



PT. Matahari Putra Prima Tbk

## **PRESS RELEASE**

**For Immediate Release**

### **GOOD PROGRESS MADE IN 2Q 2018; IDR 807 BILLION SUCCESSFULLY RAISED FROM THE RIGHTS ISSUE**

**Jakarta, Tuesday, July 31, 2018**

PT Matahari Putra Prima Tbk (“Company/MPPA”) announced today its financial results for 1H 2018, reflecting a good progress made by the Company in executing its transformation plan. The Company continued to see growth in its transaction volume (+0.9% y.o.y increase in 2Q 2018) which indicates more customers are coming in and shopping at its stores.

MPPA recorded net sales of IDR 5.88 trillion in 1H 2018. Net sales in 2Q 2018 was IDR 2.96 trillion, an increase of 1.6% compared to 1Q 2018 driven by the Lebaran season. Net sales, however, was lower than last year as the management decided to focus its business toward serving its retail customers while reducing its low-margin B2B business.

While key focus of the management team is to grow the retail business and increase customer traffic into the stores, the Company is also working on increasing the customers’ shopping basket size by (i) improving product assortments, (ii) cross merchandising, and (iii) introducing promotional activities to encourage customers to purchase more for better values, such as purchase with purchase / PWP programs.

The Company also observed good traction over the Lebaran period where transaction volume surged by 3.8% compared to last year’s Lebaran period.

Cost remains under control with IDR 819 billion of general and administrative costs incurred in the 1H 2018, came down by 23.6% compared to last year, implying a total savings of well over IDR 250 billion. These savings were predominantly driven by operational efficiency put in place in 2017. The management remains committed to further review and implement operational efficiency measures to improve profitability moving forward.

The Company is also pleased to announce that it has successfully completed the rights issue process and raised IDR 807 billion new capital. This successful completion of the rights issue evidenced continuing support of the shareholders and strengthens the Company’s position to regain market leadership in the grocery retailing space in Indonesia.

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