

PRESS RELEASE

MPPA REPORTED A POSITIVE TURN IN OPERATIONAL PROFIT IN THE SECOND QUARTER.

Tangerang, August 2, 2023 --- PT Matahari Putra Prima Tbk (the "Company or MPPA") summarizes its financial performance for the second quarter of 2023, where in this period MPPA managed to record positive figure in operating profit. Meanwhile, net loss decreased compared to last year by 8.3%. Overall, the performance results have been on track, along with the Company's operating costs more under control so that the Company can reinvest in our customers and contribute to sustainable development initiatives.

Meanwhile, revenue has been rather consistent in comparison to the prior year. MPPA is currently undergoing strategic transformation by implementing TERBIT (Transformation Excellence in Retail Business for Immediate Turnaround). MPPA believes that the TERBIT initiatives will help to rebuild confidence in the retail sector, allowing the business's progress to grow continuously.

The transformation program consists of three pillars:

1. Sales growth in existing stores focuses on enhancing value proposition to customers going from assortment adjustments, pricing and refocus on our fresh from sourcing till store merchandising. And in store ambiance improvement combined with an improvement through remodeling of physical store we are delivering a better & comfortable shopping experience for our customers
2. New Growth Platform is launched to give consumers reward and benefits through the loyalty card and end-to-end customer journey with our online sales application. Data analytics and sustainability program are underway to further drive growth & customer engagement
3. The initiatives requires funding, hence our Company have put in place a rigorous cost saving program in place delivering a reset in our OPEX for lower cost base for next year.

"The Company is committed delivering high quality Fresh products as its key value proposition, and with this we are strengthening the standards by strict adherence to regulatory compliance.

MPPA is the first retailer to achieve Good Handling Practice (SPPB) on Post Harvest Agricultural Products of Plant Origin (PSAT) accreditation level I for fruit and vegetable products. Then, for meat products, Veterinary Control Number (NKV) Level I certification and Halal certification for products and our outlets. This is clear evidence that MPPA is committed to providing customers with healthy, high-quality, and halal products," stated MPPA Vice President Director and CEO Wim Maris in his report.

All the initiatives are will under the way for the TERBIT program for our first remodeled stores and are ready for further prudent roll out in the following quarters. Through this transformation MPPA is on the road for improving its overall company performance and with this deliver our mission to become number one retailer that provides fresh food and family needs at affordable prices across Indonesia.

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