



PRESS RELEASE
For immediate Release

MAPI: READY FOR ANY CHALLENGE

Jakarta, 8th of April 2020: PT Mitra Adiperkasa Tbk (MAP), Indonesia's leading lifestyle retailer, today announced its strategy to overcome the challenges of Covid-19 within the local market. Company officials confirmed that it will not be providing guidance for fiscal year 2020 given the uncertainty surrounding the coronavirus, and the rapidly changing environment stemming from the outbreak.

Ratih D. Gianda, VP Investor Relations & Corporate Communications for MAP Group, noted that while the company began 2020 with strong momentum across all its retail channels, the onset of coronavirus led to a significant decline in mall traffic since March. This necessitated immediate steps from MAP management for protecting the company at all levels.

“As the Covid-19 syndrome created ever bigger threats, it was clear that we had to make some fast moves from both an employee and company health perspective. Our prime goal was to focus on our employees' health and safety to ensure a quick and practical solution to this unprecedented challenge. This included practical training on personal hygiene and education on social distancing. We also reducing working hours at stores or adopted a full closure depending on guidelines from local authorities. While it was not an easy decision to close certain stores, the health and safety of our employees, our shoppers, and all the communities we serve was the key objective.”

During this period, Foodhall Supermarket remained open to service access to basic foods & nutrition while remaining compliant with all announced social distancing guidelines. Meanwhile, MAP's other F&B stores such as Starbucks, Pizza Marzano, Genki Sushi, PAUL Bakery, Burger King and Domino's Pizza remained ready to service their loyal customer base on online delivery or pick up from store protocol.

From an expenses perspective, Ratih mentioned that the company is working diligently to control costs & preserve cash. The measures include freezing capital expenditures, extensive salary reductions for the senior management teams, close liaison with landlords for rental concessions, and a significant reduction to overall SG&A. MAP has also ensure sufficient liquidity to cover its working capital needs through this volatile period.

“From an operational standpoint, MAP has been privileged to work with over 100+ exclusive long term brand partners. Our exclusive brand partnerships have been the real differentiation in how we will overcome the crisis. We are in close contact with each of them to balance risks against supply chain and inventory flows, staff health, and most importantly the path towards a stronger Q4 2020. We must also keep an eye on where the future is and we think the consumer opportunities within Indonesia and South East Asia are limitless in the long term.”

Offering further insight into the current retail environment & MAP’s ability to adapt, Ratih added, “The beauty of our MAP 360° Retailing is that we offer a complete consumer journey across the whole gamut of retail whether Fashion, Sports & Kids, Travel, Beauty, Food & Beverage, Digital lifestyle, Supermarkets, & Department stores. It really gives us a huge amount of ‘stretch’ to maximize shopper opportunities at any level of the retail chain.”

Ratih explained that the challenging economic scene had given MAP opportunities to show what it can do outside of its traditional businesses. “Our newly launched DIGIMAP stores were perfectly timed to match with the WFH directives from the government as business associates and younger shoppers looked for digital devices such as computers, phones and related accessories for their increased time at the house. Similarly, our Foodhall Supermarkets have surpassed all expectations as they provide community support for all basic food and sanitary necessities. Our PlanetSportsRun Instagram site is offering guidance for ‘Keep Fit at Home’, which has led to a surge in online & offline sales in fitness equipment, apparel & shoes, while our Kidz Station stores and digital sites have witnessed increased traffic for early education aids as school children remain at home.”

MAP's exclusive Loyalty program, MAP Club, now has well over 3 million active subscribers and its targeted promotions have led to a more than 160% increase in digital sales versus Q1 2019. The sales growth was achieved through digital platforms, including MAPEMALL, PlanetSports.asia, Zara.id, Sephora.id, Kidzstation.asia and many associated Marketplace initiatives.

"All in all, it is shaping up to be an extraordinary year of challenges. Yet our unique MAP 360° Retailing platform and growing Digital capabilities, coupled with our long term management leadership and unrivaled exclusive brand partnerships, lead us to believe we will emerge ever stronger in the last quarter of the year," Ratih concluded.

About PT Mitra Adiperkasa Tbk

MAP operates more than 2,300 retail outlets in 80 cities throughout Indonesia. The major retail concepts under the group among others: **Department Stores:** Sogo, Seibu, Galeries Lafayette, and The FoodHall; **Fashion & Lifestyle:** Zara, Marks & Spencer, Topman, Topshop, Kipling, Lacoste, Nautica, Massimo Dutti, Staccato, Swarovski, Zara Home and Sephora; **Sports:** Sports Station, PlanetSports.Asia, The Athlete's Foot, Converse, Golf House, Payless ShoeSource, Reebok, Rockport, Skechers, Onitsuka Tiger and Clarks; **Food & Beverage:** Starbucks, Pizza Marzano, Krispy Kreme, Cold Stone Creamery Ice Cream, Godiva, Genki Sushi, Paul Bakery, Burger King and Domino's Pizza; **Kids:** Kidz Station, Smiggle and Lego; **Others:** Kinokuniya, Digimap and Alun Alun Indonesia. For more information about MAP please visit www.map.co.id.

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