and financing activities. All figures in these financial statements, unless specifically stated, are rounded to and presented in full rupiah values.

Subsequent Events After The Reporting Period

IMPACT OF THE COVID-19 OUTBREAK

After December 31, 2020, there has been an economic downturn due to the COVID-19 outbreak which has greatly affected, among other things, global demand for goods and services as well as supply chains. Due to the uncertainty associated with this event, the long-term impact of this event on the Organization's operations is difficult to predict at this time. The organization may be negatively impacted by this event if the Government imposes activity restrictions for an indefinite period of time. Management will continue to monitor these events and take necessary actions to address future risks and uncertainties.

STATEMENT OF FINANCIAL POSITION

PERKUMPULAN WAHANA MUSIK INDONESIA
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2020
 (Expressed in Rupiah, unless otherwise stated)

	December 31, 2020	December 31, 2019
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalent	120.429.746.545	87.037.175.552
Royalty Receivables	3.951.062.592	1.144.851.412
Other Receivables	-	8.200.000
Prepaid Expenses	102.240.770	102.240.770
Total Current Assets	124.483.049.907	88.292.467.734
NON-CURRENT ASSETS		
Fixed Assets - Net of Accumulated Depreciation	-	140.202.876
Intangible Assets - Net of Accumulated Depreciation	719.792.746	1.048.284.696
Other Assets	161.403.770	187.831.060
Total Non-Current Assets	881.196.516	1.376.318.632
TOTAL ASSETS	125.364.246.422	89.668.786.366
LIABILITIES & NET ASSETS		
LIABILITIES		
Short Term Liabilities		
Distribution Payables	117.365.433.509	82.213.731.592
Other Payables	5.822.999.625	4.444.636.616
Accrued Expenses	2.012.986.559	2.932.415.178
Total Short Term Liabilities	131.009.839.186	94.006.259.731
NET ASSETS		
Permanent Restricted Net Assets	250.000.000	250.000.000
Unrestricted Net Assets	(87.173.271)	(171.997.020)
Total Net Assets	162.826.729	78.002.980
TOTAL LIABILITY & NET ASSETS	125.364.246.422	89.668.786.366

STATEMENT OF ACTIVITIES

PERKUMPULAN WAHANA MUSIK INDONESIA
STATEMENT OF ACTIVITIES
AS OF DECEMBER 31, 2020
(Expressed in Rupiah, unless otherwise stated)

	December 31, 2020	December 31, 2019
REVENUE		
Royalty Income	88.493.239.556	61.425.889.517
Other Income	5.050.515.283	2.805.245.760
Total Revenue	93.543.754.839	64.231.135.277
EXPENSE		
Distribution Expenses	80.250.579.037	54.649.873.092
General and Administrative Expenses	9.918.473.307	8.933.880.821
Other Expenses	3.157.667.652	381.378.796
Total Expenses	93.326.719.996	63.965.132.709
CHANGES IN NET ASSETS BEFORE TAX	217.034.843	266.002.568
Income Tax Expense	132.211.094	190.109.500
CHANGES IN NET ASSETS AFTER TAX	84.823.749	75.893.068
NET ASSETS AT BEGINNING YEAR	78.002.980	2.109.912
NET ASSETS AT THE END OF YEAR	162.826.729	78.002.980

STATEMENT OF CHANGES IN NET ASSETS

PERKUMPULAN WAHANA MUSIK INDONESIA
STATEMENT OF CHANGES IN NET ASSETS
AS OF DECEMBER 31, 2020
(Expressed in Rupiah, unless otherwise stated)

	December 31, 2020	December 31, 2019
UNRESTRICTED NET ASSETS		
Total Revenue	93.543.754.839	64.231.135.277
Total Expenses	93.458.931.090	64.155.242.209
Changes in Unrestricted Net Assets	84.823.749	75.893.068
Restricted Net Assets at Beginning of Year	(171.997.020)	(247.890.088)
Unrestricted Net Assets at End of Year	(87.173.271)	(171.997.020)
PERMANENT RESTRICTED NET ASSETS		
Total Revenue	-	-
Total Expenses	-	-
Changes in Permanent Restricted Net Assets	-	-
Permanent Restricted Net Assets at Beginning of Year	250.000.000	250.000.000
Permanent Restricted Net Assets at Year End	250.000.000	250.000.000
TOTAL NET ASSETS	162.826.729	78.002.980

STATEMENT OF CASH FLOWS

PERKUMPULAN WAHANA MUSIK INDONESIA
STATEMENT OF CASH FLOWS
AS OF DECEMBER 31, 2020
 (Expressed in Rupiah, unless otherwise stated)

	December 31, 2020	December 31, 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Unrestricted Net Assets	84.823.749	266.002.568
Adjustment of Net Income from Operating Activities:		
Depreciation of Fixed Assets	384.745.653	174.723.553
Amortization of Intangible Assets	328.491.950	169.735.604
Changes in Operating Assets:		
Royalty Receivables	(2.806.211.180)	20.142.415.079
Other Receivables	8.200.000	6.981.869
Prepaid Expenses	-	(2.170.465)
Other Assets	26.427.290	3.232.710
Distribution Payables	35.151.701.917	20.703.419.703
Accrued Costs	(919.428.619)	14.880.941
Other Payables	1.378.363.009	375.587.743
Total Net Cash from Operating Activities	33.637.113.769	41.854.809.305
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed Asset Increase	(244.542.776)	(20.575.000)
Intangible Assets Increase	-	(1.114.517.800)
Total Net Cash from Investing Activities	(244.542.776)	(1.135.092.800)
CASH FLOW FROM FINANCING ACTIVITIES		
Permanent Restricted Net Assets	-	-
Total Net Cash from Financing Activities	-	-
CHANGES CASH AND CASH EQUIVALENTS	33.392.570.993	40.719.716.505
Cash and Cash Equivalents at Beginning of Year	87.037.175.552	46.317.459.047
Cash and Cash Equivalents at Year End	120.429.746.545	87.037.175.552
NET CHANGES CASH AND CASH EQUIVALENTS	33.392.570.993	40.719.716.505

Main Event 2020

**SOSIALISASI
WAHANA
MUSIK
INDONESIA
(WAMI)**

Bersama Bpk. Meidi Ferialdi
(General Manager WAMI)

Sambutan oleh Bpk. Chico AE Hindarto
(Ketua Badan Pengurus WAMI)

**27 FEBRUARI 2020 |
19:00 SD 21:00 WIB
CAFE HALAMAN BANDUNG
JL. TAMANSARI NO.92**

In 2020, due to pandemic COVID-19 situation, WAMI had cancelled The Annual General Meeting 2020 which normally held in November each year.

For the same reason, member gathering events which was initially planned to be held 3 (three) times a year, could only be held once on Thursday, February 27, 2020 in Bandung. The event was held at Kafe Halaman and was attended by dozens of participants who enthusiastically listened to WAMI's profile presentation delivered by

WAMI's Chairman, Mr. Chico Hindarto, and MDD Manager, Mr. Memed Umaedi. On this occasion, Mr. Djakawinata Susilo from the WAMI's Board of Supervisory Agency was also present. The event, entitled '**Sosialisasi Wahana Musik Indonesia**' (Socialization from Wahana Musik Indonesia), was intended to provide more knowledge to composer's member about music copyrights, especially performing rights, and to update information about WAMI's whole activity.





WAHANA MUSIK INDONESIA (WAMI)

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