

INVESTOR RELEASE

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MPMX booked a solid growth of profit from business¹ by 13% to IDR 164 billion in 1Q23 compared to last year's period driven by the distribution & retail businesses.

- 1Q23 MPMX net revenues were up by 34% YoY to IDR 3.8 trillion mainly driven by the 2W businesses both distribution and retail.
- Gross profit grew by 39% YoY to IDR 335 billion and stable gross profit margin at 9%.
- Profit from business¹ was up by 13% YoY to IDR 164 billion, despite the decrease in net profit by 10% to IDR 131 billion due to unrealized forex loss.
- The company booked a healthy balance sheet with stable cash & cash equivalents at IDR 1.9 trillion.

JAKARTA – PT Mitra Pinasthika Mustika Tbk (“MPMX” or “Company”), one of Indonesia’s leading automotive companies which creates synergy in each of the business segments consisting of distribution, retail, insurance, transportation, and financing. The company released its unaudited financial statements for the first quarter of 2023 today.

The following table summarizes our consolidated financial results.

Income Statement Highlights	Unit	1Q22	1Q23	Changes
Net Revenues	IDR bn	2,820	3,786	34%
Gross Profit	IDR bn	241	335	39%
<i>Gross Profit Margin</i>	%	9%	9%	
Profit from Business ¹	IDR bn	144	164	13%
Profit (loss) from Non-Business ²	IDR bn	2	(32)	
Net Profit ³	IDR bn	146	131	(10%)
<i>Profit margin</i>	%	5.2%	3.5%	

MPMX reported a strong top line performance in 1Q23 from distribution and retail businesses, with net revenues grew by 34% to IDR 3.8 trillion compared to last year. This led to a significant increase in gross profit by 39% YoY to IDR 335 billion and stable gross profit margin at 9%.

The Company’s profit from business¹ recorded a significant growth of 13% YoY to IDR 164 billion. However, due to unrealized forex loss, the net profit decreased by 10% YoY to IDR 131 billion.

¹ Profit from business refers to the financial gain earned by the company through business activities (continuing & discontinued operations and head office expenses).

² Profit from non-business refers to the financial gain by the company that is not related to the business (divestment, forex effect, and goodwill impairment)

³ 100% ownership in MPM Rent for the 1Q22 vs 50% of ownership in MPM Rent for the 1Q23.

Balance Sheet Highlights	Unit	FY22	1Q23	Changes
Cash and Cash Equivalents	IDR bn	1,999	1,895	(5%)
Total Assets	IDR bn	8,890	8,953	1%
Borrowings	IDR bn	7	14	89%
Total Equity	IDR bn	6,187	6,322	2%

Moreover, from the balance sheet, the cash and cash equivalents remained stable at IDR 1.9 trillion.

The detailed performance of each business segment will be shared in the section below.

Distribution (MP Mulia) & Retail (MPM Motor)

Income Statement Highlights of Distribution & Retail	Unit	1Q22	1Q23	Changes
Net Revenues	IDR bn	2,749	3,721	35%
Gross Profit	IDR bn	194	301	55%
Gross Profit Margin	%	7%	8%	

The net revenues for the distribution & retail businesses in 1Q23 increased by 35% YoY to IDR 3.7 trillion with a slight improvement on the gross profit margin due to higher demand from High Matic (AT) Motorcycles, which has higher margin.

Distribution Segment Sales	Unit	1Q22	1Q23	Changes
Motorcycle Sales Volume	000' Units	140	197	41%
Spare Part Revenue	IDR bn	320	332	4%

MP Mulia is the main Honda motorcycle distributor in East Java and East Nusa Tenggara with over 270 dealers. The distribution business performed well with motorcycle sales volume increased by 41% YoY to 197,000 units in 1Q23 due to higher motorcycle demand which was aligned with the growth of national motorcycle sales⁴ and better supply of motorcycle in the 1Q23 vs 1Q22. The spare part revenue slightly increased by 4% YoY to IDR 332 billion due to higher sales volume.

Retail Segment Sales	Unit	1Q22	1Q23	Changes
Motorcycle Sales Volume	000' Units	31	44	39%
Spare Part Revenue	IDR bn	10	12	12%
Service Revenue	IDR bn	5	6	15%

MPM Motor is the retailer of Honda Motorcycles and operates in 40 dealers across Indonesia. Motorcycle sales volume in MPM Motor grew by 39% YoY to 44,000 units sold mainly contributed from the sales in East Java. Additionally, the spare part and service revenue also increased by 12% and 15% YoY respectively.

⁴ National motorcycle sales grew by 44% in 1Q23 compared to 1Q22.

Insurance (MPM Insurance)

Income Statement Highlights of Insurance Segment	Unit	1Q22	1Q23	Changes
Net Revenues	IDR bn	73	68	(7%)
Gross Profit	IDR bn	48	36	(25%)
Gross Profit Margin	%	66%	53%	

1Q23 net revenues of MPM Insurance dropped by 7% YoY to IDR 68 billion compared to the same period last year driven by lower gross premium. Moreover, the gross profit decreased by 25% YoY to IDR 36 billion and gross profit margin declined from 66% to 53% due to higher claim expense from motor vehicle.

Gross Premium by Product Category	Unit	1Q22	1Q23	Changes	Proportion 1Q22	Proportion 1Q23
Motor Vehicle	IDR bn	63	59	(5%)	42%	62%
Property	IDR bn	15	16	9%	10%	17%
Multipurpose Credit	IDR bn	37	0	-	25%	0%
Others	IDR bn	35	21	(41%)	23%	21%
Total Gross Premium	IDR bn	150	96	(36%)	100%	100%

The overall gross premium of MPM Insurance was mainly contributed by two products, motor vehicle and property which was around 79% of the total gross premium in 1Q23. The gross premium of motor vehicle product decreased by 5% YoY because the company being more prudent with the risk management, while the gross premium of property product increased by 9% YoY.

Furthermore, the multipurpose credit product had been discontinued due to the product couldn't meet with the risk appetite and other products also decreased by 41% YoY largely due to decrease of Engineering & Marine Hull products. Hence, these resulted in the lower total gross premium of 36% YoY to IDR 96 billion.

Transportation (MPM Rent)

Income Statement Highlights of Transportation Segment	Unit	1Q22	1Q23	Changes
Net Revenues	IDR bn	303	336	11%
Gross Profit	IDR bn	85	89	5%
Gross Profit Margin	%	28%	27%	

Transportation's segment grew by 11% YoY with IDR 336 billion in the 1Q23 with stable gross profit margin was maintained at 27% mainly driven by higher demand for car rental fleet and driver services.

Rental Utilization Rate	Unit	1Q22	1Q23	Changes
Total Available Units	Units	12,211	13,942	14%
Total Rented Units	Units	11,662	13,065	12%
<i>Utilization Rate</i>	%	96%	94%	

As one of the biggest car rental companies in terms of total fleets, MPM Rent holds a total available unit of 13,942 grew by 15% YoY in 1Q23. Furthermore, the utilization rate was maintained at 94%.

Car Rental Category Composition	Unit	1Q22	1Q23	Changes
Passenger	%	65%	69%	4%
Commercial	%	32%	29%	(3%)
Mining	%	2%	2%	-
Luxury	%	1%	1%	-

Based on the type of vehicle rented, passenger vehicle was the biggest contributor which generally served corporate clients, such as financial services, trading, manufacturing, and government. For the commercial vehicle, even though the contribution decreased, the rented units increased mostly driven by distribution & logistic companies.

Driver Services	Unit	1Q22	1Q23	Changes
Rented Driver Volume	Persons	1,347	1,545	15%
Revenue per Driver	IDR mn	11	11	

Following the increase in passenger rental units, the driver services also delivered positive performance with 15% YoY growth to 1,545 drivers in 1Q23.

Used Car Business	Unit	1Q22	1Q23	Changes
Sales Volume	Units	815	908	11%
Source of Units:				
Internal Units	%	78%	71%	
External Units	%	22%	29%	
<i>Gross Profit Margin</i>	%	31%	31%	

The used car sales volume was up 11% YoY to 908 units sold in 1Q23, primarily due to the increase in contribution from external units. On the other hand, the gross profit margin of used car sales remained stable at 31%.

Multifinance (JACCS MPM Finance Indonesia)

New Booking Breakdown	Unit	1Q22	1Q23	Changes
New Booking Amount	IDR bn	1,098	1,285	17%
Used Vehicle	IDR bn	449	600	34%
New Vehicle	IDR bn	461	444	(4%)
Corporate Financing	IDR bn	103	152	48%
Others	IDR bn	86	89	4%

The increase in JMFI's revenue was reflected by the increase in the new booking amount by 17% YoY to IDR 1.3 trillion in 1Q23 driven by two factors: (1) used vehicle product which was the company's focus (2) corporate financing product mainly contributed by mining companies.

About PT Mitra Pinasthika Mustika Tbk

PT Mitra Pinasthika Mustika Tbk (“MPMX”) is a leading automotive consumer company in Indonesia, established in 1987 by William Soeryadjaya. MPMX is publicly listed on the Indonesian Stock Exchange and is majority owned by Saratoga Group.

MPMX’s vision is to have a positive impact on life through smart mobility and social integration. By collective power, we aim to deliver the most relevant products and services to the people in our ecosystems through innovation. Our businesses offer a broad spectrum of mobility solutions, from retailing and distributing motorcycles, motorcycle after-market parts and services, transportation services, and financial services.

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