

Unofficial English Translation

Explanation Regarding the Impact of COVID-19 Pandemic

Explanation ID
2768

Profile

Code/Name of Listed Company
JPFA

Part 1

In order to obtain the latest information regarding the operational conditions and financial performance of the Company, Stock Exchange considers it necessary to request an explanation of the following matters:

What is the current condition of the Company's business continuity?
a. Disturbed by Covid-19 (A1)

Does the Covid-19 Pandemic have an impact on the closure and/or limitation of the operational of the Company and / or its Subsidiaries?
Yes, it impacts on operational limitation only (c)

How long will the estimated shutdown/operational be ?
Between 1-3 months (b)

In order to explain further the details of the types of activities that have experienced closure and/or limitation on the operational activities of the Company and/or its Subsidiaries (for example: business segments that are stopped, business units that are stopped, locations of business activities that stop, etc.)
<i>Example: At company A there is an operational shutdown at the packing section located in city X.</i>
Operational restrictions are only carried out at the Head Office, because there are a large number of employees working from home (WFH), while operational activities at the unit are normal because the activities of PT Japfa are included as the industries that are allowed to continue.

How much is the contribution of income from operational activities that have stopped and / or experienced operational restrictions on total revenue (consolidation) in 2019
< 25% (a)

Regarding the employees which affected by Pandemic Covid-19, shall be explained:

Total employees (permanent and temporary)

Per 31 December 2019

27.972

Regarding the employees which affected by Pandemic Covid-19, shall be explained:

Total employees (permanent and temporary)

Current

28.121

Total employees terminated

0

Total employees laid off (*dirumahkan*)

0

Number of employees affected by other statuses (example: 50% salary deduction, etc.)

0

How big is the estimated decrease in total income (consolidated) for the period ending March 31, 2020 (a) / 30 April 2020 (b) (can use proforma) compared to the period ending March 31 2019 (a) / 30 April 2019 (b).

a) *Valid for Listed Companies with fiscal year as of December 31, March 31 or June 30*

b) *Valid for Listed Companies with fiscal year as of January 31*

< 25% (a)

How big is the estimated decrease in net profit (loss) (consolidated) for the period ended as of March 31, 2020 (a)/ 30 April 2020 (b) / (can use proforma) compared to the period ending as of March 31, 2019 (a) / 30 April 2019 (b).

a) *Valid for Listed Companies with fiscal year as of December 31, March 31 or June 30*

b) *Valid for Listed Companies with fiscal year as of January 31*

< 25% (a)

Does the Covid-19 Pandemic affect the fulfillment of the Company's current short-term financial obligations and/or Subsidiaries (Business Debt, Bank Debt/Financial Institutions, Coupons and/or Bond Principal, MTN etc.)?

No impact (d)

Does Pandemic Covid-19 have an impact on **Legal issues** that are material in nature of the Company and / or its Subsidiaries such as bankruptcy / PKPU

No (A2)

Does Pandemic Covid-19 have an impact on **Legal issues** that are material in nature of the Company and / or its Subsidiaries such as the cancellation of material contracts

No (A2)

Does the Covid-19 Pandemic have an impact on **Legal issues** that are material in nature of the Company and / or its Subsidiaries such as subpoena or legal claims due to default

No (A2)

Does Pandemic Covid-19 have an impact on **Legal issues** that are material in nature of the Company and/or its Subsidiaries in addition to the 3 (three) impacts above

No (A2)

What is the Company's strategy / effort in maintaining business continuity in the midst of the Covid-19 Pandemic?

Review operational costs and conduct efficiency.