

## **Announcement**

28th April 2023

### **PT HERO SUPERMARKET TBK THREE MONTHS 2023 RESULTS**

The following announcement was issued today by the Company's 89.3%-owned subsidiary, PT Hero Supermarket Tbk.

For further information, please contact:

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South Tangerang, 28<sup>th</sup> April 2023

**PT HERO SUPERMARKET TBK**  
**THREE MONTHS 2023 RESULTS**

**Highlights**

- Double-digit growth in underlying revenue and gross profit from continuing operations
- Significant turnaround in reported profit
- The Company remains well-positioned as a strong, competitive retailer in Indonesia

**Results**

	(Unaudited)		
	THREE MONTHS		
	2023	2022	Change
	Rp billion	Rp billion	%
Net Revenue from continuing operations	1,166	1,001	17%
Gross Profit from continuing operations	478	410	17%
Loss from continuing operations	(73)	(85)	n.m.
Reported profit / (loss)	152	(67)	n.m.
	<b>Rp</b>	<b>Rp</b>	<b>%</b>
Loss per share from continuing operations	(17)	(20)	n.m.
Reported profit / (loss) per share	36	(16)	n.m.

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## **PRESIDENT DIRECTOR'S STATEMENT**

### **Introduction**

The Company's sales and underlying profitability improved in the first quarter, driven primarily by strong sales and profit growth from its Guardian business. IKEA sales and profitability, however, were impacted by changing trends in consumer demand towards increased spending on leisure and travel.

### **Financial Performance**

The Company's revenue in the first quarter of 2023 was Rp 1,166 billion, an increase of 17% relative to the equivalent period last year. Reported net profit was Rp 152 billion. This turnaround in profitability was supported by property divestments in the quarter.

Guardian Health and Beauty reported strong like-for-like sales growth in the first quarter, underpinned by continued recovery in foot traffic to stores in premium malls and tourist locations. As a result, profitability also increased significantly compared with the prior year, further supported by strong cost control. Guardian continues to focus on driving increased accessibility for customers, strengthening its value proposition and driving range optimisation tailored to specific customer demographics.

IKEA's total sales revenue for the first quarter increased compared to the same period last year, primarily driven by the annualised impact of new stores. Like-for-like sales, however, were impacted by reduced average customer spending as overall demand for durable goods fell, with customers directing more consumption towards leisure and travel. Profitability was also adversely affected by reduced average customer demand. IKEA continues to drive commercial activities across all channels and focus on managing costs in the face of uncertain trading conditions.

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Hero Supermarket's like-for-like sales and profitability were impacted by a moderation of demand for key consumer staples. Nevertheless, Hero Supermarket continues to innovating through format development and following its range optimisation initiative introduced last year, Hero Supermarket has added more than 1,100 new products since the start of the year.

### **Business Update**

The Company successfully divested two owned properties in the first quarter of 2023. Proceeds from the transactions have strengthened the Company's financial position to support future growth. The Company remains in active discussions with third parties with respect to divestment of its remaining owned properties.

### **Prospects**

Despite variability in customer demand patterns across HERO Group's business units, the Company remains cautiously optimistic with respect to outlook for the remainder of the year. The Company remains prudent and will continue to monitor the impact of inflationary pressures and changes in consumer sentiment. The Company remains committed to investing in its key businesses and building the foundations for the Company to deliver robust and sustainable growth over the medium to long term.

### **Patrik Lindvall**

President Director

28<sup>th</sup> April 2023

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### **PT Hero Supermarket Tbk**