

Matahari Achieves 2022 EBITDA of IDR 2.0 Trillion and Recommends a Dividend of IDR 525/Share

Highlights :

- Sales for FY 2022 at IDR 12.4 Trillion, 20.7% above FY 2021, driven by pent-up demand in early 2022, as well as strong Lebaran, back-to-school campaigns, and Christmas trading, despite high-base effect in October 2021.
- FY 2022 gross margin was at 35.7% vs 35.0% in FY 2021, backed by fresh merchandise and fewer clearance activities.
- FY 2022 EBITDA was at IDR 2.0 Trillion, growing 50.9% from 2021.
- Net Income for FY 2022 was IDR 1.4 Trillion, growing 51.5% from 2021 and slightly surpassing 2019.
- In Q4 2022, inflation effect in October and November trading was offset by strong double-digit Christmas trading, resulting in overall 5.2% growth in Sales for the quarter.
- New premium format initiative well underway, targeting up to 3 stores to open within 2023.
- Digital progress with huge growth in Shopee, successful launch of Lazada and full range of private label merchandise now on Matahari.com. Further improvements expected from new POS project.
- The Company's rebranding in 4Q22 was successful, signifying improvements in price, value, products, customer experience, and people development.

For the period ending 31 December 2022, Matahari ("the Company"; stock code: "LPPF") booked Gross Sales of IDR 12.4 Trillion, grew by 20.7% year-on-year. Full-year 2022 EBITDA was at IDR 2.0 Trillion, higher 50.9% than last year and above consensus. Net Income reached IDR 1.4 Trillion, returning to pre-pandemic level.

(in Billion Rupiah)

| Description | FY 22 | Variance |
|-------------|--------|----------|
| | | of FY 21 |
| Gross Sales | 12,413 | 20.7% |
| Net Revenue | 6,455 | 15.5% |
| EBITDA | 1,968 | 50.9% |
| Net Income | 1,383 | 51.5% |

Matahari completed 10 new store openings with its new look and feel in 2022 and has secured 7 new locations for new stores to be opened before Lebaran in 2023. The Company is accelerating the new store openings to make an optimal impact on the



coming Lebaran season. The two most recently opened outlets are at REVO Town Mall, Bekasi and Pollux Mall Chadstone, Cikarang, West Java. The next five new stores will be opened in Central Java (The Park Semarang, Uptown Mall Semarang, and Sleman Mall Jogjakarta), Bali (Discovery Mall Kuta) and East Kalimantan (Plaza Balikpapan). The upcoming outlets will operate between March and early April 2023, with the openings gathering pace during Ramadan.

"We thank our hardworking and passionate colleagues for their strong contributions to our progress. The baseline of pre-pandemic profitability is achieved and we have moved into a new phase of growth ahead. By rigorously executing our strategy, we expect EBITDA performance of IDR 2.3 Trillion or better in 2023," said Terry O'Connor, CEO Matahari.

Matahari is committed to maximizing shareholder value with the Board of Commissioners recommending a dividend of IDR 525/share for 2022 as well as an extension of the share buyback program currently running until December 2023. In 2022, Matahari spent IDR 1.1 Trillion to purchase 252.8 Million shares.

About Matahari

Matahari is the largest retail platform in Indonesia, with 150 stores in 80 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 100 Most Valuable Brand by Brand Finance, Most Improved Investor Relations and Top 5 Best Senior Management IR Support in 2022 from Alpha Southeast Asia, Top 10 CSR Donor from IDX, 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. 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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