

MATAHARI RECORDS AN EBITDA OF IDR 1.3 TRILLION DESPITE MALL TRAFFIC NOT YET CLOSE TO PRE-PANDEMIC LEVELS

Highlights :

- FY21 performance exceeded expectations. FY21 sales at IDR 10.3 Trillion, up 19.6% vs. FY20. FY21 SSSG was -41.5% vs. FY19, while mall traffic was 43% below FY19. EBITDA of IDR 1.3 Trillion (vs IDR 1 Trillion guidance) and Net Income of IDR 913 Billion
- Strong 4Q21 trading performance from PPKM easing (aiding recovery conditions) and Company-driven initiatives, resulting in EBITDA of IDR 527 Billion (41.4% higher than 2019 pre-pandemic) and Net Income of IDR 474 Billion despite 60% mall traffic for Q4 vs Q4 2019. Sales productivity grew 9.2% vs. 4Q20 and 4Q21 gross margin was at 35.2% vs. 31.3% in 4Q20 and 32.5% in 4Q19
- Previously communicated FY22 EBITDA target to be revised from IDR 1.8 Trillion to IDR 2.0 Trillion given the strength of business
- Intend to execute 12-15 store openings per annum in the near to medium term with minimum 10 stores in 2022. Opened One Batam Mall and Cianjur in December 2021, trading ahead of expectations
- Fully repaid loan, made interim dividend payment, and conducted share buyback; ending FY21 with strong cash of IDR 661 Billion, triggering earnings accretive buyback activities in January 2022 at a valuation significantly below peers and delivering strong EBITDA/share
- Interim dividend of IDR 100/share paid and IDR 250/share final dividend full year to be approved for FY21, subject to GMS approval. Management is recommending a dividend payout of IDR 500/share for FY22 (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.

PT Matahari Department Store Tbk ("Matahari" or "the Company"; stock code: "LPPF") reported gross sales of IDR 10.3 Trillion for the full year ending 31 December 2021, 20% above 2020 of the same period. Net revenue at IDR 5.6 Trillion, 15% above 2020.



(in Billion Rupiah)

Description	Q4 2021	Full Year 2021	Variance	
			of Q4 2020	of Full Year 2020
Gross Sales	2,785	10,284	2%	20%
Net Revenue	1,501	5,586	-1%	15%
Net Income (Loss)	474	913	284%	205%

Matahari recorded a net income of IDR 913 Billion in Full Year 2021 compared to a net loss of IDR (873) Billion in 2020, supported by 4Q21 trading performance from PPKM easing (aiding recovery conditions) and Company-driven initiatives.

As per end of 2021, Matahari operated 139 stores in 77 cities across Indonesia, having opened 3 new stores in 2021 in Balikpapan (East Kalimantan), Batam (Riau Islands) and Cianjur (West Java). Matahari intends to open a minimum of 10 stores in 2022, including new signature stores underway at Taman Anggrek Jakarta and Plaza Ambarukmo Jogjakarta. Concept work on new formats is also well underway, and the Company is near completion of our fresh new store format at Supermal Karawaci Tangerang.

With clearer recovery visibility and a strong balance sheet and cash flow generation, the Company has distributed an interim dividend of IDR 100 per share on 2nd December 2021, and proposes a final dividend of IDR 250 per share to be approved in the upcoming AGMS. Going forward, Management recommends a dividend payout of IDR 500/share for FY22 (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.

Terry O'connor, Vice President Director and CEO of Matahari said, "Omicron peak in Jakarta is behind us and the nationally improving picture sets up an uninterrupted and full Lebaran trading opportunity. With mall traffic rebounding post this Omicron wave, travel and related clothing as well as formal/occasional wear gaining relevance, the fashion retail resurgence experienced in US, Europe and elsewhere is still expected in 2022. We are therefore upgrading 2022 EBITDA from earlier guidance of IDR 1.8 Trillion to IDR 2.0 Trillion. 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 139 stores in 77 cities across Indonesia as well as presence online on Matahari.com. 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 40,000 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 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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