29 April 2026

1Q 2026
Earnings Presentation

LPPF.IJ / LPPF.JK

Executive Summary

Income Statement

1Q26 Sales: IDR 4.6Tn (-0.2% and **+2.0% SSSG** vs. LY), Lebaran season tracked in line with quarter performance.

Gross Margin: 35.7% (vs. LY: **35.4%**), supported by healthier CV portfolio and increased Private Label Mix.

EBITDA: IDR 916Bn (**+6.2%** vs. LY: **IDR 863Bn**) with company OPEX reduced by 5.7% vs. LY.

Net Income: IDR 692Bn (**+7.6%** vs. LY: **IDR 643Bn**) in line with the increase in EBITDA.

Balance Sheet

Inventory: IDR 0.8Tn (vs. Mar'25: **IDR 0.8Tn**), similar to last year despite higher new private label investments.

Cash: IDR 2.5Tn (vs. Mar'25: **IDR 2.8Tn**) with IDR 1.7Tn in unutilized credit facilities.

Cash Flow

Capital Expenditures: IDR 28Bn mainly for investment in store network expansion and store maintenance.

Q1 Performance

- **SSSG performance driven** heavily by **apparel**, while non-apparel was negative.
- **SSSG growth** was mainly **from Outer Java**, while **Java** was relatively **flat**.
- **Private label** contribution rose, underpinned by **established private label brands** like Nevada and Cole, as well as new brands.
- **SUKO and ZES delivered double-digit growth** driven by category expansion (i.e. SUKO Children and Sleepwear), as well as increased footprint.

Progress

- **Merchandise:** improved performance for SUKO and ZES (with higher productivity gains) and expanded SUKO collections. Introduced new brands across non-apparel categories in select Matahari stores and established dedicated design teams.
- **Store Network Optimization:** expanding SUKO and ZES monostore footprint, while renovations for store upgrades in select stores continue.
- **Improved Economics:** driving procurement cost reduction with dedicated sourcing and product development teams. Generated 5% GMROS improvement through rigorous space management and increased private label penetration.
- **Omnichannel:** growth driven by doubling Shop & Talk sales vs LY through increased engagement, as well as development of competitively price own-product merchandise.
- **Change of name to MDS Retailing** to reflect transformation into multi-concept retail network.

Financial Highlights: Income Statement

SSSG performance remains resilient with OPEX reduction mitigating soft consumer demand.

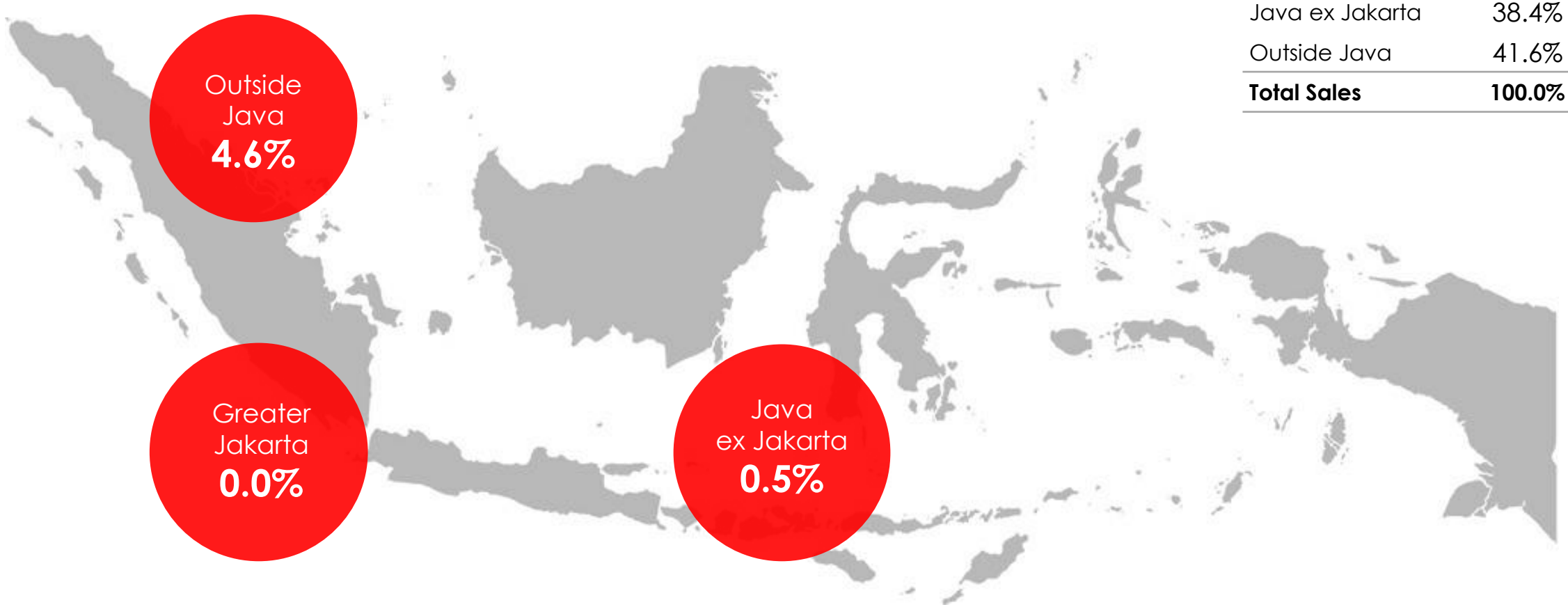
In IDR Bn	Q1 2026	Q1 2025	% Growth
Gross Sales	**4,639**	**4,648**	**-0.2%**
SSSG %	***2.0%***	***28.6%***	
Gross Profit*	**1,655**	**1,646**	**0.6%**
Gross Margin %	***35.7%***	***35.4%***	
OPEX	**(739)**	**(784)**	**-5.7%**
Personnel Expenses	(180)	(196)	-8.4%
Occupancy Expenses	(370)	(391)	-5.4%
Marketing Expenses	(64.1)	(63.4)	1.1%
Others	(126)	(134)	-5.8%
EBITDA	**916**	**863**	**6.2%**
EBITDA Margin %	*19.8%*	*18.6%*	
Net Income (Loss)	**692**	**643**	**7.6%**
Net Income Margin %	*14.9%*	*13.8%*	

*Improvement a result of higher Private Label mix and greater pricing discipline.

Geographic Sales Performance

Outside Java drives 1Q26 SSSG, offsetting flat performance in Java area.

% YTD Same-store Sales Growth (SSSG)



	Gross Sales by Region (%)
Greater Jakarta	20.0%
Java ex Jakarta	38.4%
Outside Java	41.6%
Total Sales	**100.0%**

Financial Highlights: Balance Sheet

Net cash at IDR 2.5Tn with unused Bank Loan Facility of IDR 1.7Tn.

ASSET		
In IDR Bn	Mar-26	Dec-25
Cash and Bank Balance	2,509	448
Trade Receivables	45	27
Inventories	794	955
Right-of-Use Assets	1,808	1,940
Other Assets	1,178	1,235
Fixed Assets	517	536
Total Asset	**6,850**	**5,141**

LIABILITIES & EQUITY		
In IDR Bn	Mar-26	Dec-25
Bank Loan*	-	-
CV Trade Payables	1,487	639
DP Trade Payables	693	668
Lease Liabilities	2,433	2,570
Other Liabilities	1,230	991
Equity	1,009	273
Total Liabilities & Equity	**6,850**	**5,141**

* Unutilized facility at IDR 1.7Tn.

Financial Highlights: Cash Flow Statement

Cautious capex spending and other capital outlay in light of economic condition.

In IDR Bn	Q1 2026	Q1 2025	% Growth
Cash Flow from Operating Activities	**2,271**	**2,655**	**(14.5%)**
Cash Flow from Investing Activities	**(28)**	**(29)**	**(3.7%)**
Cash Flow from Financing Activities	**(182)**	**(191)**	**(4.6%)**
Share Repurchase	-	-	0.0%
Dividends	-	-	0.0%
Other Cash Flow for Financing Activities	(182)	(191)	(4.6%)
Cash Increase (Decrease)	**2,060**	**2,435**	**(15.4%)**
Beginning Cash Balance	**448**	**399**	**12.4%**
Ending Cash Balance	**2,509**	**2,834**	**(11.5%)**

Key Initiatives

Executing strategic priorities across merchandise, channels, and economics.



- **Positive SSSG from apparel,** offsetting negative SSSG of non-apparel.
- **Improved performance of SUKO collections** (including SUKO Children and Sleepwear), with new concepts in the pipeline (e.g. SUKO GO expansion).
- **Growth in ZES** supported by stronger collection, particularly within women's category.
- **Introduced new brands** across non-apparel categories (e.g. footwear, cosmetics, and travel) in select Matahari stores.
- **Established** dedicated **design teams** to improve product offerings and concept.
- **Optimized space** and **rationalize non-performing CV**.
- **Product development and sourcing teams** focused on **product quality improvement** and **lead-time reduction.**

- Rollout of **SUKO and ZES monostores** in **H2 2026,** along with other potential specialty formats.
- Continue **renovation of select Matahari stores** in Q2/Q3 to improve customer experience and product offerings.
- Drive **experimentation** with **small footprint concepts** in select malls and drive brand awareness.

- Driving **procurement cost savings** through **consolidation and advanced fabric bookings** (to counter macroeconomic uncertainty) with dedicated **sourcing** team.
- **Rigorous space management,** particularly with consignment vendors and select categories, resulted in **5% Gross Margin Return on Space (GMROS) improvement.**
- Increased **private label penetration** of 300+ bps, particularly with the introduction of new brands.

- **Shop & Talk** delivered strong traction in Q1 2026, with **doubling of sales.**
- **Fulfillment from Stores (FFS)** now implemented in 60 stores across 49 cities, with plans to scale to all cities by year-end.
- **Increased social media traction** with **digital views increased** by 89%. Organic content supported this growth with 60% **increase in number of KOLs.**
- **Curated focused, own-brand merchandise subcategories** with **competitive pricing** to drive online sales.

Current company name (**PT Matahari Department Store Tbk**)

no longer reflects our current and future state

Our brand



Our company name

PT

MDS

Retailing

Tbk

Rationale of the new name:

- Reflects evolution to multi-format, multi-brand retail group beyond department stores (including specialty format and digital).
- Separates branding of our corporate entity and that of department store operations, which continue to retain Matahari brand.
- Avoids confusion with other similarly named retail concepts.

Closing Remarks

Financial Performance Highlights

- **1Q26 sales declined 0.2% YoY to IDR 4.6Tn,** with SSSG of 2.0%, with Lebaran results in line with Q1 performance.
- **Gross margin increased to 35.7%,** from a healthier CV portfolio.
- **EBITDA grew 6.2% to IDR 916Bn**, supported by 5.7% OPEX efficiencies.
- **Net income was IDR 692Bn**, in line with the increase in EBITDA.

Q1 2026 Growth Drivers

- **Performance** was driven by **apparel**, while non-apparel growth was negative.
- **SSSG growth** was **led by Outer Java,** while Java remained flat.
- **Private Label contribution rose,** underpinned **by growth in established brands,** such as Nevada and Cole.
- **SUKO and ZES delivered double-digit growth,** fueled by **category expansion** (including SUKO Children and Sleepwear) and **wider presence**.

Strategic Initiatives

- **Merchandise:** expanded collections of SUKO and ZES, which resulted in improved performance. Strengthening of non-apparel categories through development of in-house brands.
- **Store Network Optimization**: expanding SUKO and ZES monostore footprint. Renovation of select Matahari stores in Q2 and Q3.
- **Improved Economics:** initiatives for product cost improvement underway, with dedicated sourcing team without compromising on quality. This should help partially mitigate expected raw material price increases.
- **Omnichannel:** performance improvement from increased Shop & Talk engagement as well as development of competitively priced own-brand merchandise.

Contact us

PT MDS Retailing Tbk (formerly PT Matahari Department Store Tbk)

Menara Matahari 12th Floor,
Jl Boulevard Palem Raya No.7
Karawaci, Tangerang 15811, Indonesia

Phone: +6221 547 5228 | +62811 9610 1111
Email: ir@mdsretailing.com

MDSRetailing.com

DISCLAIMER: This presentation has been prepared by PT MDS Retailing Tbk ("LPPF" or "Company") for informational purposes. Neither this presentation nor any of its content may be reproduced, disclosed or used without the prior written consent of the Company.

This presentation may contain forward looking statements which represent the Company's present views on the probable future events and financial plans. These views are based on current assumptions, are exposed to various risks, and are subject to considerable changes at any time. The Company warrants no assurance that such outlook will, in part or as a whole, eventually be materialized. Actual results may differ materially from those projected.

The information is current only as of its date and shall not, under any circumstances, create any implication that the information contained therein is correct as of any time subsequent to the date thereof or that there has been no change in the financial condition or affairs of LPPF since such date. This presentation may be updated from time to time and there is no undertaking by LPPF to post any such amendments or supplements on this presentation.

The Company will not be responsible for any consequences resulting from the use of this presentation as well as the reliance upon any opinion or statement contained herein or for any omission.

Thank you

