

Jakarta, 27 July 2021

Number: 027/SM-DIR/OJK/VII/2021

To:

Board of Commissioner of Financial Services Authority (*Dewan Komisiner Otoritas Jasa Keuangan*)
Gedung Sumitro Djohadikusumo
Departemen Keuangan
Jl. Lapangan Banteng Timur No. 2-4
Jakarta 10170

Attention to : **Executive Head of Capital Market Supervision**

Subject : **Clarification concerning Change of More than 20% in Total Liabilities in the Company's Quarterly Financial Statement for the Period Ended on 30 June 2021**

Dear Sir/Madam,

We refer to our letter Number 026/SM-DIR/OJK/VII/2021 dated 27 July 2021 concerning "Quarterly Financial Statement of PT Industri Jamu Dan Farmasi Sido Muncul Tbk. for the Period Ended on 30 June 2021." There was a change of more than 20% (twenty percent) in Total Liabilities in the Consolidated Financial Statement of PT Industri Jamu Dan Farmasi Sido Muncul Tbk. The Company's clarification is as follows:

Total Liabilities decreased by Rp199,856 million or 31.84% to Rp427,920 million as at 30 June 2021 from Rp627,776 million as at 31 December 2020. The decrease was due to the following:

1. Taxes Payable

Taxes Payable decreased by Rp68,415 million or 45% to Rp84,393 million as at 30 June 2021 from Rp152,808 million as at 31 December 2020. The decrease in the Taxes Payable was because of payment of corporate income tax 2020 of Rp89,007 million in April 2021.

2. Trade Payables

Trade payables decreased by Rp51,732 million or 25% to Rp151,959 million as at 30 June 2021 from Rp203,691 million as at 31 December 2020. The decrease was because of (i) increase in purchases of raw material at the end of 2020 and (ii) delay in payment of raw materials at the end of 2020 due to Christmas and New Year holidays, which has been paid in early 2021.

3. Accrued Expenses

Accrued Expenses decreased by Rp67,280 million or 45% to Rp83,260 million as at 30 June 2021 from Rp150,540 million as at 31 December 2020. The decrease was due to accrued payments of Rp41,989 million for advertisements in 2020 and Religious Festivity Allowance (*Tunjangan Hari Raya, "THR"*) in April 2021.

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We thank you for your kind attention.

Sincerely yours,

PT Industri Jamu Dan Farmasi Sido Muncul Tbk.

[signed]

Leonard

Director

Copies made to:

1. Listings Division for Real Sector Companies, Indonesia Stock Exchange
 - Divisi Penilaian Perusahaan Sektor Riil, PT Bursa Efek Indonesia
2. Board of Commissioners of PT Industri Jamu Dan Farmasi Sido Muncul Tbk.

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