



## **PRESS RELEASE**

**For immediate Release**

### **MAP SECOND QUARTER HIT BY PANDEMIC**

Jakarta, 3<sup>rd</sup> August 2020 – PT Mitra Adiperkasa Tbk (MAP), Indonesia’s leading lifestyle retailer, today announced its financial results for the first half of 2020 ending June 30<sup>th</sup>. MAP’s first half 2020 results have been significantly affected by mall closures and slowdown in consumer demand due to the Covid-19 pandemic. The government imposed the large scale social distancing policies starting in early April and Malls closure, so the 2<sup>nd</sup> quarter was more adversely affected.

For the first half of 2020, the Company reported net revenue of Rp 6.79 trillion, a decline from Rp 10 trillion in 1H19. Gross profit margin for 1H fell from 49.3% to 42.6%, while operating loss was Rp330.9 billion, and EBITDA at Rp893.9 billion, a decline by 35.5% compared to Rp1.39 trillion in 1H19. MAP’s net loss during 1H20 amounted to Rp455.8 billion, while prior to the implementation of PSAK 73, MAP’s net loss would have been Rp375.4 billion. Along with this press release, enclosed MAP’s 1H20 financial highlights prior to PSAK 73 implementation.

In 2Q20, the company reported net revenue of Rp2.08 trillion, a decline from Rp5.34 trillion posted in 2Q19, resulting from the widespread closing of stores for the majority of the fiscal period due to Covid-19 pandemic. Following MAP’s effort to catch up sales and deplete aging stocks, the gross profit margin was quite significantly affected from 51.4% in 2Q19 to 35.7% in 2Q20. Meanwhile, the operating loss amounted to Rp492.3 billion, with EBITDA of Rp114.4 billion and net loss of Rp483.1 billion.

Ratih D. Gianda, VP Investor Relations & Corporate Communications MAP Group said, “We have taken decisive action to strengthen our business by reinforcing all of our brands’ omni-channel capabilities. Digitalization has accelerated and remains at the centre of all future investment decisions. The company is re-organizing actively to substantially reduce operating expenses which includes salaries and rentals and limiting capital expenditures,” added Ratih.

As customers continue to shift to online shopping, MAP’s e-commerce business has shown tremendous growth. During this unprecedented time, the company is maximizing its digital distribution channels, including Chat & Buy program (where customers can shop via Whatsapp), MAP’s e-commerce platforms and partnership with third party marketplaces and delivery aggregators. This has led to significant online sales and customer acquisition resulting in eCommerce sales growth of almost 400% during the first half, while in 2Q20 alone it grew over 600% YoY. Going forward the Company will also continue to tap on the strength of over 3 million members of MAPCLUB as MAP’s vehicle to a more data-driven, full fledged omni-channel company.



Noticeably, there were increase in sales for DIGIMAP, Foodhall Supermarkets, LEGO and F&B brands due to the various social distancing measures implemented - including WFH, study at home for kids and surge in demand for home deliveries, groceries and daily necessities.

Since the reopening of its stores on June 15th, MAP's priority is the health and safety of its employees and customers. In compliance with local regulations, all necessary safety and hygiene measures have been adopted in all MAP's stores to ensure a safe and convenient shopping experience. Despite decline in mall traffic, the Company is seeing gradual increase in sales due to renewed enthusiasm for shopping.

“We are currently living in a time of uncertainty. The Company has survived many major challenges in the past, so we are confident that MAP will ride the Covid-19 pandemic and emerge more efficient and stronger,” Ratih concluded.

#### **About PT Mitra Adiperkasa Tbk**

As at end of June 2020, MAP operates more than 2,300 retail outlets in 81 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](http://www.map.co.id).

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## FINANCIAL HIGHLIGHTS

<i>(In Rp millions)</i>	YTD June 2020		YTD June 2019
	Before PSAK 73	After PSAK 73	
Net revenues	6,791,978	6,791,978	10,016,363
Gross profit	2,892,150	2,892,310	4,938,514
Operating profit (loss)	(403,317)	(330,929)	969,393
EBITDA	74,743	893,934	1,386,563
Income before tax	(497,871)	(599,436)	790,086
Net income (loss)	(375,433)	(455,812)	604,749
Net income (loss) after minority interest	(336,511)	(407,937)	499,317
Basic earnings (loss) per share (in full Rupiah)	(20)	(25)	30