

Clarification concerning Impact of the COVID-19 Pandemic

Response ID

340

Profile

Ticker/Listed Company Name

WIKA - PT Wijaya Karya (Persero) Tbk. [A734]

Section 1

In order to obtain the latest information on the Company's operating conditions and financial performance, the Exchange finds it necessary to raise queries on the following matters:

What is the Company's current condition pertaining to its business continuity?

a. Affected by COVID-19 [A1]

Does the COVID-19 Pandemic cause the Company and/or Subsidiaries to **suspend and/or restrict** its operations?

Yes. It causes partial suspension of operations [b]

What is the estimated duration of the operating suspension/restriction?

More than 3 months [c]

Please describe the type of activities affected by suspension and/or restriction of the Company and/or Subsidiaries' operations (for example: suspended business segments; suspended business units; suspended business locations; etc.)

Example: Company A suspended packing operations located in City X

From a total of 208 ongoing projects undertaken by the WIKA Group as at April 2020, about 13% of projects are suspended, resulting in all project activities to be temporary suspended. About 23% of projects are in slowdown, where some aspects of its activities are slowed down, such as workforce mobilisation and limiting on-site workers due to physical distancing rules.

What is the **revenue contribution** of the suspended and/or restricted operating activities to the total revenue (consolidated) for 2019?

Less than 25% [a]

In relation to employees affected by the COVID-19 Pandemic, please describe:

a. Total employees (permanent and non-permanent)

[As at 31 December 2019] [Total employees (permanent and non-permanent)]

3592

In relation to employees affected by the COVID-19 Pandemic, please describe:

a. Total employees (permanent and non-permanent)

[Present] [Total employees (permanent and non-permanent)]

4154

[Total employees terminated] [Employees from January 2020 to present]

0

[Total employees furloughed] [Employees from January 2020 to present]

0

[Total employees affected by other measures (for example: 50% pay deduction, etc.)) [Employees from January 2020 to present]

0

What is the estimated reduction in total revenue (consolidated) for the period ended on 31 March 2020^a/30 April 2020^b (pro forma figures may be used) compared with the period ended on 31 March 2019^a/30 April 2019^b

^a For Listed Companies where the financial year ends on 31 December, 31 March, or 30 June

^b For Listed Companies where the financial year ends on 31 January

From 25% to 50% [b]

What is the estimated impact to profit/loss for the period ended on 31 March 2020^a/30 April 2020^b (pro forma figures may be used) compared with the period ended on 31 March 2019^a/30 April 2019^b

^a For Listed Companies where the financial year ends on 31 December, 31 March, or 30 June

^b For Listed Companies where the financial year ends on 31 January

Net profit is estimated to decrease by 25% to 50% [b]

Does the COVID-19 Pandemic affect the Company and/or Subsidiaries' most recent **short-term financial liabilities** (Trade Payables, Bank/Financial Institution Payables, Bond Coupon and/or Bond Principal, Medium-term Notes, etc.)?

No effects [d]

Does the COVID-19 Pandemic cause material **Legal Issues** to the Company and/or Subsidiaries, i.e. bankruptcy petition/suspension of debt repayment (*Penundaan Kewajiban Pembayaran Utang*, "PKPU")?

No [A2]

Does the COVID-19 Pandemic cause material **Legal Issues** to the Company and/or Subsidiaries, i.e. annulment of material contracts?

No [A2]

Does the COVID-19 Pandemic cause material **Legal Issues** to the Company and/or Subsidiaries, i.e. service of default notices (*somasi*) or legal claims due to default?

No [A2]

Does the COVID-19 Pandemic cause material **Legal Issues** to the Company and/or Subsidiaries other than the 3 (three) matters stated above?

No [A2]

What are the Company's strategies/measures to maintain its business continuity during the COVID-19 Pandemic?

1. Implementing business efficiency measures, while avoiding layoffs as at this time.
2. Maximising productivity of ongoing projects by first performing an assessment with project owners with good liquidity so that the Company can control its cash inflows and outflows.
3. Requesting non-cash loan facilities that the Company has secured to be relaxed from a 6-month term to a 12-month term. The Company has also requested a deduction in loan interests.
4. Creating innovations as well as substituting imported materials to locally-sourced materials to improve efficiency of the Company's operating costs.