

MATAHARI RECORDS A GROSS SALES OF IDR 2.4 TRILLION DESPITE PEAK OF OMICRON CASES IN FEBRUARY 2022

Highlights :

- Robust Q1 2022 performance with a Gross Sales of IDR 2.4 Trillion for Q1 2022 and an SSSG of 18.6% despite the peak of Omicron cases in February 2022
- Q1 2022 gross margin was at 35.5% vs 33.3% in Q1 2021
- EBITDA was IDR 251 Billion vs IDR 14 Billion in Q1 2021
- Net Income was at IDR 145 Billion vs net loss of IDR (95) Billion in Q1 2021
- Store expansion gathers pace, with Plaza Ambarrukmo Jogjakarta opening at the end of March, followed by Mal Taman Anggrek Jakarta in mid-April, both with the new store concept and trading ahead of expectations.
- IDR 250/share final dividend full year was approved by GMS, to be paid on 28 April, in addition to Interim dividend of IDR 100/share paid in December 2021. Management is recommending a dividend payout of IDR 500/share for FY 2022 (to be distributed in 2 interims of IDR 125/share and a final of IDR 250/share), which will be the highest in the Company's history
- EBITDA guidance of IDR 2 Trillion will be reviewed for upside during Q2 Earnings communication period
- EGMS will be held on 6 June 2022 to seek approval for treasury shares cancellation and long-range share buyback program

PT Matahari Department Store Tbk ("Matahari" or "the Company"; stock code: "LPPF") reported gross sales of IDR 2.4 Trillion for the period ending 31 March 2022, 16% above the corresponding period in 2021.

The strong sales resulted in an EBITDA of IDR 251 Billion in Q1 2022 compared to IDR 14 Billion in Q1 2021, and a net income of IDR 145 Billion in Q1 2022 compared to a net loss of IDR (95) Billion in Q1 2021. The Company had a robust Q1 2022 performance despite the peak of Omicron cases in February 2022.

Store expansion gathered pace, with Plaza Ambarrukmo Jogjakarta opening at the end of March followed by Mal Taman Anggrek Jakarta in mid-April, both with the new store concept and trading ahead of expectation. The addition of these two stores raises Matahari's total store count to 140 stores in 77 cities across Indonesia. Matahari intends



to open a minimum of 10 stores in 2022. Concept work on new formats is being received well by customers, and the Company has also completed the fresh new store format at Supermal Karawaci Tangerang.

The Annual General Meeting of Shareholders of the Company held on 5 April 2022 has approved a final dividend of IDR 250 per share to be paid on 28 April 2022, in addition to the interim dividend of IDR 100 per share paid on 2 December 2021. With clearer recovery visibility and a strong balance sheet and cash flow generation, the Company Management recommends a dividend payout of IDR 500/share for FY 2022 (to be distributed in 2 interims of IDR 125/share and a final of IDR 250/share), which will be the highest in the Company's history.

Matahari is planning to do an Extraordinary General Meeting of Shareholders ("EGMS") on 6 June 2022, to seek approval to cancel the Company's treasury shares and secure a mandate for a longer-term share buyback program for the period of 6 June 2022 – 5 December 2023. Additionally, the Company intends to extend the current share buyback to 3 June 2022.

Terry O'Connor, Vice President Director and CEO of Matahari said, "We had a strong Q1 performance in spite the Omicron variant peaking in February. Also, retail operating hours normalizing and restrictions being largely removed aids trading conditions going forward. Our new merchandise and merchandising practices helped both sales and margin productivity, and a strong recovery momentum boosts our ability to invest in stores, technology, and marketing to create a virtuous cycle. We continued to focus on operational excellence, strategy execution, and cost rigor to drive superior results. Management's guidance on EBITDA is currently IDR 2 Trillion and will be reviewed for upside during Q2 Earnings communication period. We thank our hardworking and passionate colleagues for all of their ongoing contributions to our strong progress."

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 Top Digital Company & Best Excellent Service Experience Index Award 2022 from Marketing Magazine, Top 3 Best Non-Financial Sector and Top 10 Mid-Cap Issuers ASEAN Corporate Governance Awards 2021, 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. 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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