

## **INFORMATION DISCLOSURE ON THE PLAN FOR SHARE BUYBACK OF PT ADARO ENERGY TBK (“THE COMPANY”)**

This Information Disclosure on the Plan for Share Buyback of the Company (hereinafter referred to as “**Information Disclosure**”) is made to present the description to the Company’s shareholders on the Company’s plan to buy back its shares which have been issued and listed on the Indonesia Stock Exchange (“**IDX**”) by referring to the regulation of the Financial Services Authority number 2/POJK.04/2013 on Share Buybacks of Issuers or Public Companies under Significantly Fluctuating Market Conditions (“**POJK No. 2/2013**”) and the Circular Letter of the Financial Services Authority number 3/SEOJK.04/2020 on Other Conditions Constituting Significantly Fluctuating Market Conditions in the Implementation of Share Buybacks by Issuers or Public Companies (“**SEOJK No. 3/2020**”) (“**Share Buyback of the Company**”).

The Company plans to buy back its shares for a maximum amount of Rp4,000,000,000,000 (four trillion Rupiahs). In accordance with POJK No. 2/2013 and SEOJK No. 3/2020, the number of shares repurchased shall not exceed 20% (twenty percent) of the paid-up capital, under the condition that the number of shares outstanding shall not be less than 7.5% (seven point five percent) of the Company’s paid-up capital. The Company will buy back its shares progressively within a period of 3 (three) months as of the date of this Information Disclosure, i.e. from September 27<sup>th</sup>, 2021 to December 26<sup>th</sup>, 2021. The transaction for the share buyback will be executed through IDX.



### **PT Adaro Energy Tbk**

#### **Business operations:**

PT Adaro Energy Tbk is engaged in head office activities and management consultation (for the business activities of its subsidiaries in mining, drilling, mining support services, large-scale trading, hauling, warehousing and hauling supporting activities, cargo handling (stevedoring), seaport service activities, plant cultivation, construction, engine repair and installation, electricity provision, water treatment, forestry and industry).

#### **Head office:**

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Jl. H.R. Rasuna Said, Blok X-5, Kav. 1-2  
Jakarta 12950, Indonesia

This Information Disclosure Document is issued in Jakarta on September 27<sup>th</sup>, 2021.

## I. INTRODUCTION

This Information Disclosure is made by the Company with regard to its plan to buy back its shares for a maximum amount of Rp4,000,000,000,000 (four trillion Rupiahs). In accordance with POJK number 2/2013 and SEOJK number 3/2020, the number of shares repurchased shall not exceed 20% (twenty percent) of the paid-up capital, under the condition that the number of shares outstanding shall not be less than 7.5% (seven point five percent) of the Company's paid-up capital. The Company will buy back its shares progressively within a period of 3 (three) months as of the date of this Information Disclosure, i.e. from September 27<sup>th</sup>, 2021 to December 26<sup>th</sup>, 2021.

This Information Disclosure is made by the Company in the fulfillment of the laws and regulations applicable in the capital market and for the implementation of the principle of transparency by a publicly-listed company.

## II. ESTIMATED SCHEDULE

In accordance with POJK No. 2/2013, share buybacks can only be executed for a maximum period of 3 (three) months upon information disclosure. The following are the key dates associated with the Company's share buyback:

1.	Notification to the Financial Services Authority ("FSA") and IDX on the Company's plan for share buyback and publication of Information Disclosure on IDX and the Company's websites.	September 27 <sup>th</sup> , 2021
2.	Period of share buyback by the Company	September 28 <sup>th</sup> , 2021 to December 26 <sup>th</sup> , 2021

In the event that the fund allocated to the Company's share buyback has been used up and/or the maximum number of shares to be repurchased has been reached, the Company will release information disclosure regarding the termination of the share buyback execution.

## III. EXPECTATION ON THE DECREASE OF THE COMPANY'S INCOME AS A RESULT OF THE COMPANY'S SHARE BUYBACK AND THE IMPACT ON THE COMPANY'S FINANCING COSTS

The Company believes that the share buyback will not generate any adverse impact on its performance and income because the profit and cash flows currently available to the Company are sufficient for fulfilling the fund required for executing the Company's share buyback.

## IV. PROFORMA OF THE COMPANY'S EARNINGS PER SHARE AFTER THE EXECUTION OF THE PLAN FOR SHARE BUYBACK

Under the assumption that the fund used for the Company's share buyback including the transaction cost amounts to Rp4,000,000,000,000 (four trillion Rupiahs), the following is the proforma of the Company's earnings per share (EPS) after the execution of the plan for the Company's share buyback:

(in thousands of United States Dollars)

<b>For the Period Ending on June 30<sup>th</sup>, 2021</b>			
<b>Remarks</b>	<b>Before Share Buyback</b>	<b>Impact</b>	<b>After Share Buyback</b>
Total Asset	6,738,776	(280,702)	6,458,074
Profit for the period	189,295	-	189,295
Equity	4,046,280	(280,702)	3,765,578
Basic earnings per share	0.00531	-	0.00540

Notes:

- The Company's share buyback for a maximum amount of Rp4,000,000,000,000 (four trillion Rupiahs)
- Exchange rate used is JISDOR as at September 24<sup>th</sup>, 2021 or US\$1 = Rp14,250
- Maximum number of shares repurchased is 20% of the paid-up capital
- Securities brokerage commission fees are not included in the projection due to immateriality

**V. LIMIT IMPOSITION TO SHARE PRICES FOR THE PLAN OF SHARE BUYBACK**

The Company's share buyback will be executed for prices the Company considers decent and fair by complying with the applicable regulations.

**VI. COST FOR SHARE PURCHASE**

The cost incurred by the Company's share buyback shall not exceed Rp4,000,000,000,000 (four trillion Rupiahs) excluding the commission fee for securities brokers and other costs associated with the share buyback.

**VII. METHOD FOR SHARE BUYBACK**

The Company's share buyback will be executed through transactions in the regular market of IDX. The Company has appointed 1 (one) securities firm to execute its share buyback.

**VIII. MANAGEMENT DISCUSSION AND ANALYSIS ON THE IMPACTS OF THE PLAN FOR THE COMPANY'S SHARE BUYBACK ON THE COMPANY'S FUTURE BUSINESS ACTIVITIES AND GROWTH**

1. With its currently solid financial position and performance, the Company believes that this share buyback will not generate any adverse impact on its future business activities and growth.
2. In the event that the Company uses up the entire budget for the share buyback to reach the maximum amount, its assets and equity will decrease by Rp4,000,000,000,000 (four trillion Rupiahs) maximum.
3. The Company's share buyback will use the fund from the Company's internal cash because the Company currently has decent and sufficient capital and cash flows for financing its entire business activities and operations, capital expenditure and share buyback.
4. The Company expects that the execution of the share buyback will generate good return for the shareholders and strengthen the investors' trust so that the Company's share price can represent the Company's actual fundamental condition.

**IX. THE COMPANY'S PLAN FOR THE SHARES TO BE REPURCHASED**

The Company will transfer the shares acquired from the buyback by complying with the applicable regulations, particularly POJK No. 2/2013.

**X. ADDITIONAL INFORMATION**

Shall there be matters not sufficiently addressed in this information or additional information required, shareholders can contact the Company's Corporate Secretary during office hours at the following address and contact details:

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