



PT. Matahari Putra Prima Tbk

## **PRESS RELEASE**

**For Immediate Release**

### **SOLID PROGRESS MADE OVER 2018 AS MPPA REFOCUSSES ITS BUSINESS TOWARD SERVING RETAIL CUSTOMERS**

**Jakarta, Friday, March 29, 2019**

PT Matahari Putra Prima Tbk (“Company”) announced today its full year results for 2018, reflecting a solid progress made by the Company in executing its transformation plan.

Our strategy to be a front-line focused retailer and our commitment, together with all of our associates, to continuously be obsessed with our retail customers has yielded positive results with transaction volume growth turning positive, up by 1.4% y.o.y in 2018. We also continue to move away from the low-margin B2B business and redirecting our resources toward growing our retail business, however this led to a lower net sales registered this year at IDR 10.7 trillion

The above strategy, coupled with our new pricing policy, has substantially improved our gross profit margin where our gross profit margin increased by 586bps in 2018 compared to 2017. Our gross profit margin in 4Q18 came in at 16.1%.

The operational efficiency measures that we have undertaken since late 2017 has generated substantial improvements on our cost structure where our general & administrative costs in 2018 came down by 18.8% y.o.y – a total savings of IDR 386 billion. We remain committed to further review and implement these operational efficiency measures to improve profitability moving forward.

In mid 2018, we successfully completed our rights issue process and raised IDR 807 billion of new capital. The 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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