

**INFORMATION DISCLOSURE TO SHAREHOLDERS REGARDING  
THE SHARE BUYBACK PLAN UNDER SIGNIFICANTLY  
FLUCTUATING MARKET CONDITIONS**



**PT Elang Mahkota Teknologi Tbk  
("Company")**

**Business Activities:**

Engaged in Services (providing technology, media, telecommunications, health, online, solutions and connectivity) and Trade through subsidiaries

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The Company plans to carry out the Company's share buybacks that have been issued and registered in the Indonesia Stock Exchange (IDX) in accordance with Regulation of Financial Services Authority (OJK) No. 2/POJK.04/2013 concerning Share Buybacks of Issuers or Public Companies under Significantly Fluctuating Market Conditions, dated 23 August 2013 (POJK 2/2013) and OJK Circular Letter No. 3/SEOJK.04/2020 concerning Other Conditions Constituting Significantly Fluctuating Market Conditions for the Implementation of Share Buybacks Issued by Issuers or Public Companies, dated 9 March 2020 (SE OJK 3/2020) with the maximum amount of purchase costs Rp300,000,000,000 (three hundred billion Rupiah) or maximum 20% of the paid-up capital of the Company, with at least 7.5% of floating shares of the paid-up capital. The share buybacks will be implemented in stages within a 3 (three) month period as of 7 August 2020 until 6 November 2020 (Share Buybacks).

**This Information Disclosure is issued on 7 August 2020**

## I. PRELIMINARY

The stock trading condition in IDX since the beginning of 2020 experienced a significant pressure which is indicated by the decrease in the Composite Stock Price Index (IHSG) in the amount of 18.46% and the regional and global economic conditions that suffer pressure and deceleration, which among other things caused by the COVID-19 outbreak. Therefore, for the purpose of stimulating the economy and reducing the market impact that has significantly fluctuated due to the trading conditions as aforementioned, OJK issued SE OJK 3/2020.

With the issuance of SE OJK 3/2020, it creates an opportunity for the Company to conduct the Share Buybacks without obtaining prior approval from shareholders through a general meeting of shareholders by considering the Company's capabilities and prevailing regulations.

The Company intends to increase the value of shareholders through the Company's Share Buybacks in maximum 20% of the paid-up capital in the Company (taking into account the existing treasury share), with the condition at least 7.5% of floating shares of the paid-up capital.

## II. SCHEDULE ESTIMATION

1	Submission of the Information Disclosure to OJK and IDX	7 August 2020
2	Announcement of the Information Disclosure on the Share Buybacks through IDX website and the Company's website www.emtek.co.id	7 August 2020
3	Share Buybacks Period	7 August 2020 - 6 November 2020

## III. COST ESTIMATION OF THE SHARE BUYBACK AND THE ESTIMATION OF THE TOTAL OF THE SHARE BUYBACK

### Cost Estimation of the Share Buybacks

The Share Buybacks costs are planned to be at a maximum of Rp300,000,000,000 (three hundred billion Rupiah) originating from the Company's internal cash, excluding the transaction costs, the fees of the broker-dealers, as well as other costs in connection with the Share Buybacks. The use internal cash to purchase the Share Buyback will not cause the Company's net assets to be less than the total issued and paid-up capital plus the required reserve that has been set aside. The Company has provided compulsory allowance for reserves as stipulated in Regulation No. 40 of 2007 concerning Limited Liability Companies.

The total amount of Shares that will be bought back shall not exceed 20% of the paid-up capital, with the condition at least 7.5% of floating shares of the paid-up capital and placed in the Company will remain publicly owned.

## IV. ESTIMATION OF COMPANY REVENUE DECREASE AS A CONSEQUENCE OF SHARE BUYBACK IMPLEMENTATION AND THE IMPACT ON THE COMPANY'S COST OF FINANCE

The impact on the Company is the loss of interest income on cash used to acquire the Share Buybacks of the Company. However, the Company's Board of Directors believes that the implementation of Share Buybacks shall not affect the financing of the Company's business activities, considering that the Company has adequate working capital and cash flow to implement the Share Buybacks, including the financing of the Company's business activities.

## V. PROFORMA EARNING PER SHARE OF THE COMPANY UPON IMPLEMENTATION OF THE SHARE BUYBACK PLAN IN CONSIDERATION OF THE DECLINING REVENUE

Below is the proforma analysis of the Consolidated Financial Statements of the Company and Subsidiaries ended on 30 June 2020 (unaudited) by making adjustments to entries of the Consolidated Financial Statements of the Company and its Subsidiaries, if the Company's Share Buybacks is implemented on 7 August 2020, with maximum cash of Rp300,000,000,000 (three hundred billion Rupiah) excluding transaction costs, the fees of the broker-dealers, as well as other costs in connection with the implementation of Share Buybacks.

Description	Financial Statements Period ended on 30 June 2020 (in thousands of Rupiah, unless otherwise stated)		
	Before Share Buybacks (IDR)	After Share Buybacks (IDR)	Impact (IDR)
<b>Total Asset</b>	17,336,493,116	17,036,493,116	(300,000,000)
<b>Total Equity</b>	11,143,545,792	10,843,545,792	(300,000,000)
<b>(Loss) Net profit attributable to Owners of the Parent Entity</b>	(393,942,979)	(393,942,979)	-

The above analysis indicates that there are no significant changes from the Share Buybacks to the Company financial indicator.

## VI. LIMITATION OF SHARE PRICE FOR THE SHARE BUYBACKS

The Company's Share Buybacks will be implemented in the price that is considered as good and reasonable price by the Company's Board of Directors by considering the applicable regulations.

## VII. LIMITATION OF PERIOD OF THE SHARE BUYBACKS

The Company's Share Buybacks will be implemented over a periode of 3 (three) months from the date of this Information Disclosure, 7 August 2020 until 6 November 2020.

## VIII. THE METHOD TO BE USED FOR THE SHARE BUYBACKS

The Company will implement the Share Buybacks with the following method:

1. The Share Buybacks will be implemented through trading on the IDX;
2. The Share Buybacks will be implemented at a lower price or the same as the closing price on previous trading;
3. The Parties that are:
  - a. Commissioners, Directors, Employees and Principle Shareholders of the Company;
  - b. Individuals whom due to their capacities or professions or due to their business relations with the Company allows such individuals to obtain the insider information; or
  - c. a party whom within the last 6 (six) months is no longer a Party as referred to in point a and point b,

are prohibited to sale and/or purchase transaction of the Company's share during the Share Buybacks period or on the same day with the Company's Share Buybacks through the IDX.

#### **IX. MANAGEMENT DISCUSSION AND ANALYSIS REGARDING THE IMPACTS OF THE SHARE BUYBACKS ON THE BUSINESS ACTIVITIES AND THE GROWTH OF THE COMPANY IN THE FUTURE**

The Company's Board of Directors believes that the Share Buybacks implementation shall not affect the business activities and the growth of the Company as the Company has adequate working capital to run all business activities, business development activities, operational activities, as well as Share Buybacks.

At the ends of the Shares Buyback Period, the Company shall transfer the shares from the shares buybacks in accordance with the applicable laws and regulations, especially POJK 2/2013.

The shares from the Company's buyback have no voting rights at the General Meeting of Shareholders and are not taken into account in determining the total quorum of the General Meeting of Shareholders that must be achieved in accordance with the applicable laws and regulations. In additional, shares that have been bought back are not entitled to receive dividends.

#### **X. ADDITIONAL INFORMATION**

Should the Shareholders require further information, please contact the Company at the address:

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**U.p. Corporate Secretary**