

**PRESS RELEASE****For Immediate Release****MAP Active First Quarter 2020 dampened by onset of Covid-19 and the Implementation of New Accounting Standard**

Jakarta, 30th June 2020 – PT Map Aktif Adiperkasa Tbk (MAPA), the sports & leisure subsidiary of PT Mitra Adiperkasa Tbk (MAPI), announced a 3.4% decrease in sales and a 49.0% decrease in net income for Q1 2020 following fallout from Covid-19 and the newly implemented IFRS 16 Leases (*PSAK 73 Sewa*).

MAPA entered 2020 with strong momentum across all three of its core platforms of Sports, Leisure & Kids. However, formidable double digit sales growth for January and February was materially weakened in March as Covid-19 expanded across the archipelago forcing closure of prime retail networks across all major cities.

Net revenue for first quarter 2020 was Rp1.46 trillion versus Rp1.52 trillion posted the prior year reflecting the heavy toll of commercial shut down across the Indonesian economy. Operating income of Rp99.3 billion declined from Rp196.9 billion in 1Q19, while EBITDA grew by 8.3% to Rp258.6 billion, and net income of Rp72.0 billion from Rp141.2 billion posted last year. The result of the first quarter has adopted the new accounting standard IFRS 16 Leases (*PSAK 73 Sewa*). The implementation of this PSAK 73 dragged our net income by Rp 7.3 billion; therefore our net income would have been Rp 79.3 billion instead of Rp 72.0 billion. As we have implemented the modified retrospective method, we will not restate our FY19 book.

Commenting on the results, Corporate Secretary of MAPA, Ratih D. Gianda, said, "Despite a decline in profitability in Q1 due to the large scale retail closures and new accounting laws, we were pleased to maintain net revenue at a similar level to 2019. We believe this continues to reflect the strength of our Multi Tier retail model as well as our large investments in Digital in the second half of 2019.

Ratih also stressed the company continued commitment to its 6 point growth strategy presented to Investors in 2019. This included its immediate ramp up of digital efficiencies, long term Pan Asean expansion via strategic acquisition or investment, and its commitment to a new "Branded Commerce" policy focusing on strategic brand partnerships with selected brands to drive regional leadership."

Commenting briefly on present trading conditions, Ratih related that MAPA's 2019 commitments to Digital proved timely during the 1Q20 period while physical stores remained closed. MAPA gained significant sales growth across its proprietary platforms of PlanetSports.Asia, KidzStation.Asia, and various mono-brand online stores. Additionally, close collaboration with established third-party online players such as Blibli, Zalora, Lazada and Shopee boosted eCommerce sales more than 100% for the quarter. MAPA also initiated its 'Chat and Buy' program to make online shopping more attractive and accessible from home.

Ratih added, "Our businesses support an active and healthy lifestyle that is compatible with the WFH directives. Our PlanetSportsRun Instagram account is offering guidance for 'Keep Fit at Home', which has led to a surge in online and offline sales in fitness equipment, apparel and shoes. Additionally, our KidzStation stores and digital sites have witnessed increased traffic for early education aids as school children remain at home."

Starting June 15th, the Indonesian government has gradually reopened shopping malls, restaurants and entertainment sites in an attempt to jump-start the pandemic-hit economy. To support the health and safety of customers and employees, MAPA has introduced additional safety measures and implemented strict in-store health protocols in all stores including thorough and regular cleaning and disinfecting store area, and temperature check. All customers and employees must also practice physical distancing, wear mask, use hand sanitizer, and exercise caution when using cash or contactless payment.

"Given the fluid circumstances and uncertainties during pandemic, we will not provide any financial guidance for full year 2020," Ratih concluded.

#### **About PT Map Aktif Adiperkasa Tbk (MAPA)**

As at end of March 2020, MAPA, a subsidiary of PT Mitra Adiperkasa Tbk (MAPI), operates 1,164 stores in 79 cities throughout Indonesia and manages over 150 brands, of which more than 40 are exclusive brands. Its three principal business lines include Sports, Leisure footwear and Kids. MAPA also owns proprietary retail multi-brand chains including Planet Sports.Asia, Sports Station, The Athlete's foot, Golf House, Payless, Ogaan, Kidz Station and Planet Sports Kids. For more information about MAPA, please visit [www.mapactive.id](http://www.mapactive.id)

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