

# INVESTOR RELEASE

## FOR IMMEDIATE RELEASE

30 October 2023

### LPKR maintains positive NPAT of IDR 788bn in 9M23, supported by 18% YoY Revenue growth and 41% YoY EBITDA growth

- 3Q23 consolidated revenue and EBITDA were stable with a 2% increase QoQ.
- Real estate segment reported 9M23 marketing sales of IDR 3.36tn, securing 68.5% of FY23 target.
- Healthcare segment continued to improve on its strong performance with 9M23 revenue and EBITDA growing YoY by 19% and 40% respectively, supported by improved revenue intensity and throughput.
- Lifestyle segment maintained stable post-covid recovery with 9M23 revenue increasing by 11% YoY.

**JAKARTA** – PT Lippo Karawaci Tbk ("**LPKR**" or "**Company**"), Indonesia's leading real estate and healthcare platform, released its 9M23 consolidated financial statements today. In 9M23, the Company achieved revenue growth of 18% YoY to IDR 12.4tn, gross profit growth of 22% YoY to IDR 5.6tn, and EBITDA growth of 41% YoY to IDR 3.1tn. Moreover, the Company also reported a turnaround in Underlying NPAT from the negative IDR 803bn in 9M22 to a positive IDR 48bn in 9M23, as well as NPAT turnaround to IDR 788bn.

#### Exhibit 1: LPKR P&L Highlights (9M23 vs 9M22)

| (In IDR bn)                              | 9M23    | 9M22    | Var YoY | %YoY |
|--|---------|---------|---------|------|
| Revenue                                  | 12,435  | 10,544  | 1,891   | 18%  |
| Gross Profit                             | 5,557   | 4,558   | 1,000   | 22%  |
| Opex                                     | (2,468) | (2,371) | (98)    | 4%   |
| EBITDA                                   | 3,089   | 2,187   | 902     | 41%  |
| Underlying NPAT <sup>1</sup>             | 48      | (803)   | 851     | 106% |
| <b>Non-Operational and One-off Items</b> |         |         |         |      |
| PSAK 72 & 73 <sup>2</sup>                | (389)   | (333)   | (56)    | 17%  |
| Unrealized Forex                         | (29)    | (791)   | 762     | 96%  |
| Gain on bond buyback <sup>3</sup>        | 1,158   | -       | 1,158   | -    |
| NPAT                                     | 788     | (1,927) | 2,715   | 141% |

<sup>1</sup> Underlying NPAT includes interest, tax, depreciation, minority interest, and the rental expense equivalent component from the PSAK 73 leasing calculation

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

<sup>3</sup> Gain on bond buyback of IDR 1,158bn consist of net gain on senior notes redemption of IDR 918bn, plus gain on FX of IDR 240bn

The Company maintained stable operational performance in 3Q23 by booking 2% QoQ growth of both Revenue and EBITDA to IDR 4.4tn and IDR 1.1tn respectively. The Company also maintained a positive underlying NPAT of IDR 33bn, despite NPAT being adversely impacted by unrealized FX losses and other non-cash adjustments.

## Exhibit 2: LPKR P&L Highlights (3Q23 vs 2Q23)

| (In IDR bn)                              | 3Q23  | 2Q23  | Var QoQ | %QoQ   |
|--|-------|-------|---------|--------|
| Revenue                                  | 4,359 | 4,261 | 98      | 2%     |
| Gross Profit                             | 2,011 | 1,896 | 115     | 6%     |
| Opex                                     | (892) | (803) | (89)    | 11%    |
| EBITDA                                   | 1,119 | 1,093 | 26      | 2%     |
| Underlying NPAT <sup>1</sup>             | 33    | 147   | (114)   | -78%   |
| <b>Non-Operational and One-off Items</b> |       |       |         |        |
| PSAK 72 & 73 <sup>2</sup>                | (171) | (123) | (48)    | 39%    |
| Unrealized Forex                         | (222) | 38    | (260)   | -689%  |
| Gain on bond buyback                     | (0)   | (50)  | 49      | 99%    |
| NPAT                                     | (361) | 12    | (373)   | -3196% |

<sup>1</sup> Underlying NPAT includes interest, tax, depreciation, minority interest, and the rental expense equivalent component from the PSAK 73 leasing calculation

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

In line with the improvement in business operations during 9M23, the Company's cash from operating activities resulted in positive IDR 662bn, a significant turnaround from -IDR 765bn in 9M22. This was mainly driven by improved business operations and customer collections. Net investing cash flows of -IDR 473bn in 9M23 were mainly from Siloam's acquisition of medical systems to support future growth. On 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. Overall, ending cash in 9M23 remained healthy at IDR 2.3tn, with hold co cash also stable at IDR 1.1tn.

## Exhibit 3: LPKR Cash Flow Highlights (9M23 vs 9M22)

| (In IDR bn)                                   | 9M23  | 9M22    | Var YoY | %YoY  |
|---|-------|---------|---------|-------|
| Cash at beginning                             | 2,626 | 4,888   | (2,263) | -46%  |
| Cash from operating activities                | 662   | (765)   | 1,427   | 186%  |
| Business operations                           | 585   | (11)    | 596     | 5362% |
| Placement for restricted funds                | 77    | (754)   | 831     | 110%  |
| Cash from investing activities                | (473) | (1,170) | 697     | 60%   |
| Investment and property                       | (488) | (891)   | 403     | 45%   |
| Acquisition, divestment, and dividend receipt | 15    | (279)   | 294     | 106%  |
| Cash from financing activities                | (503) | (171)   | (331)   | 193%  |
| Forex impact                                  | (4)   | 12      | (15)    | -130% |
| Cash at end                                   | 2,309 | 2,793   | (485)   | -17%  |

## Real Estate: Maintains stable marketing sales performance, achieving IDR 3.36tn in 9M23, equivalent to 68.5% of FY23 target; handovers for previous launches remain on track

The Real Estate segment's 9M23 revenue improved by 18% YoY to IDR 3.3tn, driven by timely handovers of previous years' product launches, several land plot sales including in Manyar and Kemang, and big-ticket sales of cemetery plots in San Diego Hills.

## Exhibit 4: Real Estate P&L Highlights (9M23 vs 9M22)

| (In IDR bn)  | 9M23  | 9M22  | Var YoY | %YoY |
|--------------|-------|-------|---------|------|
| Revenue      | 3,279 | 2,790 | 489     | 18%  |
| Gross Profit | 1,493 | 1,285 | 207     | 16%  |
| Opex         | (787) | (865) | 77      | -9%  |
| EBITDA       | 705   | 421   | 285     | 68%  |

**Exhibit 5: Real Estate P&L Highlights (3Q23 vs 2Q23)**

| <i>(In IDR bn)</i> | 3Q23  | 2Q23  | Var QoQ | %QoQ |
|--------------------|-------|-------|---------|------|
| Revenue            | 1,095 | 1,319 | (224)   | -17% |
| Gross Profit       | 515   | 606   | (91)    | -15% |
| Opex               | (283) | (277) | (6)     | 2%   |
| EBITDA             | 232   | 329   | (97)    | -30% |

LPKR has secured IDR 3.36tn in 9M23 marketing sales, achieving 68.5% of its FY23 target. Sales of landed housing such as the Cendana Homes series continued to be the primary driver, accounting for 49% of the total marketing sales. Commercial products were the second biggest contributor, accounting for 12% of the total, which were supported by several new shophouse product launches within this category, such as the “The Hive” series. Going into 4Q23, the Company expects to achieve its FY23 marketing sales target based on the pipeline of product launches planned for the coming months.

**Healthcare: Siloam continues delivering growth in revenue and profitability, supported by strong operational performance**

The Company’s healthcare business is anchored by its subsidiary, PT Siloam International Hospitals Tbk (“Siloam”). Siloam delivered a record quarter in 3Q23 by booking 13% QoQ revenue growth to IDR 3.0tn and 22% QoQ EBITDA growth to IDR 830bn.

**Exhibit 6: Healthcare P&L Highlights (3Q23 vs 2Q23)**

| <i>(In IDR bn)</i> | 3Q23  | 2Q23  | Var QoQ | %QoQ |
|--------------------|-------|-------|---------|------|
| Revenue            | 2,964 | 2,628 | 336     | 13%  |
| Gross Profit       | 1,296 | 1,067 | 229     | 21%  |
| Opex               | (465) | (385) | (80)    | 21%  |
| EBITDA             | 830   | 681   | 149     | 22%  |

Due to its consistent financial growth across the first 3 quarters in 2023, Siloam successfully delivered a significant YoY increase in revenue and EBITDA in 9M23, including revenue increase of 19% YoY to IDR 8.2tn and 40% YoY increase in EBITDA to IDR 2.2tn. 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 7: Healthcare P&L Highlights (9M23 vs 9M22)**

| <i>(In IDR bn)</i> | 9M23    | 9M22    | Var YoY | %YoY |
|--------------------|---------|---------|---------|------|
| Revenue            | 8,246   | 6,931   | 1,314   | 19%  |
| Gross Profit       | 3,445   | 2,699   | 746     | 28%  |
| Opex               | (1,260) | (1,139) | (122)   | 11%  |
| EBITDA             | 2,185   | 1,561   | 624     | 40%  |

Siloam also experienced sustained growth in its key operational metrics, including a 29% YoY increase of inpatient admissions to 223,191, 19% YoY increase in inpatient days to 696,966, and 28% YoY increase in outpatient visits to 2,882,867.

Patient volume growth was also boosted by Siloam’s high complexity clinical programs such as Cardiology and Cardio-Surgery, Oncology and Onco-Surgery, Neurology and Neuro-Surgery, Gastroenterology, and Orthopedic Surgery (CONGO), which have created strong brand differentiation for Siloam; as well as Siloam’s digital patient channels that have provided more

seamless and comfortable patient experience. As of 9M23, Siloam's digital channels, which include Live Chats, WhatsApp, and tele-chat features from MySiloam App have shown significant growth and recorded more than 500 thousand outpatient bookings, which contributed to around 21% of total outpatient visits in 9M23.

### Exhibit 8: Healthcare Operational Metrics Highlights

| Key operational metrics | 9M23      | 9M22      | %YoY | 3Q23      | 2Q23    | %QoQ |
|-------------------------|-----------|-----------|------|-----------|---------|------|
| Inpatient Admissions    | 223,191   | 172,847   | 29%  | 80,230    | 71,645  | 12%  |
| Inpatient Days          | 696,966   | 587,617   | 19%  | 245,438   | 226,204 | 9%   |
| Outpatient Visits       | 2,882,867 | 2,254,482 | 28%  | 1,047,201 | 910,407 | 15%  |

### Lifestyle: Malls and hotels maintain stable financial and operational performance

The Company's lifestyle segment, which primarily consists of its mall and hotel businesses, maintained stable financial performance in 9M23 by booking 11% YoY revenue growth to IDR 911bn. Gross profit also increased by 8% YoY to IDR 620bn, and EBITDA remained stable at IDR 199bn.

### Exhibit 9: Lifestyle P&L Highlights (9M23 vs 9M22)

| (In IDR bn)  | 9M23  | 9M22  | Var YoY | %YoY |
|--------------|-------|-------|---------|------|
| Revenue      | 911   | 822   | 88      | 11%  |
| Gross Profit | 620   | 573   | 46      | 8%   |
| Opex         | (421) | (367) | (54)    | 15%  |
| EBITDA       | 199   | 206   | (7)     | -3%  |

Although the revenue and EBITDA in 3Q23 were lower compared to 2Q23, this can be attributed to the typically higher visitor footfall during the Lebaran and summer holiday season in 2Q23.

### Exhibit 10: Lifestyle P&L Highlights (3Q23 vs 2Q23)

| (In IDR bn)  | 3Q23  | 2Q23  | Var QoQ | %QoQ |
|--------------|-------|-------|---------|------|
| Revenue      | 301   | 314   | (14)    | -4%  |
| Gross Profit | 201   | 223   | (22)    | -10% |
| Opex         | (144) | (140) | (4)     | 3%   |
| EBITDA       | 57    | 83    | (26)    | -31% |

Both the mall and hotel businesses have shown improvements in their operational performance in 9M23 compared to 9M22, a sign of stable post-pandemic recovery. The average hotel room rate in 9M23 increased by 13% YoY to IDR 573k, while the average occupancy rate increased by 4% YoY to 66% in 9M23. The average mall's footfall traffic also increased by 9% YoY to 69% in 9M23.

### Exhibit 11: Lifestyle Operational Highlights

| Key operational metrics               | 9M23    | 9M22    | %YoY | 3Q23    | 2Q23    | %QoQ |
|---------------------------------------|---------|---------|------|---------|---------|------|
| <b>Hotels</b>                         |         |         |      |         |         |      |
| Average room rate (in IDR)            | 572,744 | 507,320 | 13%  | 594,188 | 564,916 | 5%   |
| Average occupancy rate                | 66%     | 64%     | 4%   | 69%     | 66%     | 5%   |
| <b>Malls</b>                          |         |         |      |         |         |      |
| Average footfall traffic <sup>1</sup> | 69%     | 63%     | 9%   | 68%     | 74%     | -8%  |

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

## **Recent Events:**

- On 28 October 2023, LPKR launched Park Serpong, a new township with 400 ha of land for development. Park Serpong offers a range of products from Cendana Homes series to the new “XYZ” series to target young generation buyers.

CEO of LPKR, John Riady stated, “Our 9M23 financial results reflects stable and sustained financial and operational performance across all business segments. As we head into the final quarter this year, we are committed to 1) achieving our FY23 marketing sales target through a number of new product launches, including at our latest township Park Serpong; 2) sustaining another exceptional year of growth for our healthcare segment; and 3) accelerating the post-covid recovery of our lifestyle businesses.”

## **About Lippo Karawaci (“LPKR”) ([www.lippokarawaci.co.id](http://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.