

INVESTOR RELEASE

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LPKR delivers 1Q23 NPAT of IDR 1.1tn on the back of 14% revenue growth, 15% gross profit growth, and 30% EBITDA growth

- 1Q23 Marketing sales of IDR 1.2tn represent 24.7% of FY23 target of IDR 4.9tn, led by consistent sales in landed housing.
- Sustained growth in healthcare revenue and EBITDA by 19% and 47% YoY respectively, driven by strong operational performance.
- Mall and hotel businesses continue to demonstrate strong recovery with 19% YoY increase in revenue.
- LPKR delivers 1Q23 NPAT of IDR 1.1tn, with Underlying NPAT improving 54% YoY driven by improved business fundamentals, lower interest rate and successful liability management.

JAKARTA – PT Lippo Karawaci Tbk ("**LPKR**" or "**Company**"), Indonesia's leading real estate and healthcare platform based on total revenue, released its 1Q23 consolidated financial statements today. In 1Q23, the Company achieved revenue growth of 14% YoY to IDR 3.8tn. Gross profit also increased by 15% YoY to IDR 1.6tn, while EBITDA increased by 30% YoY to IDR 878bn.

Moreover, LPKR reported an improvement in Underlying NPAT by 54% YoY to -IDR 131bn and a significant NPAT turnaround to IDR 1.1tn as a result of a bond buyback transaction amounting to USD 390mn. The Company's successful liability management initiative has not only resulted in positive 1Q23 NPAT through a one-off gain of IDR 1.2tn, but also lower leverage ratios and interest expenses. The Company also reported an unrealized FX gain of IDR 155bn due to the stronger IDR at the closing of 1Q23.

Exhibit 1: LPKR P&L Highlights (1Q23 vs 1Q22)

(In IDR bn)	1Q23	1Q22	Var YoY	%YoY
Revenue	3,815	3,336	479	14%
Gross Profit	1,651	1,433	218	15%
Opex	(773)	(760)	(14)	2%
EBITDA	878	674	204	30%
Underlying NPAT ¹	(131)	(282)	151	54%
Other non-cash expenses:				
PSAK 72 & 73 ²	(94)	(116)	22	-19%
Unrealized FX gain / (loss)	155	(169)	324	192%
Gain on bond buyback ³	1,208	-	1,208	
NPAT	1,138	(568)	1,706	301%

¹ Underlying NPAT include interest, tax, depreciation and the rental expense equivalent component from the PSAK 73 leasing calculation

² PSAK 73 adjustment only includes the non-cash component of PSAK 73 leasing calculation (i.e., net of the rental equivalent)

³ Gain on bond buyback of IDR 1,208bn consist of gain on senior notes redemption of IDR 947bn, plus gain on FX of IDR 261bn

Exhibit 2: LPKR Cash Flow Highlights (1Q23 vs 1Q22)

<i>(In IDR bn)</i>	1Q23	1Q22	Var YoY	%YoY
Cash at beginning	2,626	4,888	(2,263)	-46%
Cash from operating activities	154	106	49	46%
Cash from investing activities:				
Investment and property	(221)	(162)	(59)	36%
Acquisition, divestment, and dividend receipt	19	(2)	21	1021%
Cash from financing activities	(81)	(415)	334	-81%
Forex impact	(1)	19	(20)	-104%
Cash at end	2,497	4,434	(1,937)	-44%

The Company's cash from operating activities is stable at IDR 154bn supported by improvement in business operations. Siloam has invested in several new medical systems to support their future growth, which has resulted in higher investment and property outflow from investing activities. For financing activities, the Company has completed tender offers for its 2025 and 2026 bonds, which it has refinanced with a syndicated loan of IDR 5.25tn. At the end of 1Q23, consolidated cash flow remained healthy at IDR 2.5tn.

Real Estate: Marketing sales reach 24.7% of FY23 target at IDR 1.21tn; handovers for previous launches remain on track

Real Estate's 1Q23 revenue remained stable at IDR 864bn, a nominal decrease of -0.05% YoY. In 1Q23, the Company handed over a number of landed housing projects on time, including 165 units of Cendana Parc North and 32 units of Cendana Icon Premier, following their launch events in September 2021 and March 2021 respectively.

Exhibit 3: Real Estate P&L Highlights (1Q23 vs 1Q22)

<i>(In IDR bn)</i>	1Q23	1Q22	Var YoY	%YoY
Revenue	864	865	(0.4)	-0.05%
Gross Profit	372	415	(43)	-10%
Opex	(227)	(263)	36	-14%
EBITDA	145	152	(7)	-4%

In terms of marketing sales performance, despite the macro headwinds and soft January sales due to market seasonality, LPKR managed to achieve IDR 1.21tn or 24.7% of its FY23 guidance, comprising IDR 873bn from Holdco and IDR 337bn from Lippo Cikarang.

In terms of contribution by location, Lippo Village and Lippo Cikarang remain the largest contributor to 1Q23 marketing sales with contributions of 45% and 28% respectively. In Lippo Village, the Cendana Homes series was the biggest contributor with major projects including Cendana Essence, Cendana Gard'n 2, Cendana Arbory, Cendana Icon and Cendana Botanic. While in Lippo Cikarang, marketing sales were driven by landed housing projects such as Cendana Spark and Waterfront Uptown Estate, as well as industrial products in Delta Silicon 3 and Newton Techno Park.

Healthcare: Siloam sustains growth in revenue and profitability due to strong operational performance

The Company's healthcare business is anchored by the LPKR subsidiary, PT Siloam International Hospitals Tbk ("Siloam"). In 1Q23, Siloam achieved its highest ever first quarter financial results with a 19% YoY increase in revenue to IDR 2.6tn, gross profit increase of 29% YoY to IDR 1.1tn and a

significant EBITDA increase of 47% YoY to IDR 673bn in 1Q23. These achievements were driven by the robust recovery of base case revenue, increased volume of complex surgeries, improvements of payor mix, and enhanced adoption of digital patient channels.

Exhibit 4: Healthcare P&L Highlights (1Q23 vs 1Q22)

(In IDR bn)	1Q23	1Q22	Var YoY	%YoY
Revenue	2,654	2,222	432	19%
Gross Profit	1,083	842	240	29%
Opex	(410)	(384)	(26)	7%
EBITDA	673	458	215	47%

Siloam's operational performance remains on a steep upwards growth trajectory in 1Q23. The company recorded the highest Inpatient Admissions and Outpatient volume in 1Q23 compared to the previous 8 quarters.

Exhibit 4: Healthcare Operational Metrics Highlights

Key operational metrics	1Q23	1Q22	%YoY
Inpatient Admissions	71,316	51,235	39%
Inpatient Days	225,324	179,911	25%
Outpatient Visits	932,673	698,796	33%

Inpatient Admissions in 1Q23 increased by 39% YoY to 71,316, compared with 51,235 in 1Q22. Siloam treated 932,673 Outpatients in 1Q23, an increase of 33% YoY. Siloam's 1Q23 Inpatient Days of 225,324 was 25% higher than Inpatient Days in 1Q22. Patient volume growth was boosted by Siloam's high-value Centers of Excellence for Oncology, Cardiology, Neurology, and Urology which created strong brand differentiator for Siloam Hospitals as well as Siloam's digital patient channels that provide more seamless and comfortable patient experience. Siloam's digital channels which include Live Chats, WhatsApp, and MySiloam App have recorded 172,528 Outpatient bookings or contributed about 18% of total Outpatient in 1Q23.

Lifestyle: Strong growth led by successful recovery of mall and hotel businesses

The Company's lifestyle segment primarily consists of its mall and hotel businesses. In 1Q23, the Company achieved a 19% YoY increase in revenue to IDR 296bn. Gross profit also increased by 11% YoY to IDR 197bn. Though 1Q23 EBITDA showed a decrease by 7% YoY, it was due to a one-off reversal of bad debt expense in 1Q22 amounting to IDR 6bn. Once normalized, the 1Q23 EBITDA would saw an increase of 0.2% YoY from IDR 57 bn in 1Q22 to IDR 59bn in 1Q23.

Exhibit 6: Lifestyle P&L Highlights (1Q23 vs 1Q22)

(In IDR bn)	1Q23	1Q22	Var YoY	%YoY
Revenue	296	249	47	19%
Gross Profit	197	176	20	11%
Opex	(138)	(113)	(25)	22%
EBITDA	59	63	(5)	-7%

Both the mall and hotel businesses have shown significant improvements in their operational performance in 1Q23 compared to 1Q22, a sign of strong post-pandemic recovery. The average hotel room rate in 1Q23 increased by 16% YoY to IDR 566,924, while the average occupancy rate increased by 9% YoY to 63% in 1Q23. The average mall's footfall traffic has also increased by 18% YoY to 64% in 1Q23.

Exhibit 7: Lifestyle Operational Highlights

Key operational metrics	1Q23	1Q22	%YoY
Hotels			
Average room rate (in IDR)	556,924	481,649	16%
Average occupancy rate	63%	58%	9%
Malls			
Average footfall traffic ¹	64%	54%	18%

¹ Average malls traffic is calculated based on % to average 2019 visitors of LMIRT malls, which represent overall malls portfolio

Liability Management

As previously reported, the Company had secured a Syndicated Loan Facility of IDR 5.25tn with an initial interest rate of 8% (BI 7D RR + 2.25%). In 1Q23, the Company has completed two Tender Offers and various secondary market purchases with total proceeds of USD 390mn. Following these refinancing activities, the Company has an outstanding balance of USD 237mn for its 2025 bonds and USD 195mn for its 2026 bonds.

These refinancing activities are highly beneficial to LPKR for a number of reasons. Total interest-bearing debt has decreased by IDR 955bn, resulting in a healthier net debt to equity ratio at 0.57x. The Company has also addressed c.44% of debt maturity wall in 2025 and c.53% of debt maturity wall in 2026 ahead of time. In addition, there is a positive impact on interest expenses due to the lower interest rates. Lastly, through this initiative, approximately half of the company's liabilities are now in Rupiah, therefore reducing currency risk.

Recent Events

- On 14 April 2023, the Company and Siloam signed a Conditional Sale and Purchase Agreement of 4,442 m² land plot in Surabaya, East Java, with a value of IDR 90bn. This strategic land plot sale is to support Siloam's expansion plan in Surabaya.

CEO of LPKR, John Riady stated, "We have started 2023 on strong footing. Our real estate business has achieved IDR 1.2tn in marketing sales, on track to reaching our full year target of IDR 4.9tn, while also maintaining the timeliness of our product delivery. Despite the challenging macro environment that has impacted the real estate industry, we can depend on our healthcare and lifestyle businesses to generate stable recurring income, which continues to grow year-on-year. Our underlying NPAT has also improved significantly, and we have achieved a significant NPAT turnaround as a result of better operational results, lower interest rate and successful liability management. Entering 2Q23, we will continue to introduce new products, deliver completed projects on time, and maintain the strong growth of our business across all segments."

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.