

**RESUME OF ANNUAL PUBLIC EXPOSE RESULT  
PT MATAHARI DEPARTMENT STORE TBK**

Domiciled at Jakarta  
("The Company")

Referring to the Regulation No. I-E, Appendix of Decision of the Board of Directors of The Indonesia Stock Exchange No. Kep-00015/BEI/01-2021 dated 29 January 2021 regarding the Obligation of Information Submission, we hereby convey that the annual Public Expose of PT Matahari Department Store Tbk ("the Company") was held on:

Day/Date : Friday, 10 September 2021  
 Time : 14.30 – 15.30 WIB  
 Place : 2021 Public Expose Live Event  
 Link : [bit.ly/pubexlive2021](https://bit.ly/pubexlive2021) or website [www.idx.co.id](http://www.idx.co.id) (page Investor – Public Expose Live 2021)

Representative of the Board of Directors who was attended are:

- |  |                      |
|--|----------------------|
| 1. Chief Executive Officer                 | : Terry O'Connor     |
| 2. Chief Financial Officer                 | : Niraj Jain         |
| 3. Corporate Secretary & Legal Director    | : Miranti Hadisusilo |
| 4. Real Estate and Store Planning Director | : Irwin Abuthan      |
| 5. Chief of People and Culture             | : Herni Dian         |
| 6. VP of Finance and Accounting            | : Susanto            |
| 7. Investor Relations                      | : Patrick Kapugu     |

The public expose was attended online via Zoom by representative of institutions shareholders, individual shareholders, analysts, media, and public as much as 604 people.

The public expose agendas are:

- Opening by Moderator (Representative of Listing Group 2 Division, IDX)
- Company Profile Video
- Presentation by Corporate Secretary and Legal Director and VP of Finance and Accounting of the Company
- Question and answer, responded by Chief Executive Officer and Chief Financial Officer of the Company

We hereby convey the QnA transcript:

Question	Answer
1. How is the store expansion strategy going forward, and will there be any downsizing on the back of digitalization?	<p>We still see Indonesia very much as an emerging opportunity for both physical and digital opportunities. Especially leveraging Matahari's pervasive presence and strong customer intimacy, our brand can and will extend its reach across both geographies and channels, especially digital channels.</p> <p>You can see across the world, many digital players establishing physical touch points. Let us think Amazon and Alibaba. We believe the omnichannel opportunity for retailers such as ourselves with extensive reach is very much at its infancy. Yet equally, we believe there are large parts of the country, with underserved customers for physical stores. What we intend to do is to bring these factors together in the way we think about Omni-</p>

	<p>enabled stores, fulfilment, and digital opportunities of the future.</p> <p>Store sizes may need to adjust to suit customer behaviour. Some may need to be enlarged because of demand, while some may need to be pared back because of the way people are shopping channels. But overall, we believe that should be customer driven and productivity driven. Our team is busy reviewing all format opportunities so that we make sure that the Matahari footprint shows up in the right way for customers who want to shop physically and digitally at a time. We are sure they will interchange between channels based on their own convenience.</p>
<p>2. How do you improve the brand power of your exclusive label?</p>	<p>We start with enhanced customer segmentation and the development of specific cohorts, so we can really be granular about each customer's needs and wants based on a variety of demographics and shopping behaviour. Then we have to match the private labels that we have to specific customer needs.</p> <p>Our power brands are currently being overhauled, based on this customer centric data and also based on in person research. We can see the search activity for brands that are exclusive to Matahari, like Nevada. And, we intend to make sure that we have more significant brands within our private label portfolio built around those customer cohorts and needs. And we will have a pipeline of merchandise initiatives and relaunches to share.</p> <p>And it is not just about private labels, it is about anything that is exclusive to Matahari. What we need to do is make sure that as we build out our merchandise innovation, more components of our range offer are difficult to find anywhere else and are more unique than anywhere else.</p>
<p>3. Can you share the rationale behind the recent voluntary tender offer?</p>	<p>The last tender offer was conducted by Auric Digital Retail. And, as they mentioned in their information disclosure, it is stated that, despite LPPF's market leadership position with a unique portfolio of assets, LPPF shares has underperformed its peers. Auric Digital Retail recognize the challenges in Indonesian large format, retail industry and the threats from competition.</p> <p>But, it believes that it possesses sufficient experience and expertise in the consumer, retail, and digital sectors. And it can work with management to develop or refresh strategy, and improve the prospects of the business.</p>

<p>4. Please provide information on the progress of the share buyback program until today. And, will LPPF participate in the Rights Issue program by Nobu Bank?</p>	<p>As we disclosed earlier, we are running a buyback program. So far, we have invested Rp 103 billion in terms of carrying out of our buyback program.</p> <p>Our position is that at the moment we are comfortable with the investment that we've made in Nobu bank. And, clearly, it is showing some positive momentum. That said, we have to focus on the capital needs of Matahari that is to take advantage of the opportunities that exist beyond the pandemic to make sure that we are investing in omnichannel and the right technologies, also to make sure that we can put ourselves in a position where we can reward shareholders for their faith in Matahari. So, we have no intention at this point in time to either further invest or divest our stake in Nobu Bank.</p>
<p>5. Does LPPF have a plan to sell 16% of Nobu Bank's shares owned by LPPF to strategic investors who will participate in Nobu Bank's Rights Issue?</p>	<p>At this point of time, we do not have any plan to either invest more into Nobu Bank as well as to divest the current investment that we have into Nobu Bank. And our intent now is to hold the investment that we have made in Nobu Bank.</p>
<p>6. Will there be a One-stop Lifestyle concept at Matahari stores, such as entertainment, F&amp;B, and others?</p>	<p>That certainly is possible possibilities for new Matahari formats. So, we are currently looking at various format work for flagships for core stores and potentially even the opportunity for small format stores. In the bigger stores, there is more of a need to be destinations of around services, food &amp; beverage, some range extensions in poor categories, or experiences, which may well be entertainment related.</p> <p>As a digital and physical company we need to make sure that we have those social moments within our store environment and those events and engagement, whether it would be livestreaming, entertainment, or event thing that the key people coming back to us. We are the biggest and the most visited in our sector. We need to make sure that our stores continue to be full of reasons to shop beyond just the functional product and that they have an emotional connection to our customers as well.</p>
<p>7. Did LPPF experience problems of working capital management, especially during the pandemic, and what were LPPF's efforts to deal with the problem if any?</p>	<p>If we start with the position that we stand now versus where we were in June 2020, we would see that when the pandemic hit Indonesia, it was a wrong timing for us wherein our stock was at its highest at Rp 1.8 trillion. And at June end last year we were at Rp 1.6 trillion of stock. However, during that period we were able to manage our stock very efficiently. From our Rp 1.6 trillion of stock which was super high, we ended June 2021 with Rp 820 billion of stock, net of provision, which is a very significant improvement that has happened.</p>

If we look at our net cash position, in June 2020, we had a net debt of Rp 628 billion versus now we have a net cash of Rp 1.019 trillion. We have a bank facility of Rp 1.7 trillion, which has not been utilized. And our stock level is also very good.

We think we have traded the COVID period very diligently. We took a lot of steps and actions to ensure that we trade well. We looked through our stock in the first place because stock is the biggest piece in our working capital. And we looked at what is essential. And we traded the stock effectively so that we are able to still get our margins, but still be able to go through and liquidate our stock.

At the same time we preserved our cash. We were able to negotiate with our vendors and our landlords. And, we were able to bring back enough checks and balances in place, so that we do not have any liquidity concerns.

And, we are happy to share that we are much stronger now. And with our operating cash that we generated from business, we are able to launch a buyback program.