

**PRESS RELEASE**

31 July 2024

**Multitrend Indo TBK Reported 1H2024 Sales of Rp 517 Bn, +5% Vs 2023.  
Announces Key Management Change and Strategic Initiatives.**

Jakarta, 31 July 2024 – PT Multitrend Indo Tbk (MTI) today reported its financial results for the first half of 2024, reflecting a resilient performance despite challenging market conditions. The company has also announced notable changes in its leadership team and strategic plans to enhance operational efficiency and growth.

**Financial Highlights**

For the first half of 2024, PT Multitrend Indo Tbk achieved an underlying revenue growth of 5%, (reported 4.2%) despite a challenging business environment. The growth was particularly driven by Online Channel, Distribution and Owned Brands while performance in Retail Channel was muted driven by lower footfalls.

Reported Net Loss was 53.4 Bn, driven by underperformance in retail segments, cost deleverage and two significant financial adjustments :

- i) Change in treatment of loyalty points issued to members. The company has recorded a Loyalty points liability of 17.3 Bn in its financials as at 30<sup>th</sup> June 2024.
- ii) A loss of 17.2 Bn pertaining to its underperforming brands Justice and Eversince. MTI has made the strategic decision to exit these brands.

**The adjusted operating loss for the first half of 2024, accounting for these adjustments, was 18.9 Bn.**

This adjusted figure underscores the underlying strength and performance of MTI's core operations, with the Company focused on enhancing and driving this core performance forward.

## Management Changes

In a strategic move to leverage experienced leadership, MTI is excited to welcome back Niraj Jain as Chief Executive Officer. Niraj previously served as CFO for the business and played a crucial role in the company's growth trajectory over a six-year tenure. His return is anticipated to drive renewed momentum and strategic direction for MTI.

Additionally, Lina Paulina has been appointed as Senior Vice President of Retail Merchandising. Lina, who has been with MTI since its inception, previously held different roles within the company. Her return to merchandising comes at a pivotal time, as MTI aims to address recent underperformance and revitalize its retail strategy.

## Strategic Initiatives

The new management is undertaking a series of strategic initiatives to enhance operational efficiency and focus on sustainable profitable growth. These include:

- Growth of Own Brands.
- Local Sourcing.
- Targeted Marketing and Loyalty and Personalization.
- Exit of Underperforming Stores:
- Cost Optimization.

A renewed emphasis on cost control measures will be implemented across the organization to improve profitability and operational efficiency. This will include revisiting the Organization Structure, The commercial terms with the Brand principals as well as Malls.

The BOC is confident that these strategic initiatives, combined with the leadership of the Board of Directors which includes Niraj, Lina and Jitin will position PT Multitrend Indo Tbk for continued success and growth in the evolving Mom and Baby landscape.

### About Multitrend Indo TBK (MTI)

<https://multitrendindo.com/about-us.php>

PT Multitrend Indo TBK (MTI) is Indonesia's leading Omnichannel Platform in the baby & kids category catering to the needs of parents across key occasions & categories through its network of retail store (B2C) and distribution channel (B2B).

MTI operates 120+ retail stores across many malls in Indonesia (B2C). It has a distribution division that distributes a combination of owned and licensed brands.

MTI has a strong omnichannel presence, encompassing Brand Apps and websites, over 30 marketplace stores, a robust network of retail outlets, and a large distribution network.

Founded in 2005, MTI currently operates 126 retail stores featuring renowned brands such as Mothercare, Wilio, Entertainer, Gingersnaps and The Children's Place.

MTI also has a Travel retail business which operates stores at Soekarno Hatta Airport Terminal 3.

MTI's distribution division manages a diverse portfolio of over 20 global, local, and owned brands. The company has expanded its footprint to over 100 cities and more than 45,000 distribution points across Indonesia.

MTI remains committed to focusing on enhancing the lives of both customers and employees through a positive work environment and empowerment initiatives. In 2023, MTI was recognized with the prestigious "Best Companies to Work For in Asia" award by HR Asia.