



Press Release of PT Midi Utama Indonesia Tbk.

MIDI – Year-End Updates

Tangerang, December 20, 2023

Updates on Performance of Q4 2023

On revenue, the Company's consolidated revenue growth for full year of 2023 is expected to reach approximately 11%+. The Same-Stores Sales Growth (SSSG) of Alfamidi for Q4 2023 is forecasted to reach mid-single digit, higher than SSSG for Q3 2023. SSSG of Alfamidi for full year of 2023 is expected to be in line with Company's target which is +6% y-y.

On store expansion, in 2023, up to November 2023, the number of Alfamidi stores managed by the Company, was increased by 49 stores become 2,220 stores and the number of Lawson convenience store managed by the Subsidiary, was increased by 454 stores, which consists of 227 stand-alone format dan 227 store-in-store format, become 646 stores, which consists of 341 stand-alone format dan 305 store-in-store format.

The contribution of Lawson stores to the Company's consolidated revenue, which amounted to 5.9% for nine months ended on September 30, 2023, is expected to reach 6.2%-6.3% by the end of 2023, increased from 3.2% in 2022.

To support the Company's store expansion, in November 2023, the Company has relocated 1 warehouse from rented warehouse in Bantul (province of D.I. Yogyakarta) to Company's owned warehouse in Boyolali (Central Java province). This Company's newly-owned warehouse has normal capacity of 300 stores, increased by 220 stores comparing to previous rented warehouse.

On ESG, in November 2023, the Company obtained Naker Award 2023 from Ministry of Labor of Republic of Indonesia as the Best Company in 2023 for category of Large-Scale Domestic Company. This award is the achievement for Company's contribution in development of national employment through growth of new labor placement, inclusivity, disability friendly, competency and career development, protection and fulfillment of labor rights.

Outlook For Year 2024

Related with the outlook for year 2024, the Company remains optimistic on the retail business outlook for year 2024. Through the careful planning, fast and appropriate execution, based on measurable risk analysis and synergy from all employees of the Company, the Company expects to keep presenting increasingly high-quality retail services to fulfill consumer needs and provide the best to all stakeholders.

On revenue, the Company expects the growth of consolidated revenue amounting to 11%, supported by SSSG of Alfamidi by +6%.



On stores expansion, the Company plan to open 200 new Alfamidi stores. On Lawson convenience store, after almost 11 years stagnant and then, aggressive expansion since 2nd half of 2022, by opening 127 stores in 2022 and 454 stores in 2023 (up to Nov), penetrating to Central Java, D.I. Yogyakarta and East Java province in 2023 and penetrating to 55 cities/districts in 2023, the strategies in 2024 are as follows:

- plan to open 250 new stores which consists of 50 stand alone format and 200 store-in-store format of Lawson stores. The Company remains committed to expand Lawson and believe the potential of Lawson convenience store in Indonesia, but, on the other hand, the Company has to be prudent in selection of store location, maintaining the balance between the quantity and quality, prioritizing the profitability as a new Lawson store will need approximately 3 years payback period.
- keep improving performance of existing stores in many aspects such as controlling the product waste, products innovation, increasing brand awareness, optimizing promotion activities and cost efficiency.

To support the Company's store expansion, the Company plan to relocate 2 rented warehouses in North Sulawesi and Southeast Sulawesi to owned-warehouses in the same province, which are planned to operate in Q2 and Q4, respectively. The new owned-warehouses will add normal capacity by 310 stores. By having additional capacity, the Company expects the stores supplied by those warehouses can carry more SKUs as well, especially more fresh food products. At the end, the Company expects it can improve the sales and margin.

On the capital expenditure, next year capital expenditure requirements are projected approximately amounting to Rp1.4 trillion, funded by the Company's internal cash flow and fund from 2023 right issuance. ***

For further information, feel free to contact:

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