

## ENGLISH TRANSLATION

### DISCLOSURE OF INFORMATION TO THE SHAREHOLDERS OF PT UNITED TRACTORS TBK ("COMPANY") FOR THE PURPOSE OF SHARE BUYBACK PLAN IN A SIGNIFICANTLY FLUCTUATING MARKET CONDITION



**PT UNITED TRACTORS TBK**  
Domiciled in East Jakarta, Indonesia

**Business Activities:**

Engaged in wholesale trading (distributor) of heavy equipment business activities

**Head Office:**

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This disclosure of information is made on 12 July 2022 ("**Disclosure of Information**") and is addressed to the shareholders of the Company in order to comply with the provisions of Regulation of the Financial Services Authority ("**OJK**") No. 2/POJK.04/2013 regarding Share Buyback Issued by Issuers or Public Companies in a Significantly Fluctuating Market Condition ("**POJK 2/2013**") in conjunction with Circular Letter of the OJK No. 3/SEOJK.04/2020 regarding Other Conditions As Significantly Fluctuating Market Condition in the Implementation of Share Buyback Issued by Issuers or Public Companies ("**SEOJK 3/2020**"), with the maximum amount of IDR5,000,000,000,000.- (five trillion Rupiah). In accordance with POJK 2/2013 and SEOJK 3/2020, the number of shares to be bought back shall not exceed 20% (twenty percent) of the paid-up capital ("**Share Buyback**"), provided that after the Share Buyback, the minimum outstanding share shall be 7.5% (seven point five percent) of the paid-up capital of the Company. The Company Share Buyback shall be carried out in stages for a period of 3 (three) months as from 13 July 2022 to 12 October 2022. The implementation of the share purchase transaction shall be carried out through the Indonesia Stock Exchange ("**IDX**")

## **ENGLISH TRANSLATION**

### **ESTIMATED SCHEDULE**

In accordance with POJK No. 2/2013, Share Buyback may only be carried out within a maximum period of 3 (three) months after Disclosure of Information. The following are the milestone dates in relation to the Company Share Buyback:

1.	Submission of the Disclosure of Information to the OJK and IDX, as well as announcement of the Disclosure of Information through the IDX website and the Company's website	12 July 2022
2.	Share Buyback Period	13 July 2022 – 12 October 2022

### **INTRODUCTION**

This Disclosure of Information is made and submitted by the Company for the benefit of the shareholders of the Company in order to obtain clear information and picture regarding the Company's plan to buy back the Company's Shares which have been issued and listed on the IDX in the maximum amount of IDR5,000,000,000,000.- (five trillion Rupiah) which shall not exceed 20% (twenty percent) of the paid-up capital and the minimum outstanding share shall be 7.5% (seven point five percent) of the Company's paid-up capital in accordance with the provisions of POJK 2/2013 and SEOJK 3/2020.

This Disclosure of Information shall be carried out by the Company in order to comply with the prevailing laws and regulations in the capital market sector as well as the application of the principle of transparency as a public company.

The Company believes that the Share Buyback will not affect the Company's financial condition because although the Company will implement the Share Buyback plan, until today the Company has sufficient capital to finance the Company's business activities.

### **ESTIMATED SHARE BUYBACK COST AND ESTIMATED AMOUNT OF NOMINAL VALUE OF ALL SHARES TO BE BOUGHT BACK**

The Share Buyback Cost will use the Company's internal cash which is planned to be in the maximum amount of IDR5,000,000,000,000.- (five trillion Rupiah). This amount shall not include other fees such as brokerage commissions and other costs related to the Share Buyback.

In accordance with POJK 2/2013 and SEOJK 3/2020, the number of shares to be bought back shall not exceed 20% (twenty percent) of the total paid-up capital, provided that after the Shares Buyback, the minimum outstanding share shall be 7.5% (seven point five percent) of the paid-up capital of the Company.

### **ESTIMATED DECREASE OF THE COMPANY'S REVENUE AS A RESULT OF THE IMPLEMENTATION OF THE SHARE BUYBACK AND THE IMPACT ON THE COMPANY'S FINANCING COST**

Considering that the Company uses internal cash for the Company Share Buyback in the maximum amount of IDR5,000,000,000,000 (five trillion Rupiah), the assets and equity will decrease with an estimate in the maximum amount of IDR5,000,000,000,000 (five trillion Rupiah).

## **ENGLISH TRANSLATION**

The Company believes that the implementation of the Share Buyback transaction will not have a material adverse impact on the Company's business activities considering that the Company has sufficient working capital and cash flow to finance the Share Buyback along with the Company's business activities.

### **PROFORMA EARNINGS PER SHARE OF THE COMPANY AFTER THE SHARE BUYBACK PLAN IS IMPLEMENTED**

The following is the pro forma Consolidated Financial Statement as of 31 March 2022, taking into account the Share Buyback budget in the maximum amount of IDR5,000,000,000,000,000 (five trillion Rupiah) in connection with the Company Share Buyback transaction:

(\*) in million rupiah

Proforma	The Financial Statement Period Ended on 31 March 2022(*)		
	Before Buyback	Impact	After Buyback
Total Assets	120,094,702	(5,000,000)	115,094,702
Net Profit for the Current Year	4,717,836		4,717,836
Total Equity	77,120,689	(5,000,000)	72,120,689
Earnings per Share (Full IDR)	1,158		1,193

*Note: Transaction costs (securities brokerage commissions and other fees) are not included in the projection because they are immaterial*

The analysis above indicates that there is no significant change caused by the Share Buyback on the financial indicators of the Company.

### **LIMITATION OF THE SHARE PRICE FOR THE PURPOSE OF THE COMPANY SHARE BUYBACK**

The Share Buyback will be carried out at a price deemed to be fair and reasonable by the Company with due observance of the prevailing provisions.

### **LIMITATION OF THE SHARE BUYBACK PERIOD**

The Share Buyback will be carried out for a period of 3 (three) months as from **13 July 2022 up to 12 October 2022**.

### **THE METHOD TO BE USED FOR THE SHARE BUYBACK**

1. The Share Buyback will be carried out through transactions on the IDX.
2. The Company will appoint 1 (one) Securities Company to carry out the Share Buyback.
3. Any party who is:
  - a. Commissioner, Director, employee, and Major Shareholder of the Company;
  - b. Individual who because of his/her position or profession or because of his/her business relationship with the Company enables that person to obtain inside information; or
  - c. Party who within the last 6 (six) months is no longer a party as referred to in points a and b,shall be prohibited from carrying out transactions over the Company's shares within the period of the share buyback or on the same day as the sale of shares obtained from the buyback carried out by the Company through the IDX.

## **ENGLISH TRANSLATION**

### **MANAGEMENT DISCUSSION AND ANALYSIS OF THE IMPACT OF THE SHARE BUYBACK ON THE BUSINESS ACTIVITIES AND THE GROWTH OF THE COMPANY**

1. The Company's Revenue is expected not to decrease due to the implementation of the Share Buyback.
2. The Share Buyback is estimated to have minimal impact on the Company's finance.
3. The Share Buyback will decrease the Company's assets and equity by the amount of the Share Buyback. If the Company uses the maximum amount of the allocated budget for the Share Buyback, the total assets and equity will decrease by the maximum amount of IDR5,000,000,000,000,000 (five trillion Rupiah).
4. The Company believes that the implementation of the Share Buyback will not have a material adverse impact on the business activities and the growth of the Company, because the Company currently has sufficient capital and cash flow to conduct and finance all business activities, business development activities, operational activities and the Share Buyback.
5. The Share Buyback is expected to stabilize the Company's share price in a fluctuating market condition, in addition to providing investors with confidence in the fundamental value of the Company's shares. The Share Buyback shall also provide flexibility for the Company in managing long-term capital where treasury shares can be sold in the future at an optimal value if the Company requires additional capital.

### **THE COMPANY'S PLAN FOR THE SHARE BUYBACKS**

After the end of the Share Buyback period, the Company will transfer the shares obtained from the Share Buyback with due observance of the prevailing laws and regulations, particularly POJK 2/2013.

### **ADDITIONAL INFORMATION**

The Shareholders who require additional information may contact the Company during business hours at the following address:

**Corporate Secretary**  
**PT United Tractors Tbk**  
Jl. Raya Bekasi Km 22  
Cakung, East Jakarta  
Indonesia, 13910

Telephone: (021) 24579999 / Facsimile: (021) 46832620

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