

## DISCLOSURE

In comply with OJK Rule No. 2/POJK.04/2013 and OJK Circular Letter No. 3/SEOJK.04/2020 regarding Plan on Buyback of Shares in Significantly Fluctuating Market Conditions



**PT Bank Negara Indonesia (Persero) Tbk**

**Business Activity:**  
Banking

**Domiciled in Jakarta, Indonesia**

**Head Office:**  
Grha BNI  
Jl. Jenderal Sudirman Kav. 1  
Jakarta 10220  
Phone: 021-5728387  
Email: [bni@bni.co.id](mailto:bni@bni.co.id)  
Website: [www.bni.co.id](http://www.bni.co.id)

### **INFORMATION TO SHAREHOLDERS REGARDING PLAN ON BUYBACK OF SHARES IN SIGNIFICANTLY FLUCTUATING MARKET CONDITIONS**

PT Bank Negara Indonesia (Persero) Tbk. ("Company") plans to conduct buyback of shares up to Rp1,700,000,000,000 (one trillion seven hundred billion Rupiah) of its shares that are currently listed on the Indonesia Stock Exchange ("IDX"), in accordance with the OJK Rule No. 2/POJK.04/2013 on Buyback of Shares in Significantly Fluctuating Market Conditions ("OJK Rule No. 2/POJK.04/2013") and OJK Circular Letter No. 3/SEOJK.04/2020 on Other Conditions Constituting Significantly Fluctuating Market Conditions Allowing for Buyback of Shares ("SEOJK No. 3/SEOJK.04/2020"). According to SEOJK No. 3/SEOJK.04/2020, the Company is allowed to buyback its shares maximum by 20% (twenty percent) of the paid-up, and must keep at least 7.5% of its free float. The buyback will be conducted gradually within three months effective since 22 July 2021 until 21 October 2021. The buyback transaction will be executed through Indonesia Stock Exchange.

**This Disclosure is published in Jakarta on 21 July 2021.**

A handwritten signature in blue ink, appearing to be 'R. F. Y.' followed by a stylized flourish.

## ESTIMATION OF SCHEDULE

1.	Notification and Disclosure to OJK, IDX, and the Company website.	21 July 2021
2.	Buyback Period	22 July 2021 until 21 October 2021

## PRELIMINARY

Amid ongoing surge in Covid-19 (second wave) cases which surpassing the level of above 10 thousand cases per day since June 17, 2021, JCI tends to fluctuate and have an impact on BNI shares which have experienced a significant decline of -25.0% year to date to the level of Rp4,630 as of June 30, 2021. Selling pressure on the market due to the Covid-19 sentiment has made BNI shares undervalued with a Price to Book Value (PBV) of 0.75x as of June 30, 2021 or is far below the average PBV for 10 years which is 1.60x.

Following up on this, the Company plans to repurchase the Company's shares that have been issued and listed on the Indonesia Stock Exchange with a maximum amount of Rp. 1,700,000,000,000.- (one trillion seven hundred billion Rupiah). In accordance with SEOJK No. 3/SEOJK.04/2020, the number of shares to be repurchased shall not exceed 20% (twenty percent) of the paid-up capital and at least 7.5% (seven point five percent) of the Company's paid-up capital.

The Company believes that the Shares Buyback will not affect the Company's financial condition because until now, the Company has sufficient capital to finance the Company's business activities.

## SHARES REPURCHASE EXPENSES ESTIMATION AND NOMINAL VALUE OF ALL SHARES THAT WILL BE PURCHASED

The Buyback will use internal cash of the Company with maximum amount not more than Rp1,700,000,000,000 (one trillion seven hundred billion Rupiah) originating from the Company's internal cash. Projected cost has not included any other costs incurred yet such as Brokerage fees and other costs related to Share Buyback.

In accordance with SEOJK No. 3 / SEOJK.04 / 2020, the number of shares to be repurchased will not exceed 20% (twenty percent) of paid-up capital and must keep at least 7.5% of its free float.

## ESTIMATION OF COMPANY DECLINING INCOME AS A RESULT OF SHARES REPURCHASE AND IMPACT OF COMPANY FINANCING EXPENSES

Assuming the Buyback amount is Rp1,700,000,000,000 (one trillion seven hundred billion Rupiah), then Assets and Equity will decrease by Rp1,700,000,000,000 (one trillion seven hundred billion Rupiah). We conclude the Buyback will not impact the Company Profit and Loss because the cost of transaction should not be material.

In addition, the Company believes that the Buyback transaction will not have any material adverse effect to the Company's business activities, as the Company has sufficient capital and cash flow to carry out the Company's business activities.



## PROJECTION OF COMPANY EARNING PER SHARE AFTER THE SHARES REPURCHASE IS EXECUTED

The following table is the projection of the Consolidated Financial Statements as of 31 March 2021, assuming the Company's Repurchase Shares amounting Rp1,700,000,000,000 (one trillion seven hundred billion Rupiah):

(in millions of Rupiah)

	Financial Statements as of 31 March 2021		
	Without Shares Buyback	Impact	After Shares Buyback
<b>Total Asset</b>	862,440,779	(1,700,000)	860,740,779
<b>Net Profit</b>	2,384,720	-	2,384,720
<b>Total Equity</b>	117,736,633	(1,700,000)	116,036,633
<b>Earnings per Share</b> (full amount in Rupiah)	128	2	130

Assumption:

The repurchased number of shares does not exceed 20% (twenty percent) of paid-up capital. If the brokerage fees or other cost incurred about 0,18%, it is considered less impact to PL then excluded from the above projection.

From above analysis showing that the Buyback up to Rp1,700,000,000,000 (one trillion seven hundred billion Rupiah) will not be impacting the Company's financial performance.

### THE PRICE OF SHARES BUYBACK

Buyback of the Company's Shares will be conducted in accordance with applicable regulations at fair and reasonable price.

### THE PERIOD OF SHARES BUYBACK

3 (three) months from 22 July 2021 until 21 October 2021.

### METHODS THAT WILL BE USED FOR SHARES BUYBACK

1. The Buyback transaction will be executed through IDX.
2. The Company will appoint one Securities Company to Repurchase the Company's Shares.
3. Every party whoever:
  - a. Commissioners, Directors, employees and Major Shareholders of the Company;
  - b. An individual who due to his position or profession or because of his business relationship with the Company allows that person to obtain inside information; or
  - c. The party within the last 6 (six) months is no longer a Party as referred to the items a and b,
 are prohibited to purchase and/or sell the Company's shares during the buyback period or on the same day with the transfer of repurchased shares by the Company through the IDX.

## MANAGEMENT DISCUSSION AND ANALYSIS OF THE IMPACT OF SHARES BUYBACK TO THE BUSINESS ACTIVITIES AND GROWTH OF THE COMPANY

1. The Company's revenue is not expected to decrease due to the implementation of Share Buyback.
2. Share Buyback is estimated to have a minimal impact on the Company's financing costs.
3. Shares Buy Back will reduce the Company's Assets and Equity by the number of Shares Buy Back. If the Company uses all of the budget reserved for the Shares, then the total Assets and Equity will be reduced to a maximum of Rp1,700,000,000,000 (one trillion seven hundred billion Rupiah).
4. The Company believes that the implementation of Share Buyback will not have a material negative impact on the Company's business activities and growth, because the Company currently has sufficient capital and cash flow to conduct and finance all business activities, business development activities, operational activities and Share Buyback.

## THE COMPANY'S PLAN ON SHARES BUYBACK

After the end of the shares buyback period, the Company may transfer the shares in accordance with the prevailing laws and regulations in particular OJK Rule No. 2 / POJK.04 / 2013.

## ADDITIONAL INFORMATION

According to OJK Letter No. S-137/PB.31/2021 dated 14 July 2021, OJK has approved the Company's plan to repurchase its shares.

For further information regarding the Shares Buyback, please contact the Company during business hours at:

**Corporate Secretary**  
**PT Bank Negara Indonesia (Persero) Tbk**  
Grha BNI 24/F  
Jl. Jenderal Sudirman Kav. 1  
Jakarta 10220 – Indonesia  
Phone (021) 5728387,  
Email: [bni@bni.co.id](mailto:bni@bni.co.id)  
Website: [www.bni.co.id](http://www.bni.co.id)

