

INVESTOR RELEASE

FOR IMMEDIATE RELEASE

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LPKR achieves FY22 revenue of IDR 14.8tn, supported by on-time landed housing handover, sustained healthcare growth, and business recovery in malls and hotels

- Real estate revenue increased significantly by 46% QoQ to IDR 1.4tn in 4Q22, mainly driven by the successful handover of 495 units of Cendana Parc, a landed housing project located in Lippo Village.
- FY22 marketing sales of IDR 4.76tn represent a 4% YoY decline, and 8% below the Company's initial guidance of IDR 5.2tn due to inflationary pressure and higher interest rates.
- Healthcare revenue remained stable in 4Q22 with a 3% QoQ increase to IDR 2.6tn.
- Lifestyle businesses continue to recover strongly with a 15% QoQ increase in revenue to IDR 332bn in 4Q22.

JAKARTA – PT Lippo Karawaci Tbk ("**LPKR**" or "**Company**"), Indonesia's leading real estate and healthcare platform based on total revenue, released its audited FY22 consolidated financial statements today. In 4Q22, the Company achieved revenue growth of 14% QoQ to IDR 4.3tn. Gross profit also increased by 19% QoQ to IDR 1.9tn. The increase was driven by the real estate business through landed housing handovers, and also supported by stronger performance of the healthcare and lifestyle business. 4Q22 NPAT decreased by 6% QoQ to -IDR 765bn mainly due to unrealized FX losses.

Exhibit 1: LPKR P&L Highlights (4Q22 vs 3Q22)

(In IDR bn)	4Q22	3Q22	Var QoQ	%QoQ
Revenue	4,264	3,730	534	14%
Gross Profit	1,929	1,625	304	19%
Opex	(644)	(921)	278	-30%
EBITDA	1,284	704	581	83%
Underlying NPAT*	(165)	(318)	153	48%
Other non-cash expenses:				
PSAK 72 & 73**	(99)	(123)	23	-19%
Unrealized FX loss	(500)	(279)	(221)	79%
NPAT	(765)	(720)	(45)	-6%

* Underlying NPAT include interest, tax, depreciation and the rental expense equivalent component from the PSAK 73 leasing calculation

** PSAK 73 adjustment only includes the non-cash component of PSAK 73 leasing calculation (i.e., net of the rental equivalent)

The Company reported a 4% YoY decrease in FY22 revenue to IDR 14.8tn (compared to normalized FY21 figures) due to comparatively lower revenue from the real estate business in comparison to last year's peak performance, whereby most apartment handovers were completed in 2021.

However, this decrease was partially offset by the strong recovery of the lifestyle business in 2022, with healthcare business growth remaining stable coming out of the COVID-19 pandemic.

In FY22, the Company increased its Underlying NPAT by 21% YoY to -IDR 936bn, while NPAT in FY22 decreased by 52% YoY to -IDR 2.7tn, largely due to unrealized FX losses from the USD/IDR appreciation. The Company has a USD/IDR hedge position of Rp15,000 to Rp17,500 for most of its FX exposure to minimize further impacts.

Exhibit 2: LPKR P&L Highlights (FY22 vs FY21)

(In IDR bn)	FY22	FY21 Reported	Var YoY	LMIRT Business Impact	FY21 Normalized*	Var YoY Normalized	%YoY Normalized
Revenue	14,809	16,530	(1,721)	1,114	15,416	(607)	-4%
Gross Profit	6,486	7,113	(626)	583	6,529	(43)	-1%
Opex	(3,213)	(3,198)	(15)	(30)	(3,168)	(45)	1%
EBITDA	3,273	3,916	(643)	554	3,362	(89)	-3%
Underlying NPAT**	(936)	(1,797)	861	(619)	(1,178)	242	21%
Other non-cash expenses:							
PSAK 72 & 73***	(466)	(480)	14	10	(491)	25	-5%
Unrealized FX loss	(1,291)	(101)	(1,190)	0	(101)	(1,190)	1173%
Gain on LMIRT business combination	-	778	(778)	778	-	-	
NPAT	(2,692)	(1,603)	(1,089)	168	(1,771)	(921)	-52%

* Normalized figures adjusted to exclude the effect of LMIRT consolidation and Puri Mall Sale in FY21

** Underlying NPAT include interest, tax, depreciation and the rental expense equivalent component from the PSAK 73 leasing calculation

*** PSAK 73 adjustment only includes the non-cash component of PSAK 73 leasing calculation (i.e., net of the rental equivalent)

The Company's cash flow from business operations remained stable at IDR 449bn with cash flow from Real Estate and Lifestyle both improving; offset by decline in Siloam as Siloam cash flow in 2021 was exceptional due to some one-offs. Though overall cash flow from operating activities declined by IDR 235bn in FY22, this was primarily due to placement for restricted funds of IDR 500bn for back-to-back loan purposes.

The Company has completed several investment activities to support future growth, amounting to IDR 1.5tn in total. Notable investments include the IDR 430bn acquisition of Siloam Surabaya, along with the acquisition of additional Siloam shares by the Company. On the financing front, the Company has made several loan repayments and also executed bond buybacks in 4Q22 amounting to IDR 178bn.

Exhibit 3: LPKR Cash Flow Highlights (FY22 vs FY21)

(In IDR bn)	FY22	FY21	Var YoY	%YoY
Cash at beginning	4,888	2,993	1,895	63%
Cash from operating activities:				
Business operations	449	1,031	(583)	-56%
Placement for restricted funds	(684)	597	(1,281)	-215%
Cash from investing activities:				
Investment and property	(772)	(433)	(339)	-78%
Acquisition and divestment	(741)	(1,628)	887	54%
Cash from financing activities:				
Net finance proceed or repayment	(532)	2,327	(2,859)	-123%
Forex impact	18	0.8	17	2114%
Cash at end	2,626	4,888	(2,263)	-46%

Real Estate: Successful project handover in 4Q22, with strong launch pipeline prepared for 2023

Real estate's 4Q22 revenue increased significantly by 46% QoQ to IDR 1.4tn, mainly supported by the successful handover of 495 units of Cendana Parc, a landed housing project in Lippo Village. Gross profit and EBITDA also increased significantly by 55% QoQ to IDR 580bn and 927% QoQ to IDR 333bn respectively due to changes in product handover mix between apartment and landed housing, whereby there were more landed housing handovers compared to apartment handovers in 4Q22. The significant EBITDA growth was also supported by land plots sales of IDR 208bn in 4Q22.

Exhibit 4: Real Estate P&L Highlights (4Q22 vs 3Q22)

<i>(In IDR bn)</i>	4Q22	3Q22	Var QoQ	%QoQ
Revenue	1,346	920	426	46%
Gross Profit	580	375	205	55%
Opex	(247)	(342)	96	-28%
EBITDA	333	32	301	927%

Compared to FY21, the real estate revenue and EBITDA in FY22 recorded a decrease by 18% YoY to IDR 4.1tn and 21% YoY to IDR 751bn respectively, mainly due to project handover timing with most of the apartment handovers completed in FY21.

Exhibit 5: Real Estate P&L Highlights (FY22 vs FY21)

<i>(In IDR bn)</i>	FY22	FY21 Reported	Var YoY	LMIRT Business Impact	FY21 Normalized*	Var YoY Normalized	%YoY Normalized
Revenue	4,136	5,125	(989)	64	5,062	(926)	-18%
Gross Profit	1,865	2,053	(187)	97	1,955	(90)	-5%
Opex	(1,114)	(1,003)	(111)	0	(1,003)	(111)	11%
EBITDA	751	1,050	(299)	98	952	(201)	-21%

* Normalized figures adjusted to exclude the effect of LMIRT consolidation and Puri Mall Sale in FY21

In terms of marketing sales performance, despite the macroeconomic headwinds in 2022, LPKR managed to achieve FY22 marketing sales of IDR 4.76tn, a decline of 4% YoY and 8% below company's initial guidance of IDR 5.2tn.

Going into 2023, LPKR has set a target of IDR 4.9tn for FY23 marketing sales guidance, which will be driven by new residential products that target more varied buyer segments, including landed, low-rise and mid-rise projects in Lippo Village and Lippo Cikarang. The Company will continue to observe with caution the macro risk factors that may affect marketing sales going forward.

Healthcare: SILO continued its growth trajectory over FY22, maintaining high revenue and sustaining growth of profitability

The Company's healthcare business is anchored by the LPKR subsidiary, PT Siloam International Hospitals Tbk ("SILO"). In FY22, SILO was a major contributor to the Company's total revenue by 64%.

SILO's operational performance remains on a steep upwards growth trajectory in 4Q22. SILO saw its highest volume of Inpatient Days and Outpatient Visits in 11 quarters (since 2Q20). This was achieved with little to none COVID-19-related revenue in the last 2 quarters of 2022.

Inpatient Days in FY22 increased by 14% YoY to 813,676, compared with 715,460 in FY21. SILO has treated more than 3.2 million Outpatients in FY22, an increase of 34% YoY. In terms of quarterly performance, SILO's 4Q22 Inpatient Days of 226,059 was 3% higher than Inpatient Days in 3Q22. SILO recorded 896,964 Outpatient visits in 4Q22, an increase of 7% QoQ. Patient Volume growth was driven by higher complexity of cases and surgical treatments. SILO's investments in growing its high value Centres of Excellence such as Oncology, Cardiology, Neurology and Urology, continue to reap results as non-COVID medical cases are returning.

Exhibit 6: Healthcare Operational Metrics Highlights

Key operational metrics	4Q22	3Q22	%QoQ	FY22	FY21	%YoY
Inpatient Admissions	67,995	65,908	3%	240,842	175,407	37%
Inpatient Days	226,059	219,689	3%	813,676	715,460	14%
Outpatient Visits	896,964	841,607	7%	3,210,291	2,396,886	34%

SILO's continued growth in operational performance paved the way for strong and sustainable financial growth. In 4Q22, SILO booked a 3% QoQ increase in Revenue to IDR 2.6tn and gross profit increase of 6% QoQ to IDR 1.1tn. Notably, SILO achieved a significant EBITDA increase of 46% QoQ to IDR 855bn which can be partially attributed to the successful cost management initiatives performed by SILO.

Exhibit 7: Healthcare P&L Highlights (4Q22 vs 3Q22)

(In IDR bn)	4Q22	3Q22	Var QoQ	%QoQ
Revenue	2,587	2,522	65	3%
Gross Profit	1,113	1,055	58	6%
Opex	(258)	(471)	213	-45%
EBITDA	855	584	271	46%

In terms of YoY performance, SILO reported a slight growth in revenue by 1% YoY to IDR 9.5tn in FY22 despite the decline in COVID-related revenue. Gross profit decreased slightly by 2% YoY to IDR 3.8tn, with EBITDA remained stable at IDR 2.2tn. SILO continues to maintain its strong growth trajectory coming out of the pandemic.

Exhibit 8: Healthcare P&L Highlights (FY22 vs FY21)

(In IDR bn)	FY22	FY21	Var YoY	%YoY
Revenue	9,518	9,382	136	1%
Gross Profit	3,813	3,880	(68)	-2%
Opex	(1,594)	(1,658)	64	-4%
EBITDA	2,219	2,222	(3)	-0.2%

SILO's investments in its digital channels such as the MySiloam App and Website have shown significant results as indicated by the number of website visits increased from less than 200 thousand in 2Q20 to 1.4 million in 4Q22. These digital channels have had a stellar 2022 year and contributed about 21% of total Outpatients Visits in FY22.

Lifestyle: Continues recovery of mall's traffic and hotel occupancy rate

The Company's lifestyle segment primarily consists of its mall and hotel businesses. In 4Q22, the Company achieved strong growth of 15% QoQ to IDR 332bn in revenue. Gross profit and EBITDA also increased by 21% QoQ to IDR 235bn and 11% QoQ to IDR 97bn respectively. The lifestyle

businesses have improved their margin by optimizing cost during the pandemic, and Management believes that it can continue to maintain this improved margin coming out of the pandemic.

Exhibit 9: Lifestyle P&L Highlights (4Q22 vs 3Q22)

(In IDR bn)	4Q22	3Q22	Var QoQ	%QoQ
Revenue	332	289	43	15%
Gross Profit	235	195	40	21%
Opex	(139)	(108)	(31)	29%
EBITDA	97	87	9	11%

By normalizing LMIRT's business impact on the FY21 book, the lifestyle segment's revenue in FY22 increased by 19% YoY to IDR 1.2tn. This was due to the improvement in hotel occupancy rate and room rate, as well as increased mall traffic, which further reflect the strong recovery of the industry post-pandemic.

Exhibit 10: Lifestyle P&L Highlights (FY22 vs FY21)

(In IDR bn)	FY22	FY21 Reported	Var YoY	LMIRT Business Impact	FY21 Normalized*	Var YoY Normalized	%YoY Normalized
Revenue	1,155	2,023	(868)	1,050	972	182	19%
Gross Profit	809	1,179	(371)	486	694	115	17%
Opex	(505)	(537)	32	(31)	(507)	1	0%
EBITDA	303	642	(339)	455	187	116	62%

*Normalized figures adjusted to exclude the effect of LMIRT consolidation and Puri Mall Sale in FY21

The average hotel room rate in 4Q22 increased by 4% QoQ to IDR 566,687. The average occupancy rate also increased, reaching 78% in 4Q22. Similar to hotel performance, the average mall's footfall traffic in 4Q22 also increased by 6% QoQ to 67% from 63% in 3Q22. Both our malls and hotels have shown significant improvement in FY22 compared to their FY21 performance. Although revenues remain below pre-pandemic levels, there is still plenty of room for growth as business activity picks up.

Exhibit 11: Lifestyle Operational Metrics Highlights

Key operational metrics	4Q22	3Q22	%QoQ	FY22	FY21	%YoY
Hotel						
Average room rate (in IDR)	566,687	544,291	4%	527,634	432,218	22%
Average occupancy rate	78%	69%	13%	67%	57%	18%
Malls						
Average footfall traffic*	67%	63%	6%	64%	48%	34%

*Average malls traffic is calculated based on % to average 2019 visitors of LMIRT malls, which represent overall malls portfolio

Recent Events

- In December 2022, the Company signed a Syndicated Loan Facility of IDR 5.25tn with CIMB and BNI to refinance its bonds, with an initial interest rate of 8.00% (BI 7D RR + 2.25% margin).
- In February 2023, the Company completed the first Tender Offer with total proceeds of USD 116.2mn of 2025 bonds and USD 108.4mn of 2026 bonds.

- In March 2023, the Company completed the second Tender Offer with total proceeds of USD 36.9mn of 2025 bonds and USD 113.9mn of 2026 bonds.
- Following these refinancing activities, the Company has an outstanding balance of USD 237.1mn for its 2025 bonds and USD 194.6mn for its 2026 bonds; thereby allowing the Company to address c.44% of debt maturity wall in 2025 and c.53% of debt maturity wall in 2026 ahead of time.
- Moody's changed its outlook of Corporate Family Ratings to B3 (stable) and downgraded bond ratings to Caa1 (stable). Fitch reaffirmed both corporate and bonds rating at B- (stable)

CEO of LPKR, John Riady stated, "We are proud of our financial performance and business achievements in FY22, which reflect sustained growth and the significant operational improvements undertaken by our business units. Nevertheless, we recognize the challenging macroeconomic backdrop, and need to adjust our strategies to mitigate the financial impact of greater economic uncertainty and rising interest rates, among other factors. Entering into 2023, we will focus on completing project handovers on time and capturing more demand through new launches, while maintaining the strong operational performance of our healthcare and lifestyle business."

About Lippo Karawaci ("LPKR") (www.lippokarawaci.co.id)

Listed on the Indonesia Stock Exchange, Lippo Karawaci ("LPKR") is Indonesia's leading real estate and healthcare platform, with a presence in 26 provinces and 56 cities across Indonesia and total assets of USD 3.2 billion as of 31 December 2022. Our core business comprises real estate development, township management, healthcare, lifestyle malls and hospitality.

As a leading real estate developer and township operator with 1,407 ha of landbank ready for development, LPKR develops and manages urban developments primarily in Java and Sulawesi, including at our flagship township Lippo Village in Tangerang. Through LPKR's two publicly listed subsidiaries, PT Lippo Cikarang Tbk and PT Gowa Makassar Tourism Development Tbk, of which we own 83.99% and 62.69% respectively, we also develop and manage the townships of Lippo Cikarang in Bekasi and Tanjung Bunga in Makassar.

In addition, LPKR owns 58.07% of PT Siloam International Hospitals Tbk, Indonesia's leading private hospital network, with 41 hospitals and 66 clinics in 23 provinces nationwide. Aside from healthcare, we manage 59 malls across Indonesia, and hold a 47.29% stake in Lippo Malls Indonesia Retail Trust, a Singapore-listed REIT with SGD 1.7 billion of assets under management as of 31 December 2022. We also operate 10 hotels under the Aryaduta brand, and a country club and golf course.

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Certain statements in this release are or may be forward- looking statements. These statements typically contain words such as "will", "expects" and "anticipates" and words of similar import. By their nature, forward-looking statements involve a number of risks and uncertainties that could cause actual events or results to differ materially from those described in this release.