



**Attachment to SGX Announcement
dated 20 May 2020**

**ADJOURNED ANNUAL GENERAL MEETING TO BE HELD ON 22 MAY 2020
RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS**

Jardine Cycle & Carriage Limited (“**JC&C**”) would like to thank shareholders for submitting their questions in advance of our adjourned 51st Annual General Meeting (the “**Adjourned AGM**”) to be held by electronic means at 11.30 a.m. on 22 May 2020.

Please see below for our responses to substantial questions which are relevant to the resolutions being tabled for approval at the Adjourned AGM. Questions which overlap or are related to the same theme are addressed in the same response.

1. Does the Board plan to reduce the dividend declaration for FY2020 and FY2021?

Under our dividend policy, we aim to provide a return to shareholders through the payment of a cash dividend, usually on a semi-annual basis, taking into consideration the Group’s financial performance, short- and long-term capital requirements, future investment plans, and broader business and economic conditions.

As shared in our Interim Management Statement dated 27 April 2020, the Group experienced challenging trading conditions in the first quarter of the year.

The impact of COVID-19 on our businesses has increased significantly in April and May. We expect both business and consumer sentiment to remain weak, which would impact the Group’s second quarter performance.

Our dividend payout is generally aligned to the contributions of our businesses, and at this point, we are not able to comment on the dividend payouts for FY2020 or future payouts as we are unable to ascertain the full impact of COVID-19 on the Group’s performance.

2. Given the current economic conditions, will JC&C need to do a rights issue to strengthen its balance sheet or for future M&A opportunities?

As at 31 December 2019, the JC&C holding company’s net debt was around US\$1.5 billion.

We have previously stated that our intention is to complete a rights issue to reduce the holding company’s debt level. This continues to be our plan.

We will review the appropriate timing for a possible rights issue to deleverage in a financially prudent manner.

3. What is the expected COVID-19 impact on Astra and on FY2020 profitability?

As shared in our Interim Management Statement dated 27 April 2020, the Group's businesses experienced challenging trading conditions in the first quarter of FY2020.

The impact of COVID-19 and the measures to contain it have since increased significantly in Indonesia, which has adversely impacted Astra's performance. We expect these difficult conditions to persist for some time.

The impact of COVID-19 on the performance of our Direct Motor Interests and Other Strategic Interests has also increased in April. As a result, we expect the performance of these businesses to remain weak and significantly impact the Group's second quarter performance.

At this point, we are unable to ascertain the full year impact of COVID-19 on the Group's performance as this depends on the duration of the pandemic, the measures taken to contain it and the subsequent recovery.

4. What is the expected decline of the car and motorcycle markets in Indonesia in 2020?

The automotive associations in Indonesia have projected that the overall wholesale market in 2020 for cars will decline by 40% to 600,000 units and for motorcycles, by 30% to 4.5 million units.

5. Please provide an update on the status of Bank Permata divestment.

Updates on the Bank Permata transaction will be announced on the SGX website as appropriate.

6. What is the strategy for the motor division now that vehicle usage is markedly reduced?

Responding to the economic impact of COVID-19, our automotive businesses have implemented a range of measures to mitigate the impact on the business. These include managing liquidity, inventory and cost, and reducing capital expenditure. Over the longer term, JC&C's Direct Motor Interests will continue to leverage the unified expertise, scale and global relationships under Jardine International Motors ("**JIM**"). JIM's strategy is to be digitally-led, customer-centric and focused on taking full advantage of future opportunities to generate new streams of revenue.

7. JC&C's proposed privatisation of Cycle & Carriage Bintang has failed. What were the reasons for paying a premium to privatise instead of divesting the business?

We made an offer to privatise Cycle & Carriage Bintang ("**CCB**") for a number of reasons.

CCB has been and continues to operate in a challenging environment with further capital investments needed for it to stay competitive. The initiatives to appropriately address these challenges will require additional capital investments in the longer term. JC&C would have been better able to address these in the context of CCB as a private company.

CCB is also incurring costs to maintain its listing status and comply with the relevant regulatory requirements as a listed company on Bursa Malaysia. These costs would have been alleviated as a result of the privatisation.

As a long-term shareholder and with a wider global relationship with CCB's principal, Mercedes-Benz, JC&C remains committed to CCB and supports its continued capital investment in its network.