

MATAHARI ACHIEVES H1 2022 EBITDA OF IDR 1.3T, EQUIVALENT TO FULL YEAR 2021 EBITDA

- RECORDS A 72.5% INCREASE IN NET INCOME IN H1 2022
- UPGRADES ITS EBITDA GUIDANCE

Highlights :

- Strong H1 performance in spite of Omicron-related operating restrictions helps deliver full year 2021 EBITDA of IDR 1.3 Trillion in first 6 months of 2022
- Sales were IDR 7.2 Trillion, with SSSG of 10.9% and gross margin at 36.0% (vs 34.9% in H1 2021)
- Net Income for H1 2022 was IDR 918 Billion vs IDR 533 Billion in H1 2021
- Opened new concept store at Mall Taman Anggrek Jakarta bringing new store openings to 2 in H1 2022. Relaunched Karawaci store with new concept on 8th July 2022
- FY 2022 EBITDA guidance upgraded from IDR 2 Trillion to IDR 2.1 Trillion on strong H1 performance and strong July sales trend
- FY 2023 guidance of double-digit sales and earnings growth
- Cancellation of 262 Million treasury shares to result in 2,356 Million total outstanding shares
- Forward full year dividend payout enhanced to IDR 525 per share or more on the back of improving prospects and strong forward cash flow generation.

PT Matahari Department Store Tbk (“Matahari” or “the Company”; stock code: “LPPF”) reported gross sales of IDR 7.2 Trillion for the period ending 30 June 2022, 9.2% above the same period in 2021.

(in Billion Rupiah)

Description	Q2 2022	H1 2022	Variance	
			of Q2 2021	of H1 2021
Gross Sales	4,756	7,160	6.1%	9.2%
Net Revenue	2,474	3,762	2.8%	5.4%
Net Income	773	918	23.2%	72.5%

Successful Lebaran trading helps deliver Full Year 2021 EBITDA of IDR 1.3 Trillion in 6 months of 2022, the same as for the full year of 2021, and a net income of IDR 918 Billion, compared to IDR 532 Billion in H1 2021. Supported by a strong July sales trend, the



Company upgraded its FY 2022 EBITDA guidance from IDR 2 Trillion to IDR 2.1 Trillion, and expects double-digit revenue and earnings growth for FY 2023. In line with this, the Company is upgrading its full-year dividend projection to IDR 525 per share or more with payout on an annual basis.

Matahari also opened a new concept store at Mall Taman Anggrek Jakarta in the period bringing new store openings to 2 in H1 2022, and relaunched its Karawaci store with a new, modern concept on 8th July 2022. The Company further accelerated planned store openings with 8 due in the second half of the year with contractual visibility on the next six in Tangerang (Banten), Gowa (South Sulawesi), Bondowoso (East Java), Semarang (Central Java), Kendari (South East Sulawesi) and Bontang (East Kalimantan). These openings will make the total number of stores to be trading nationwide as 148 by the end of 2022. The Company is developing its 2023 store opening pipeline of 12-15 stores and thus confident of further growth ahead.

"The tangible evidence of progress is reflected in the entry of our shares to the MSCI Small Cap Index¹ in May 2022 and is a motivating force for us to continue to enhance business results and investor engagement. Our well curated customer-led merchandising ranges are leading to an ongoing overhaul of our key private labels at healthy margins as well as rationalization of brands and product groups, leading to improved sales and higher productivity. We will continue to focus on improving the merchandise offering to our customers, operational excellence, cost rigor to drive superior results whilst enhancing the capabilities of our people, and managing our business and resources in the most sustainable way. As a reflection of our confidence in our core business, we have no planned acquisitions or investments and we believe this focus will help us deliver double-digit growth in sales and profits for next year", said Terry O'Connor, CEO of Matahari.

About Matahari

Matahari is the largest retail platform in Indonesia, with 140 stores in 77 cities across Indonesia as well as presence online on Matahari.com, social commerce platform "Shop & Talk", and third-party marketplaces. For over 60 years, Matahari has provided the growing Indonesian middle class with quality, fashionable and affordable apparel, beauty and footwear products. Matahari employs around 30,000 employees (including consignment SPGs) and partners with around 600 local as well as international suppliers.

The Company has received many industry recognitions – nationally and internationally – including Best Non-Financial Sector and Top 10 Mid-Cap Issuers ASEAN Corporate Governance Awards 2022, Top Digital Company & Best Excellent Service Experience Index Award 2022 from Marketing Magazine, Top 50 Most Valuable Brand Awards 2021 from Brand Finance Indonesia, Top 500 Retail Asia Pacific from Retail Asia, Euromonitor & KPMG; Brand Asia 2018 – Top 3 Most Powerful Retail Brands in Indonesia from Nikkei BP Consulting, Inc. and WoW Brand Award 2019 – Gold Champion from MarkPlus Inc.

¹ "MSCI Equity Indexes May 2022 Index Review" MSCI.com, May 12, 2022



The Company also received the Netizen's Brand Choice Award 2018 from Warta Ekonomi. All of these awards reaffirm the Company's position as one of the leading, most dynamic, and trusted companies in Indonesia.

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Certain statements in this release are or may be forward- looking statements. These statements typically contain words such as "will", "expects" and "anticipates" and words of similar import. By their nature, forward looking statements involve a number of risks and uncertainties that could cause actual events or results to differ materially from those described in this release. Factors that could cause actual results to differ include, but are not limited to, economic, social, health and political conditions in Indonesia; the state of the retail industry in Indonesia; prevailing market and operating conditions, raw material prices and Import restrictions; competition from other companies; shifts in customer demands; changes in operation expenses, including employee wages, benefits and training, governmental and public policy changes; our ability to be and remain competitive; our financial condition, business strategy as well as the plans and objectives of our management for future operations;. Should one or more of these uncertainties or risks, among others, materialize, actual results may vary materially from those estimated, anticipated or projected. Although we believe that the expectations of our management as reflected by such forward-looking statements are reasonable based on information currently available to us, no assurances can be given that such expectations will prove to have been correct. You should not unduly rely on such statements. In any event, these statements speak only as of the date hereof, and we undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

¹ "MSCI Equity Indexes May 2022 Index Review" MSCI.com, May 12, 2022