

PT Matahari Department Store Tbk

Q1 2021 EARNINGS CALL

Friday, 23 - 04 - 2021

Agenda

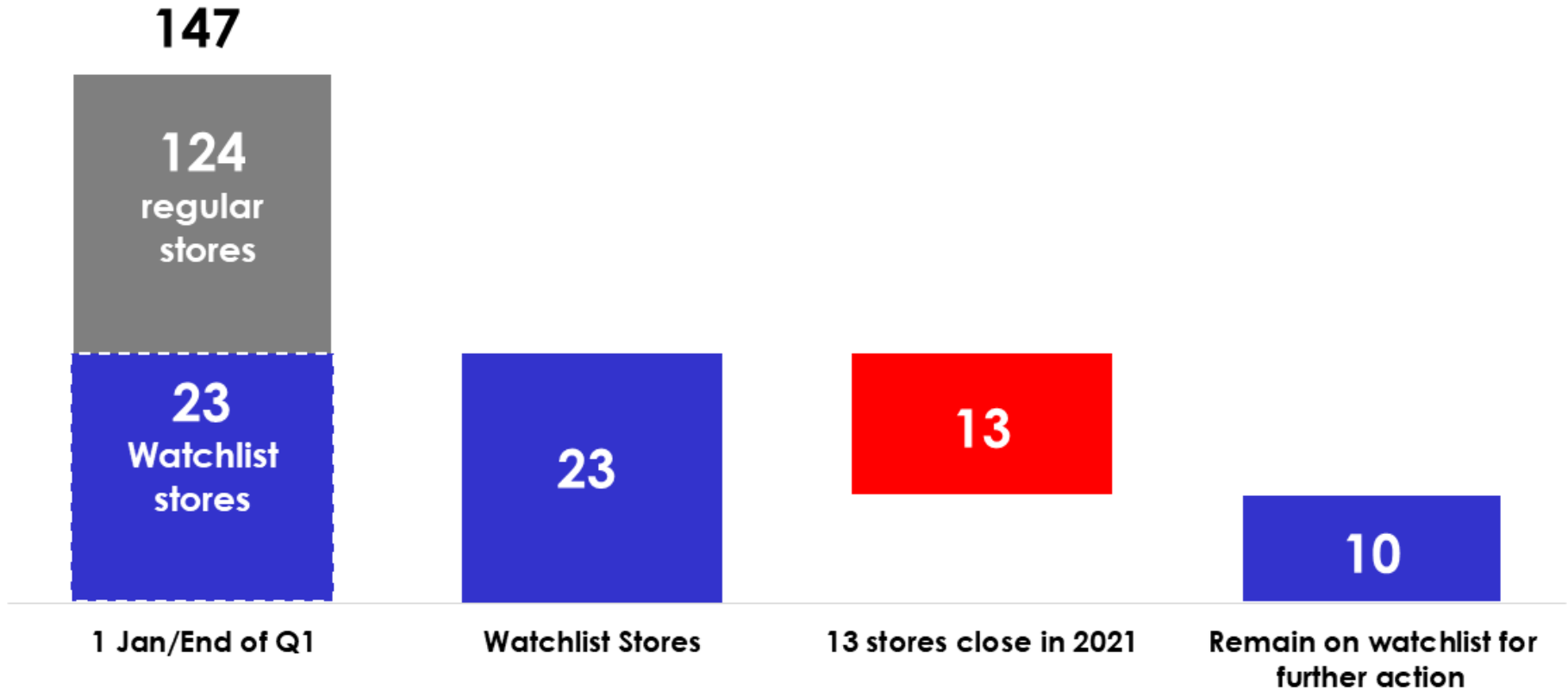
| No | Topic | Page | Presenter |
|----|-----------------------------|--------|----------------|
| 1 | Q1 2021 Performance Updates | 3 – 6 | Niraj Jain |
| 2 | Operational Update | 7 – 10 | Terry O'Connor |

Q1 2021 PERFORMANCE UPDATES

KEY FINANCIAL HIGHLIGHTS

| (in IDR Bn) | FIRST QUARTER | | | | |
|--------------------------|---------------|--------------|------------|--------------|---------------|
| | 2021 | 2020 | Var.%-2020 | 2019 | Var.% - 2019 |
| Gross Sales | 2,076 | 2,719 | -23.6% | 3,318 | -37.4% |
| SSSG% (vs 2019) | -36.4% | -18.2% | | | |
| Sales mix: | | | | | |
| DP | 36.0% | 36.1% | | 37.9% | |
| CV | 64.0% | 63.9% | | 62.1% | |
| Gross Profit | 692 | 913 | -24.2% | 1,174 | -41.0% |
| GM% | 33.3% | 33.6% | | 35.4% | |
| OPEX | (678) | (878) | -22.8% | (887) | -23.5% |
| OPEX% | -32.6% | -32.3% | | -26.7% | |
| EBITDA | 14 | 36 | -60.0% | 287 | -95.0% |
| EBITDA Margin% | 0.7% | 1.3% | | 8.7% | |
| Net (Loss) Income | (95) | (94) | -1.5% | 143 | -166.9% |
| Net Income Margin% | -4.6% | -3.5% | | 4.3% | |

TRADE ALL 147 STORES FOR LEBARAN AND STORE CLOSURE ACTION POST LEBARAN



- Begin with 147 Stores include 23 watch-list stores
- 13 stores close in 2021
- Remaining 10 watch-list stores is under close monitoring.
- 1 New store: Balikpapan Ocean Square open in April 2021

BALANCE SHEET

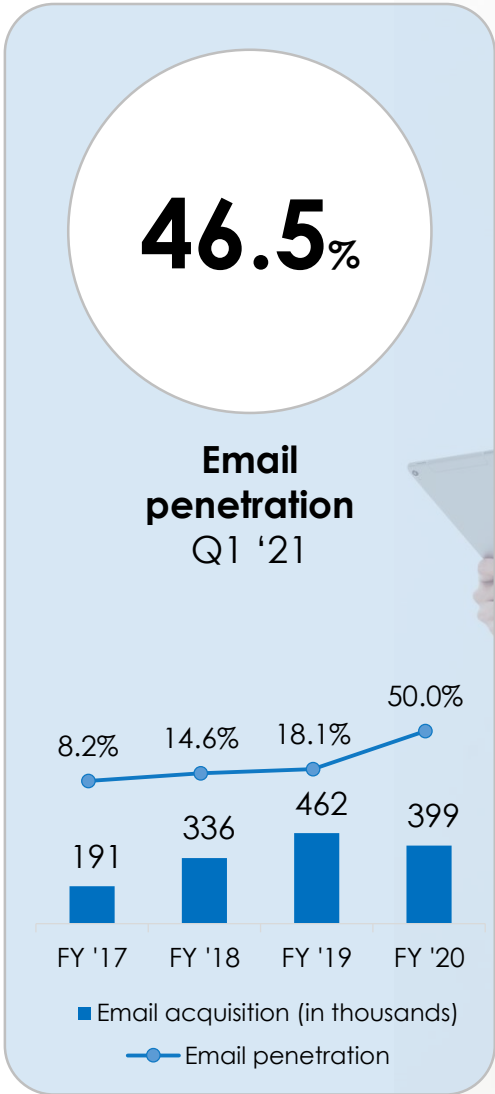
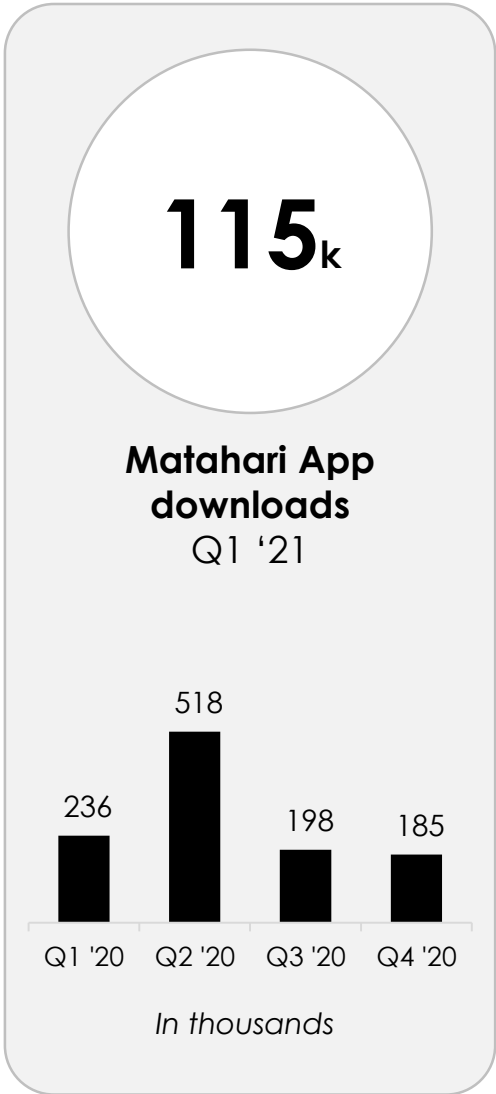
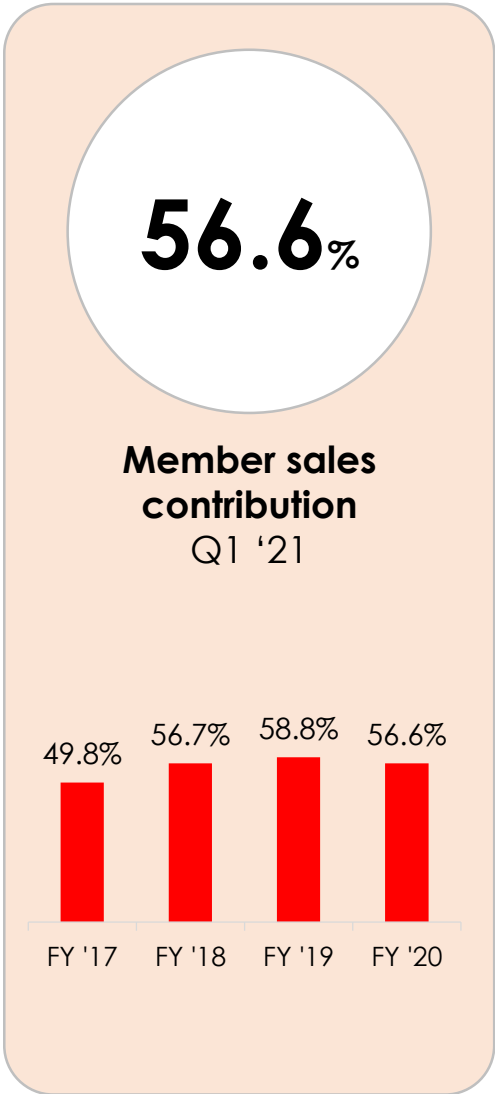
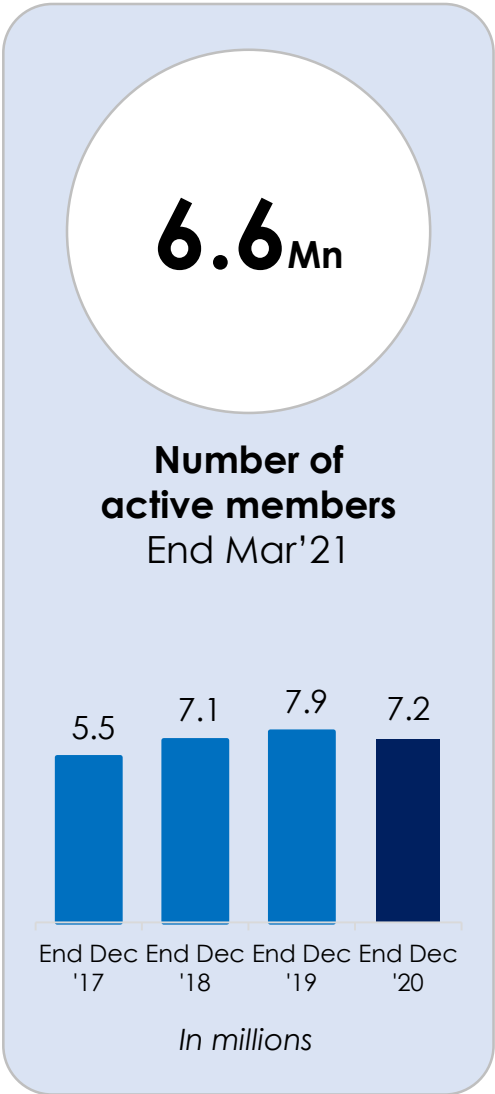
| ASSETS | | | | LIABILITIES AND EQUITY | | | |
|---------------------|--------------|--------------|----------|---------------------------------|--------------|--------------|----------|
| (in IDR Bn) | Mar 2021 | Dec 2020 | Variance | (in IDR Bn) | Mar 2021 | Dec 2020 | Variance |
| Cash & Bank | 295 | 524 | (229) | Bank Loans | 480 | 1,011 | (531) |
| Trade Receivables | 36 | 61 | (25) | Trade Payables | 1,043 | 348 | 695 |
| Inventories | 1,312 | 889 | 423 | Employee Benefit Oblig. | 507 | 502 | 5 |
| Other Assets | 3,893 | 3,983 | (90) | Other Liabilities | 3,861 | 3,877 | (16) |
| Fixed Assets | 783 | 862 | (79) | Equity | 428 | 581 | (153) |
| TOTAL ASSETS | 6,319 | 6,319 | 0 | TOTAL LIAB. & EQUITY | 6,319 | 6,319 | 0 |

Remarks:

- Inventory @ 1.3 trillion vs 1.8 trillion at Mar 2020 . Inventories increased due to peak Lebaran period preparation.
- Outstanding Bank loan of 480 Bn.
- Trade payables increased by 695 billion mainly driven by payables of direct purchase inventories.
- Other asset / liabilities includes PSAK 73 lease assets and liabilities.

OPERATIONAL UPDATE

MATAHARI REWARDS



COVID-19 UPDATE



- Trading restrictions extended till May 2021. Slight recovery in progress, even though traffic is still behind pre-pandemic level.
- Stores remain vigilant, by keeping health protocols in place and upholding the 5-star pledge.
- To prevent any crowd, Ramadan / Lebaran merchandise has been available in stores and the promotional campaign has started earlier.
- In order to support the Ramadan trading, Support Centre has safely returned to work from office for optimal support to the store operations.
- Collaboration with Mall and Other third parties for staff vaccinations.
- Amid lingering uncertainty, strict control over expenses and capital expenditures is still in place

OPERATIONAL UPDATE

CONSUMERS

- New TVC on air now. Brand plus Commercial cut downs.
- Differentiated marketing and promotion for red and diamond members
- Customer segmentation driving new CRM approach.
- Matahari rewards partnerships under review.
- Review of Matahari Private labels has commenced.

OPERATIONS

- Held Digital Suppliers Gathering Meeting and National store managers conference.
- Secure New Bazaar Locations. Utilize existing credits for Lebaran.
- Tactical actions underway to spread Lebaran uplift over a longer period.
- Staggered intake of merchandise to optimize internal supply chain.
- Operating stores with reduced headcounts and use of flexible part timers.

TALENT

- Review of People best practices commenced.
- IT director search is completed and likely to be onboarded in May.
- New Merchandise Head for Matahari.com – Adinda Pandjaitan onboarded.
- Annual Theme of Rise and Shine communicated in Support Centre Staff gathering to motivate our team for continued recovery.
- Work from office started on 12 April.

FINANCIAL

- Continue to receive support from landlords for Q1 rentals and service charge
- Tight expense control and conservative capex spent
- Outstanding bank loan now at 480 Bn.
- Buy Now Pay Later Option launched for customers.
- In discussion with landlords for potential store closures

CONTACT US

PT Matahari Department Store Tbk
8-12F Menara Matahari Jl. Bulevar Palem Raya No. 7
Lippo Karawaci 1200 Tangerang 15811, Indonesia

Phone: +6221 547 5333

Fax: +6221 547 5232

Email: ir@matahari.co.id

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