

## **INFORMATION DISCLOSURE ON THE PLAN FOR SHARE BUYBACK OF PT ADARO ENERGY INDONESIA 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 explanation 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 (FSA) number 2/POJK.04/2013 of 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 Execution of Share Buybacks by Issuers or Public Companies (“**SEOJK No. 3/2020**”) (“**Share Buyback of the Company**”).

Pursuant to article 5 of POJK No. 2/2013 in conjunction with SEOJK No. 3/2020, the number of total shares bought back 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. Referring to the said provision, the Company intends to buy back its shares for a maximum amount of Rp4,000,000,000,000 (four trillion rupiah). The Company will execute the share buyback within a period of 3 (three) months starting from February 15, 2023 through IDX.



### **PT Adaro Energy Indonesia Tbk**

#### **Business activities:**

Operating head office activities and management consultation (for the businesses of subsidiaries operating in mining, excavation, mining support services, large-scale trading, logistics, warehousing, and logistics support activities, cargo handling (stevedoring), sea port service activities, plant agriculture, construction, engine repair and installation, power provision, water treatment, forestry and industry)

#### **Head office:**

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Website: [www.adaro.com](http://www.adaro.com)

This Information Disclosure is issued in Jakarta on February 14, 2023.

## 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). The share buyback will be executed in accordance with the provisions of POJK number 2/2013 and SEOJK number 3/2020, in which 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 starting from February 15, 2023.

This Information Disclosure is made by the Company to fulfil the laws and regulations applicable in the capital market and to implement the transparency principle of 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 starting from February 15, 2023. The following are the key dates associated with the share buyback by the Company:

1	Information Disclosure on Share Buyback Plan in Significantly Fluctuating Market Conditions on IDX website and the Company's website <a href="http://www.adaro.com">www.adaro.com</a>	February 14, 2023
2	Period of share buyback by the Company	February 15, 2023 to May 15, 2023

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.

In 2021, the Company executed share buyback in significantly fluctuating market conditions in accordance with POJK 2/2013. The share buyback was executed with 4 (four) extensions; the last extension was in the period from September 16, 2022 to December 16, 2022. Within those share buyback periods, the Company bought back 1,000,000,000 (one billion) shares or 3.13% (three point one three percent) of the Company's total issued and fully paid-up capital.

## 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. PRO FORMA OF THE COMPANY'S EARNINGS PER SHARE AFTER THE EXECUTION OF THE PLAN FOR SHARE BUYBACK CONSIDERING INCOME REDUCTION

Under the assumption that the fund used for the Company's share buyback amounts to Rp4,000,000,000,000 (four trillion Rupiahs), which includes the transaction cost but excludes the commission fee for securities brokers and other fees incurring from the share buyback, the following is the Company's earnings per share (EPS) pro forma after the execution of the share buyback:

(in thousands of United States dollars)

For the Period Ending on September 30, 2022			
Remarks	Before Share Buyback	Impact	After Share Buyback
Total assets	10,031,863	(264,201)	9,767,662
Profit for the period	2,168,538	-	2,168,538
Equity	6,288,681	(264,201)	6,024,480
Basic earnings per share	0.06143		0.06172

Notes:

- The Company's share buyback for a maximum amount of Rp4,000,000,000,000 (four trillion rupiah)
- Exchange rate used is JISDOR as at February 10<sup>th</sup>, 2023 or US\$1 = Rp15,140
- 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 BUYBACK**

The cost incurred by the Company's share buyback shall not exceed Rp4,000,000,000,000 (four trillion rupiah) including the transaction cost but 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 BOUGHT BACK**

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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