



**PT Lippo Karawaci Tbk**

1H22 Corporate Presentation  
August 30, 2022

## Forward looking statements

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.

## INTRODUCTION AND BACKGROUND





# Brief Introduction to Lippo Karawaci

To be a **leading real estate and healthcare company** in Asia, committed to **advancing the well-being** of those we serve.

- Customer Focus
- Excellence
- Agility
- Stewardship



- To win the hearts and minds of our customers through quality homes, healthcare and lifestyle offerings, as well as people-centric services
- To build a talent-driven organization that prides itself on operational excellence and bringing out the best in our people
- To embrace innovation and technology in the constant pursuit of developing better products and processes
- To inspire our customers, communities and partners towards a more sustainable future

# Key Investment Highlights

1

Large landbank and strong growth in marketing sales that is expected to remain elevated in coming years, generating positive cashflow

2

Controlling stake in the largest hospital operator in Indonesia with over 41 hospitals across 30 cities delivering clinical excellence and access to healthcare

3

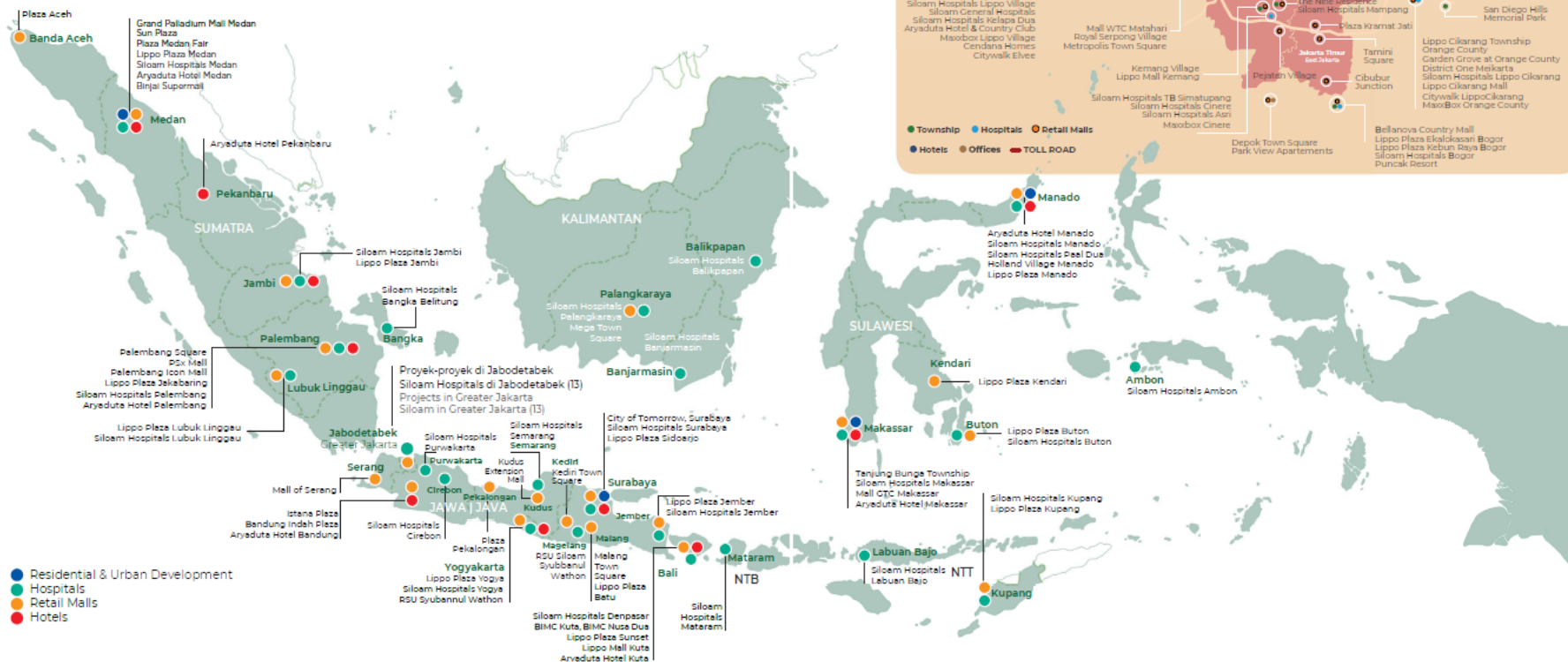
Hotels, malls and ancillary business assets that are profitable and supplement the main business by providing regular dividend income



\*Size of circle represents revenue contribution of each segment for 1H22

# Business Operational Area

As of 30 June 2022



## Townships

Lippo Village: 328 ha landbank  
Lippo Cikarang: 611 ha landbank  
Tanjung Bunga: 254 ha landbank

## Superblock

Kemang Village, St Moritz Puri, Holland Village

## Hospitals

Total hospitals: 41  
Locations: 30 cities  
Doctors: 3,445  
Nurses & Medical Professionals: 7,807

## Malls

Total managed malls: 59  
Locations: 32 cities  
GFA: 3.5 million m2  
NLA: 1.4 million m2  
Annual visitors: 123 millions

## 1H22 EXECUTIVE SUMMARY



# Executive Summary

Stable 1H22 LPKR revenue posted at IDR 6.81tn.

## SEGMENT 1: REAL ESTATE

1H22 marketing sales of IDR 2.48tn with total 3,047 unit sold, made up 47.8% of the FY target of IDR 5.2tn.

Successfully launched series of **Cendana Homes** clusters (Clov'r, Marq, Nest and Gard'n) with strong take up rate over 95%

Maintained FY22 marketing sales target of IDR 5.2tn, but cautioned on risk of **increasingly challenging macro factors**

## SEGMENT 2: HEALTHCARE

Revenue and EBITDA was consistent at IDR 4.4tn (GOR) and IDR 0.78tn, respectively. NPAT showed positive performance at IDR 0.27tn.

In and out-patient volume saw recovery compared to last year, with **+23% improvement**.

Switching to an environment where there is little to no Covid related revenue

## SEGMENT 3: LIFESTYLE

Malls and Hotels posted revenue of IDR 171bn & IDR 158bn; along with EBITDA of IDR 43bn and IDR 53bn, respectively. Showing **steady recovery** post pandemic.

Footfall traffic in Malls has increased to an average of 68% in 2Q22 compared to 57% in 1Q22 driven by Lebaran festive season.

Occupancy rate in Hotels gradually improved to average 68% in 2Q22, recovery to be in line with target of pre-Covid average occupancy at 69%. Average room rate also rebounded to IDR 500mn.



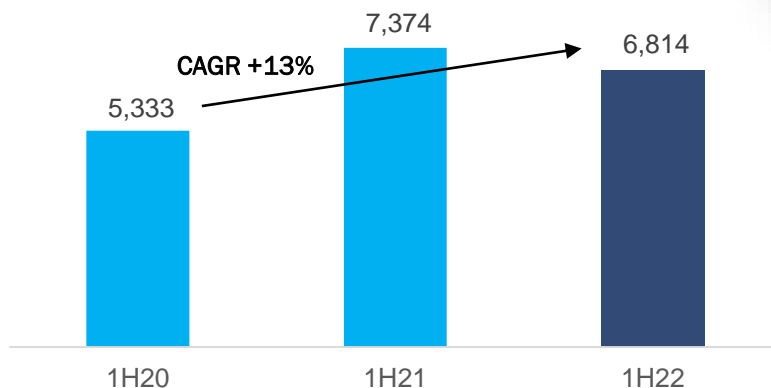
## FINANCIAL UPDATE



# Stable Financial Improvement with Exceptional Covid Gain for Healthcare in 2021

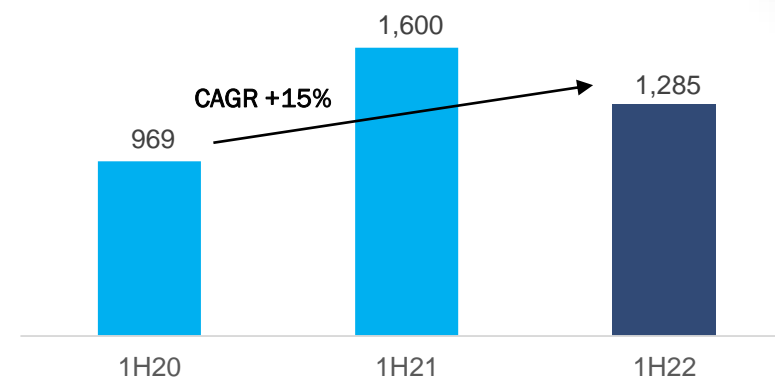
## Revenue

(in IDR bn)



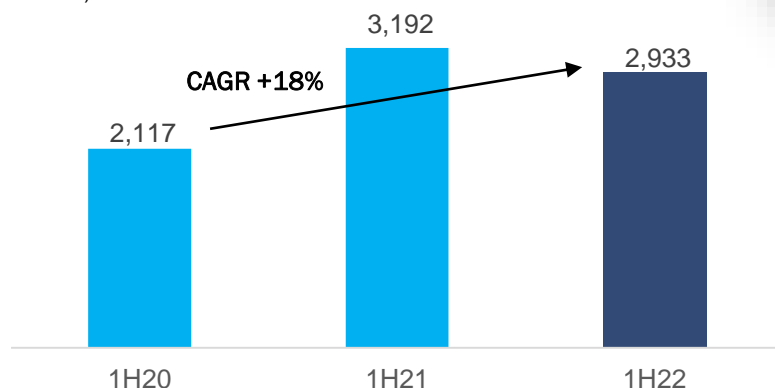
## EBITDA

(in IDR bn)



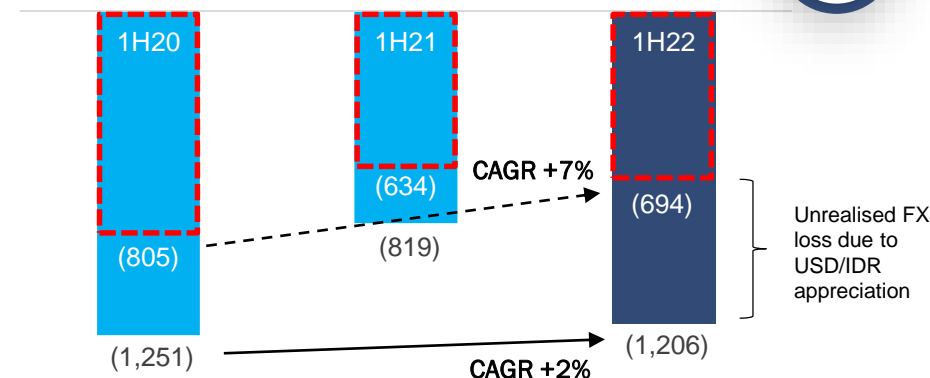
## Gross Profit

(in IDR bn)



## NPAT

(in IDR bn)



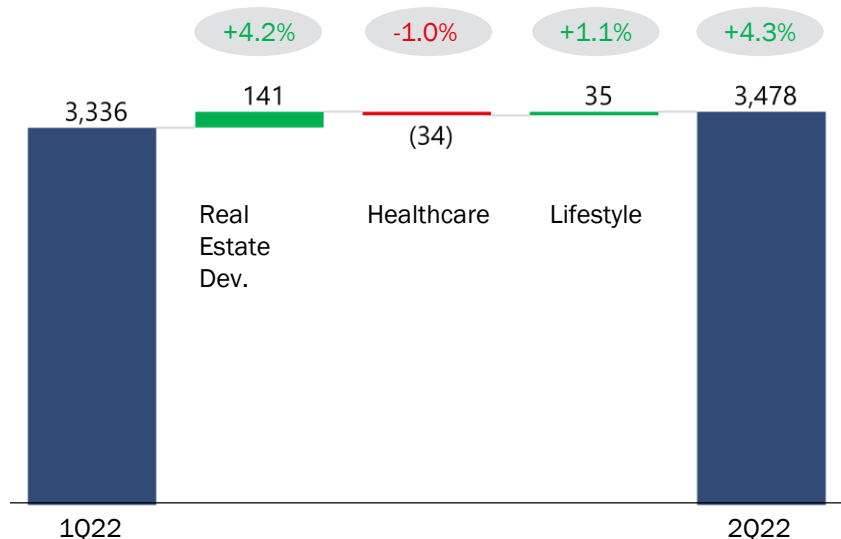
\*1H21 normalized to exclude LMIRT consolidation

  NPAT excl. forex loss

# Stable Quarter on Quarter Improvement

## Revenue

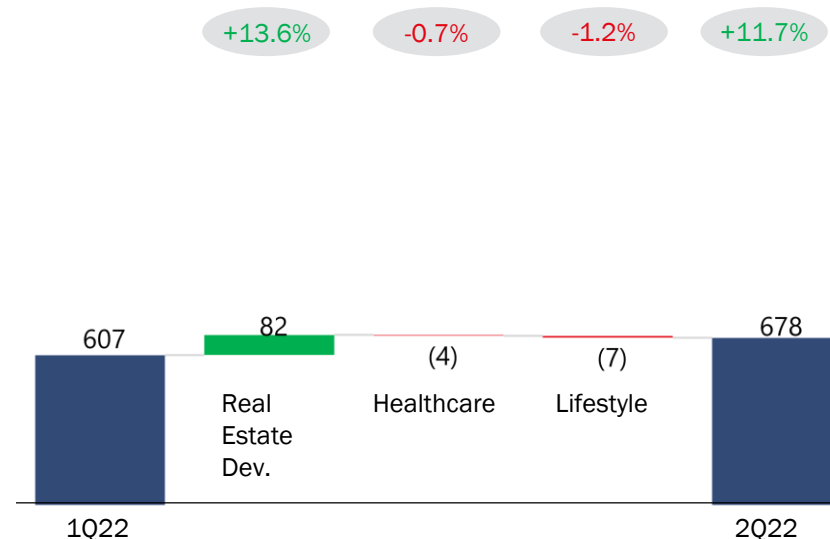
(in IDR Bn)



- 2Q22 saw consolidated revenues increased by 4.3% QoQ as a result of **accelerated project handover** and **land plots sales**, moreover the lifestyle business was also contributing an increase to the overall revenue.
- Going into 3Q22, consolidated top line will be supported by 1) handover of completed landed residential project in various Cendana clusters; and 2) full hospital mobilization as the nation move towards post Covid environment.

## EBITDA

(in IDR Bn)



- **EBITDA in 2Q22 increased by 11.7% QoQ** to IDR 678bn from IDR 607bn last quarter, mainly contributed by the real estate business whilst other segments maintained their performance.
- On QoQ basis, Lippo Karawaci saw improved performance with Revenue growing by 4.3%, Gross Profit increased by 4.7% and EBITDA improved by 11.7%

○ = % increase/decrease from 1Q22 figure

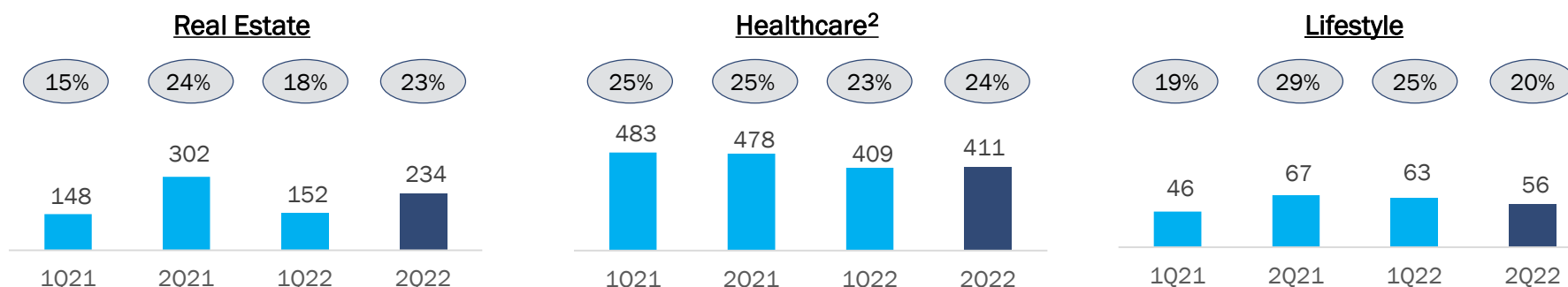
# QoQ Underlying NPAT Improved by IDR 115bn Whilst NPAT for the Same Period Decreased by IDR 70bn Due Largely to Unrealised FX Losses

In IDR bn	2Q22	1Q22	QoQ		1H22	1H21 <sup>1</sup>	YoY	
			Rp	%			Rp	%
EBITDA	678	607	71	11.7%	1,285	1,600	(315)	-19.7%
<i>EBITDA margin</i>	19.5%	18.2%			18.9%	21.7%		
Interests	(246)	(250)	4	-1.6%	(497)	(557)	60	-10.8%
Tax	(103)	(119)	16	-13.2%	(222)	(408)	186	-45.5%
Others*	(496)	(520)	25	-4.8%	(1,016)	(1,055)	40	-3.8%
<b>Underlying NPAT</b>	<b>(168)</b>	<b>(283)</b>	<b>115</b>	<b>40.8%</b>	<b>(450)</b>	<b>(420)</b>	<b>(29)</b>	<b>-7.0%</b>
<i>Underlying NPAT margin</i>	-4.8%	-8.5%			-6.6%	-5.7%		
Other non-cash adjustments:								
PSAK 72 & 73**	(128)	(116)	(11)	9.7%	(244)	(215)	(28)	13.2%
<b>Unrealized forex loss</b>	<b>(344)</b>	<b>(169)</b>	<b>(176)</b>	<b>104.2%</b>	<b>(513)</b>	<b>(184)</b>	<b>(328)</b>	<b>178.0%</b>
<b>NPAT</b>	<b>(638)</b>	<b>(568)</b>	<b>(70)</b>	<b>-12.3%</b>	<b>(1,206)</b>	<b>(819)</b>	<b>(387)</b>	<b>-47.2%</b>
<i>NPAT margin</i>	-18.4%	-17.0%			-17.7%	-11.1%		

\* Others mainly consist of 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)

## EBITDA by segment (in IDR bn)



  Main factor of decrease in NPAT growth

  = EBITDA margin

<sup>1</sup> Normalized: Excluding LMIRT in 1H21

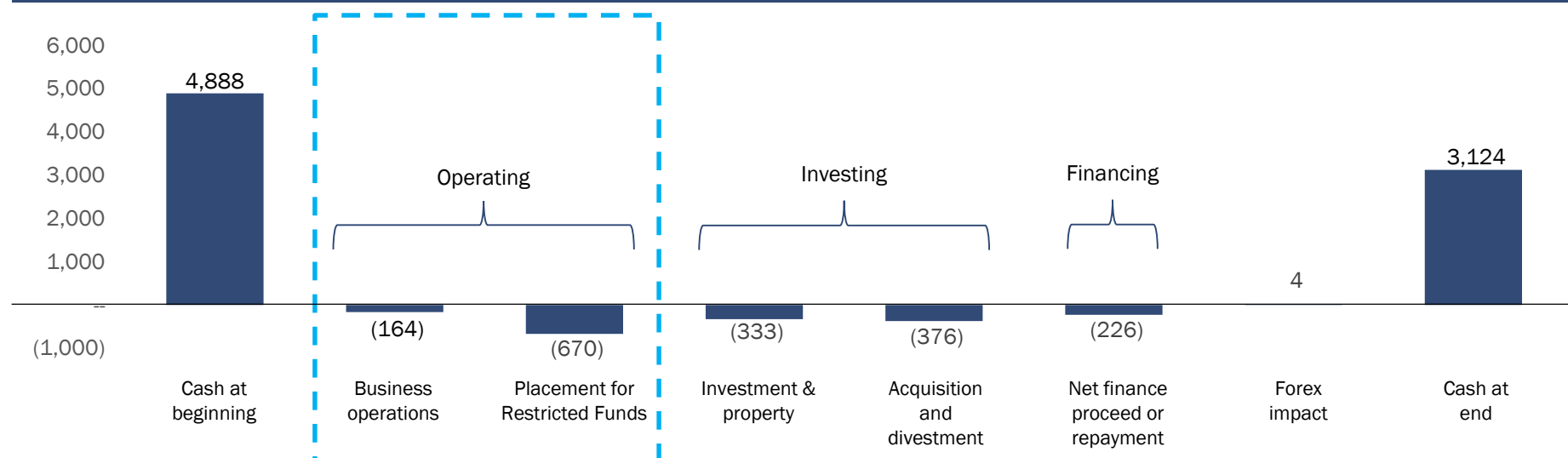
<sup>2</sup> Referring to non-specialist revenue



# CF from Business Operations Improved by c. IDR 1tn Driven by Improved Collections from Customers and Successful Management of Operating Costs

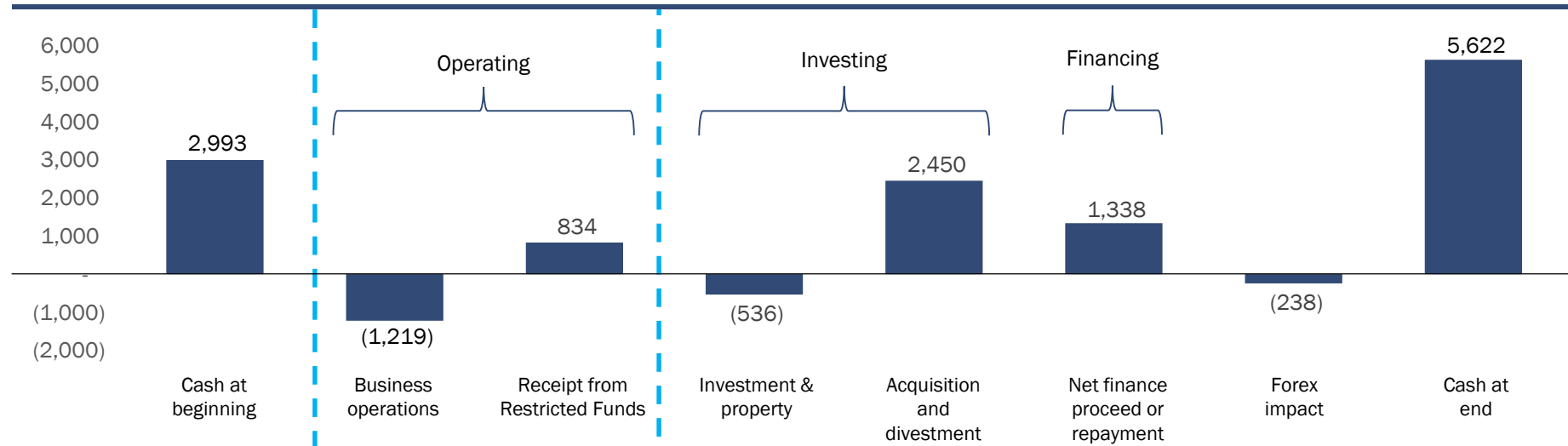
Cashflow movement (Jun 2022)

(in IDR bn)



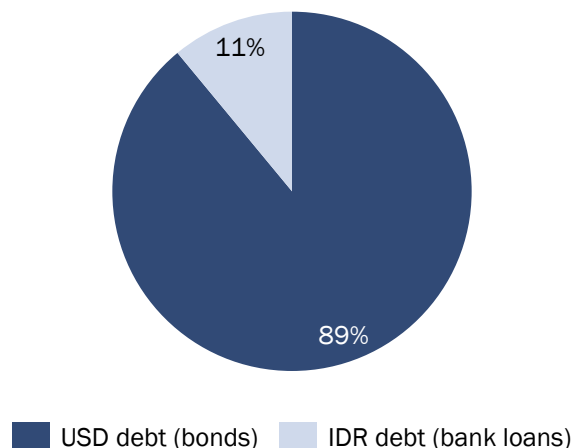
Cashflow movement (Jun 2021)

(in IDR bn)



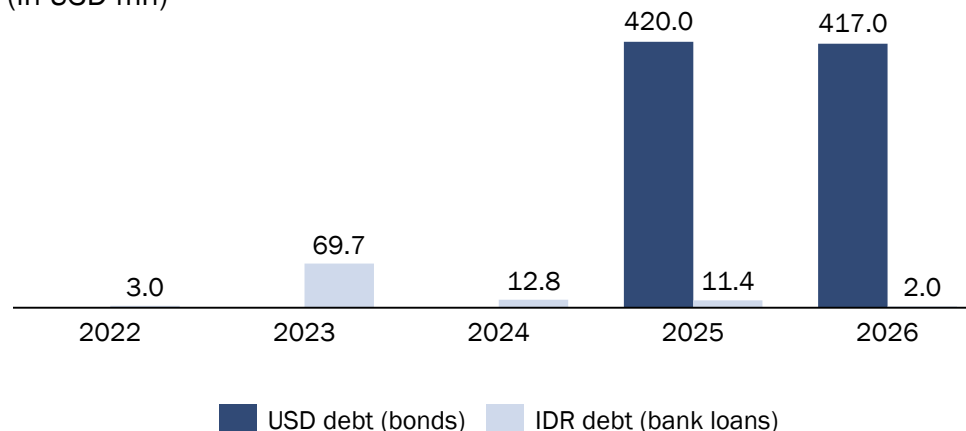
# Debt and USD/IDR Hedging

## Debt breakdown



## Debt maturity Profile

(in USD mn)

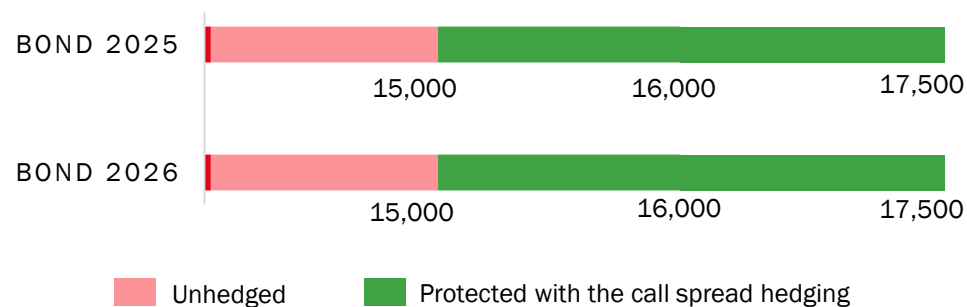


## Historical Net Debt<sup>1</sup>

(In IDR bn)



## Currency Protection with Call Spread Options



- Lippo Karawaci hedged 100% of 2025 and 2026 principal at 15,000-17,500, and 100% 2026 interest at IDR 13,300 – 15,500.

<sup>1</sup>Total debt excludes financial lease

## SEGMENT 1: REAL ESTATE OVERVIEW



# Real Estate Business Key Metrics

Excluding one-off land plot sales, **1H22 marketing sales** saw a **YoY decline of 6.4%**

Rp2.18tn in 1H22 vs Rp2.33tn in 1H21

Stable demand of **first-home owners** segment contributed **64.3%** to total marketing sales in 1H22.

Revenue increased by **16.3%** To **IDR 1,006bn** in 2Q22 Vs 1Q22

EBITDA increased by **54.3%** To **IDR 234bn** in 2Q22 Vs 1Q22

LPKR is making plans for mid-rise projects to drive future marketing sales



# Business Highlights

Strong take-up rate of over 95% with launch of several new clusters in Cendana series during 2Q22

## April 2022

Launching Cendana Marq, Nest and Clov'r @ Lippo Karawaci



## 1H 2022 Marketing Sales (Units Sold)

Successful launching of several clusters in 1H22, showing strong demand in residential



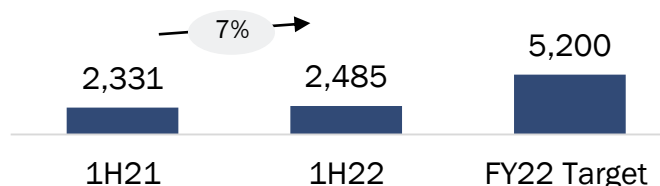
## June 2022

Launching Cendana Gard'n & Gard'n Avenue @ Lippo Karawaci



## 1H 2022 Marketing Sales (IDR bn)

1H22 Marketing Sales increased by 7% YoY to IDR 2,485bn, on track for FY22 Target



# Marketing Sales Progress

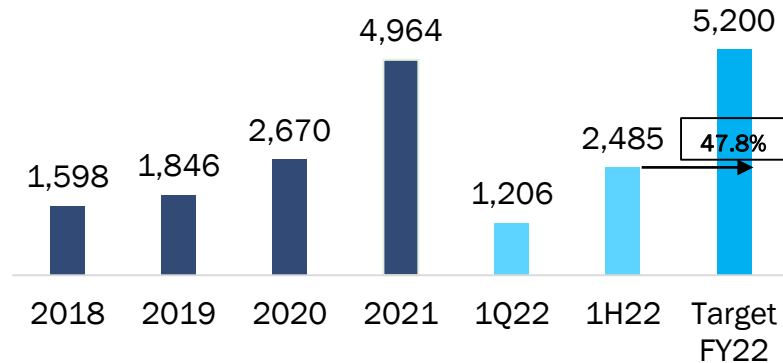
Project	Location	FY22 Marketing Sales Target (RpBn)	1H22 Marketing Sales (RpBn)	1H22 Units sold
<b>Holdco</b>		<b>3,750</b>	<b>1,865</b>	<b>2,573</b>
Lippo Village	West Greater Jakarta	1,875	1,084	1,205
Holland Village Manado	Manado, North Sulawesi	5	34	32
Tanjung Bunga	Makassar, South Sulawesi	350	178	255
San Diego Hills	Karawang, West Java	250	126	979
Kemang Village	South Jakarta	120	-	-
Hillcrest & Fairview (LV)	West Greater Jakarta	250	44	18
St. Moritz	West Jakarta	-	8	2
Holland Village Jakarta	North East Jakarta	250	49	16
Embarcadero Suites	West Greater Jakarta	150	37	62
Land Plot	Various Locations	500	304	3
<b>Lippo Cikarang</b>		<b>1,450</b>	<b>641</b>	<b>474</b>
Residential	East Greater Jakarta	25	45	36
Waterfront	East Greater Jakarta	700	361	348
Commercial	East Greater Jakarta	75	66	35
Industrial	East Greater Jakarta	650	149	55
<b>Total</b>		<b>5,200</b>	<b>2,485</b>	<b>3,047</b>

## Key Takeaways

- LPKR recorded Rp1.28tn of marketing sales in 2Q22, contributing to Rp 2.48tn of marketing sales for 1H22. This is in line with Management's guidance of Rp 5.2tn for FY22.
- In 2Q22, LPKR saw strong take-up rate of over 95% with launch of several new clusters in Cendana series: Cendana Clov'r, Cendana Marq, Cendana Nest and Cendana Gard'n.
- To achieve Rp5.2tn in FY22 marketing sales, Management plans to continue to launch additional clusters of landed residential products for first-home owners and luxury segments, upcoming launches of a new mid-rise project, and sustained sales of existing high-rise inventory.

# 1H22 is Continuing Sales Growth from 1Q22 Showing Robust Demand from Younger Segment Buyers

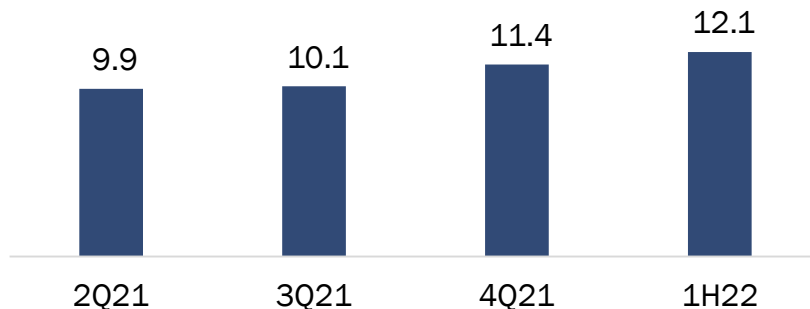
## 1H22 Marketing Sales Is to Continue Growth in 2022



1H22 marketing sales drivers: 1) strong take up rates in Cendana series launching, 2) launches of residentials in Lippo Cikarang and 3) sales of industrial land plot

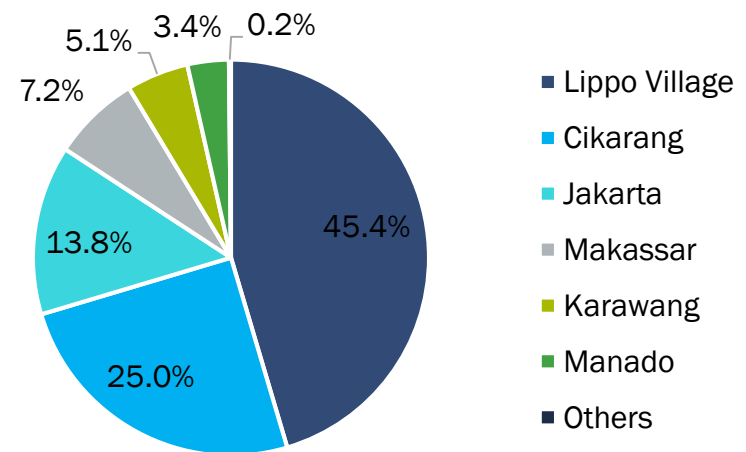
## ASP of Landed House Product\*

(in IDR m)

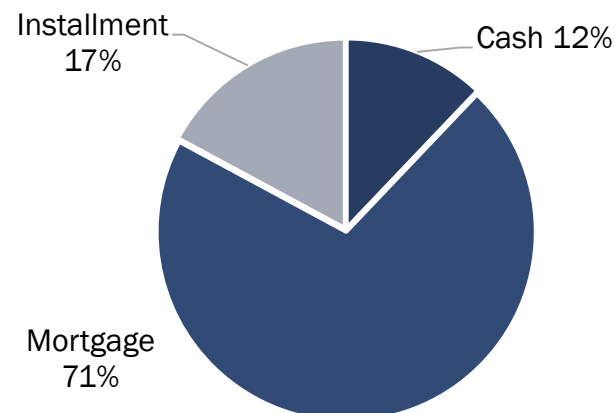


\*ASP from Cendana Homes Product

## Greater Jakarta is the main contributor to sales in 1H22



## Payment Profile



# Marketing Sales Momentum in Last 3 Years and Land Bank in Key Growth Centers Provide Strong Foundation for Future Growth

## Marketing Sales

- Strong marketing sales driven by diversified portfolio of products and geographic reach
- Also driven by strong product innovation i.e., San Diego Hills, or more recently, Waterfront Estates in Cikarang and Cendana Homes in Karawaci).
- 2019 legacy projects have been 100% completed, and sales are gaining momentum.

## Marketing Sales by Location

(In IDR bn)

Location	1H22	1H21	Change %
Lippo Village	1,128	1,170	-4%
Cikarang	620	626	-1%
Jakarta	344	140	145%
Makassar	178	127	40%
Karawang	126	161	-22%
Manado	84	107	-22%
Others	4	-	0%
<b>Total</b>	<b>2,485</b>	<b>2,331</b>	<b>7%</b>

## Land Bank

- ~1,000 hectares of land bank in Karawaci and Cikarang translate to roughly Rp155tn in gross development value.
- At our current run-rate, this translates to 25+ years of remaining land bank.

## Land Bank by Location

	Ownership (%)	Land Area (ha)	Market Value (USD mn)
<b>Lippo Village</b>	100%	328	1,271
<b>Lippo Cikarang</b>	84%	611	1,710
<b>Tanjung Bunga</b>	62.7%	254	71
<b>San Diego Hills</b>	100%	35	453
<b>Outside Lippo Village</b>	98%	104	565
- Puncak	100%	29	81
- Sentul	100%	19	53
- Holland Village Manado	100%	8	18
- Prapanca	70%	7	144
- Kemang	100%	7	140
- St. Moritz	100%	3	51
- Others	100%	32	79
<b>Total</b>		<b>1,332</b>	<b>4,070</b>

Note:

Reported landbank in Lippo Village area excludes gold area amounting to 63.4ha valued at \$770mn. All values as of 31 Dec 2021 and in US\$ using the average exchange rate between 30 Sep 2021 and 31 Dec 2021 US\$1=Rp14,289



## SEGMENT 2: HEALTHCARE OVERVIEW



# Consistent Post Covid Revenue Growth

Revenue\* lower by

**4%**

in 2Q22 vs 1Q22 and  
increased by

**17%**

in 2Q22 vs 1Q20  
to

**IDR 1.7tn**

EBITDA increased by

**0.5%**

in 2Q22 vs 1Q22 and  
higher by

**35%**

in 2Q22 vs 1Q20  
to

**IDR 411bn**

EBITDA Margin stable at

**24.4%**

in 2Q22

Net Profit Margin at

**6.6%**

in 2Q22

Operational Cash Flow at

**IDR583bn**

and

Net Cash Position of

**IDR1.28tn**

in 1H22

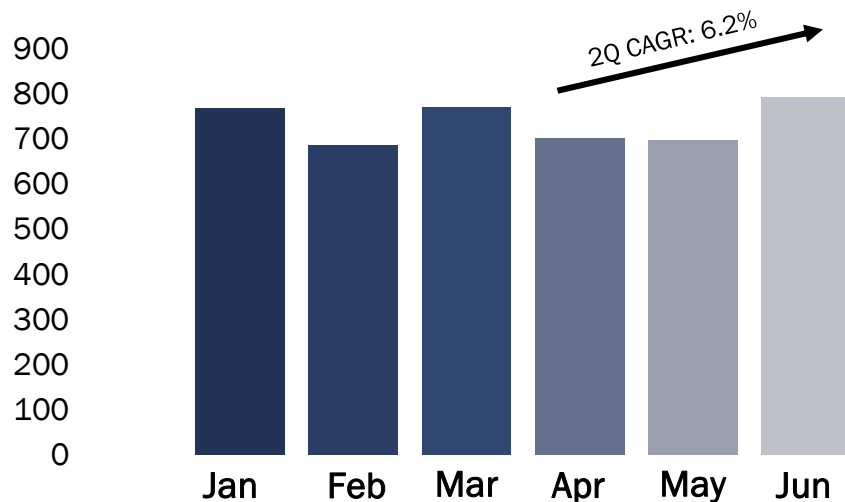
*\*Revenue refers to 'Non-Specialist Revenue' in Statutory Report*

Compared to last quarter, Revenue and EBITDA were stable, despite almost no COVID cases and Lebaran season.

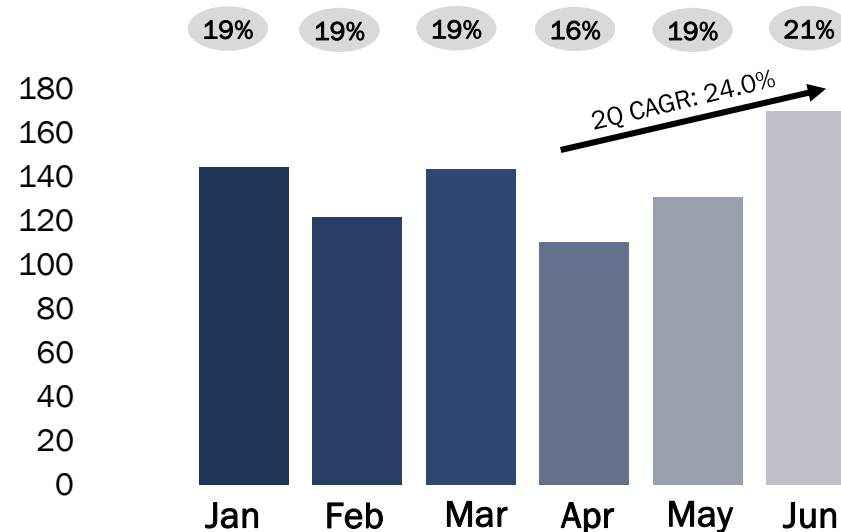
To give better perspective, if compared to 1Q 2020 when there was no COVID, Revenue and EBITDA were significantly higher by 17% and 35%, respectively. This shows positive signs of recovery.

# Strong recovery in post Lebaran performance

2022 Monthly Revenue\* (in IDR bn)



2022 Monthly EBITDA\* (in IDR bn)

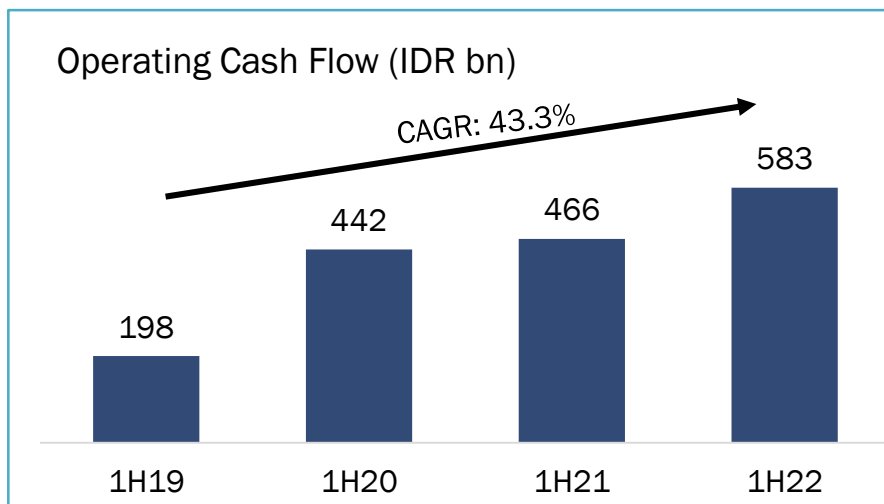
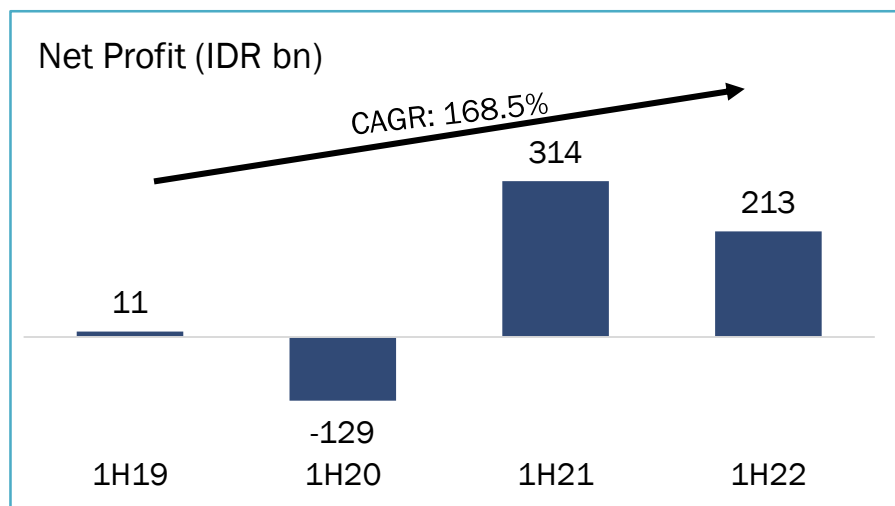
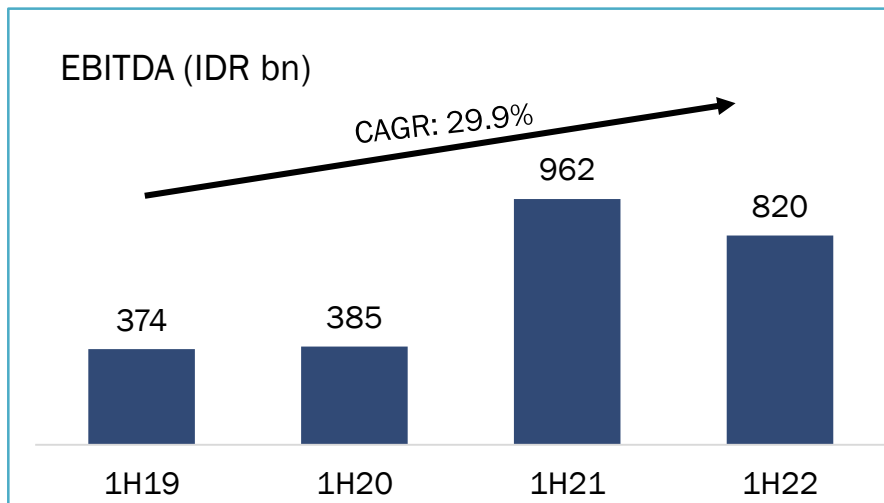
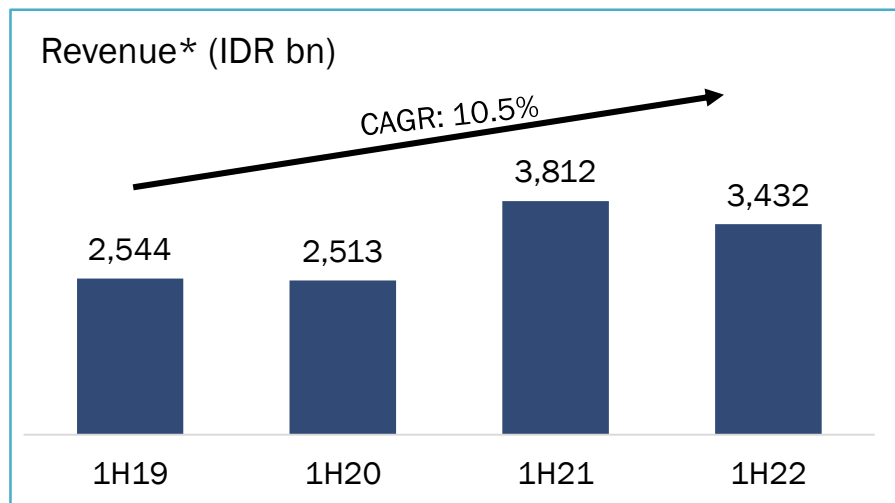


\*Revenue referring to Non-Specialist + Specialist

\*EBITDA with new accounting regulations

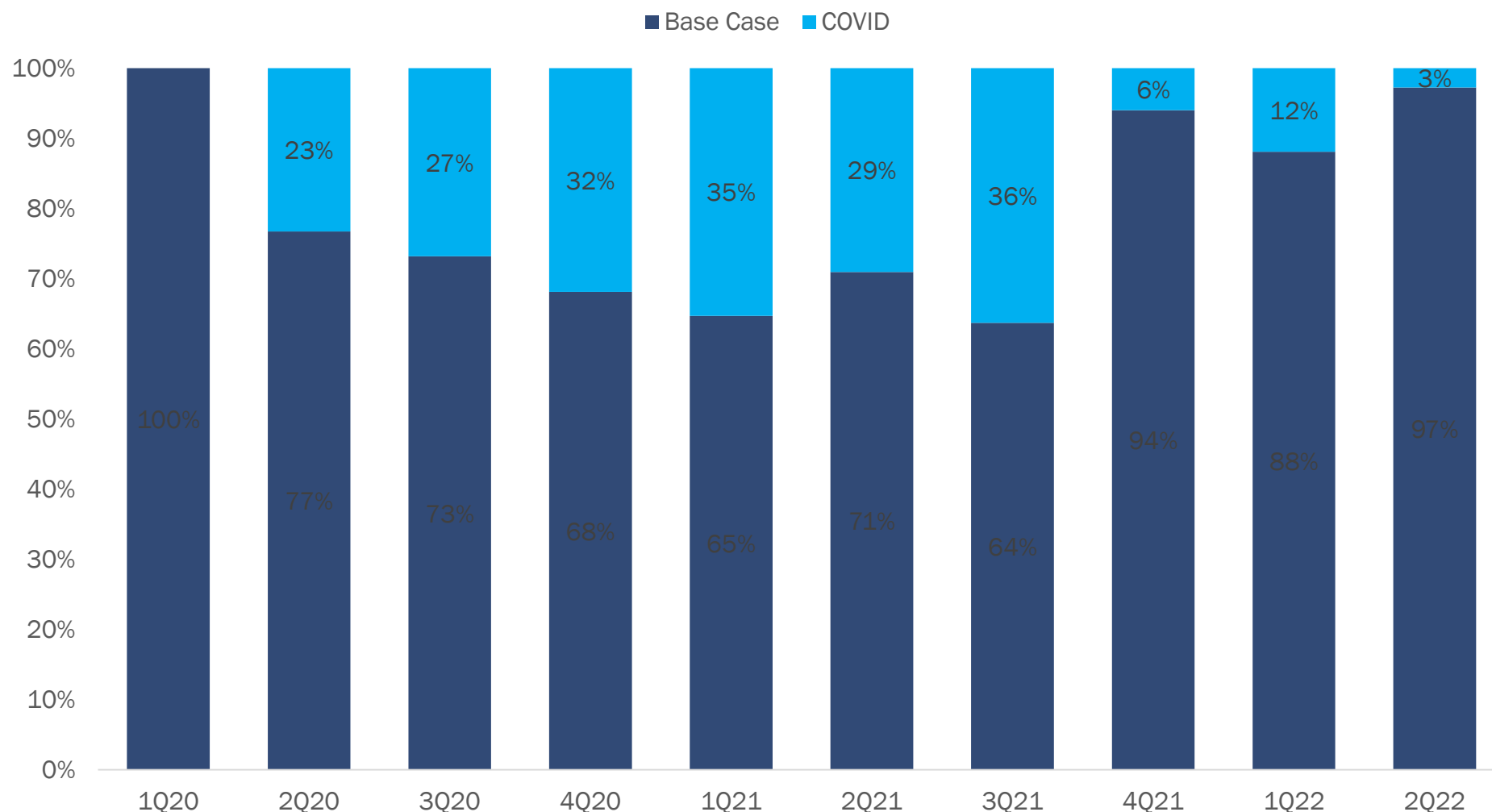
Siloam is on a strong trajectory to recovery. We've recorded a Revenue CAGR for April-June at 6.2% and EBITDA CAGR for April-June at 24%. This was achieved despite almost no COVID revenue and during Ramadhan season in 2Q.

# Strong growth trajectory on all financial metrics





# Revenue growth supported by non-Covid



\*Revenue referring to Gross Revenue

\*COVID Revenue including Testing, Treatment and Vaccine

# Siloam ASRI – Kidney Transplantation Centre



2017

**20 July 2017**

First kidney transplant procedure

2021

**12 March 2021**

Successfully conducted the 100<sup>th</sup> kidney transplant procedure

2022

**4 February 2022**

Successfully conducted the 150<sup>th</sup> kidney transplant procedure

**23 March 2022**

Visitation from Ministry of Health and National Transplantation Committee to acquire certificate of recommendation for kidney transplant procedure

**5 July 2022**

Siloam ASRI became the first private hospital to receive certificate of recommendation and supporting license for kidney transplant procedure



# Managed Service Model



Siloam opened its first hospital under its new managed service business line in April 2022.

Via this business line an external investor uses their own capital to build and fit out the hospital and once built, Siloam manages the hospital. We then leverage our brand and integrate our billing systems along with our centralized hospital information systems to manage the hospital.

Through this business model, Siloam can establish new hospitals without taking on any investment risk and then generate a new income stream by taking a % of revenue from the hospital. This business line will provide Siloam with low-risk opportunities for expansion whilst generating stable revenue streams.

## SEGMENT 3: LIFESTYLE OVERVIEW





# Business Highlights - Lifestyle

Recovery in mall visitors and hotel occupancy rate due to loosening restriction on community activities

## Malls

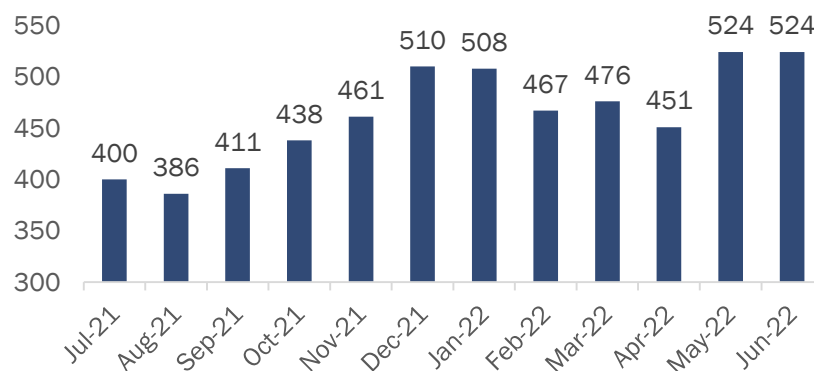
- Improved malls footfall due to minimum activity restriction during peak season, 100% capacity in cinema, ability to operate 12 hours per day and children able to enter mall.
- Ongoing asset enhancement: Gajah Mada Plaza (Jakarta) and Plasa Semanggi (Jakarta)



Asset Enhancement: Gajah Mada Plaza

## Hotels

- Average room rate rebounded to average of IDR 500k in 2Q22 with occupancy of average 68% in 2Q22.
- Implementation of Aryaduta Loyalty Program to maintain loyal customers
- Awards: Agoda's Customer Review Award 2022 & TripAdvisor Travelers' Choice Award 2022



Average Room Rate (in 000)

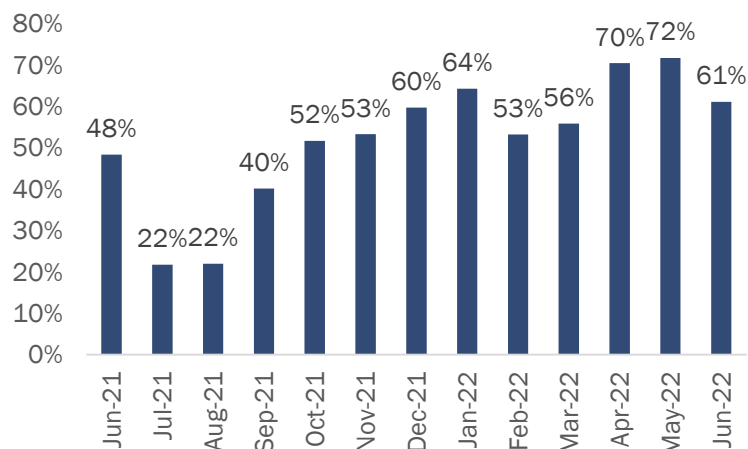


# Malls and Hotels see Recovery Post Covid Lockdowns

## Malls

- 1H22 revenue of IDR 171bn and EBITDA of IDR 43bn showed steady recovery in line with improved Malls traffic.
- Footfall traffic has increased to an average of 68% in 2Q22 compared to 57% in 1Q22; positive impact from Lebaran festive month and loosening restriction towards community activities
- Targeting full recovery by early 2023

## Malls visitors as % of average 2019 visitors

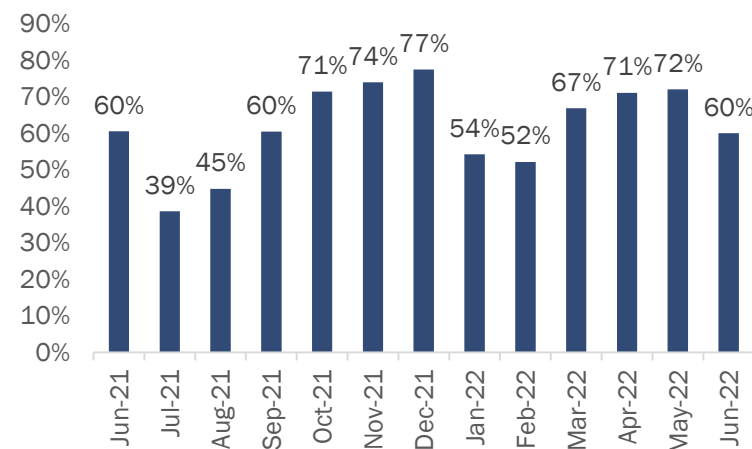


Malls traffic is based on LMIR malls, which is representative of overall malls portfolio

## Hospitality – Aryaduta Hotels

- 1H22 revenue of IDR 158bn and EBITDA of IDR 53bn as occupancy continue to improve with looser travel restrictions.
- Occupancy rate in 2Q22 has rebounded to average 68%, showing recovery after Omicron case surged in 1Q21.
- The uptrend is supported by the reopening of Aryaduta Bali, increase in both business and leisure travelers across Indonesia.

## Hotel Occupancy



Hotel occupancy is based on 10 hotels managed by Aryaduta

# SUSTAINABILITY



# SUSTAINABILITY

## ESG Commitment

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- Fully committed to integrating sustainability in business strategy and operations, to create long-term value for all stakeholders in ecosystem
- ESG strategy & performance driven by CEO-chaired ESG Committee, supported by Head of Sustainability and Group-wide ESG function
- Published inaugural consolidated Sustainability Report for 2021

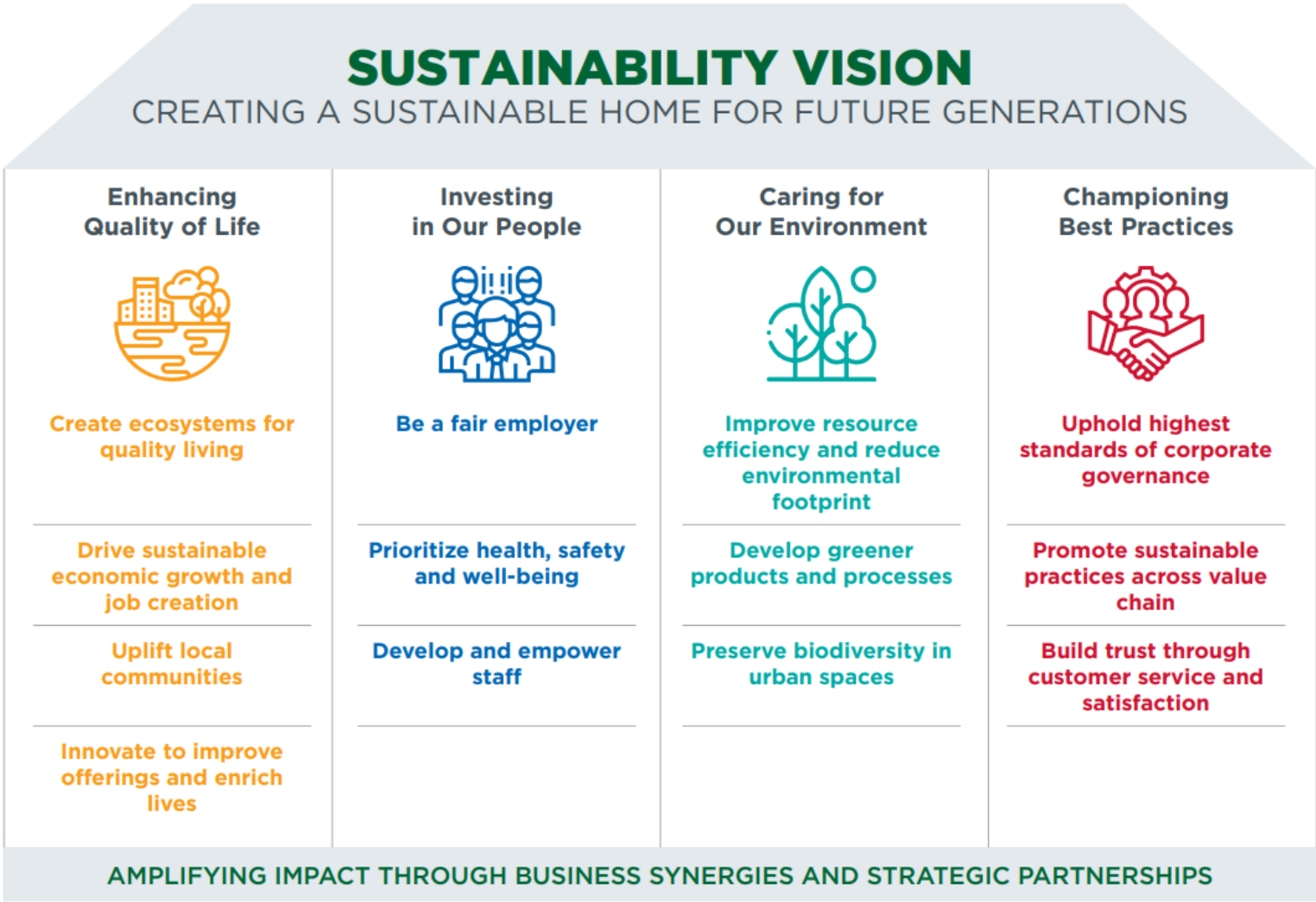


Signatory of UN Global Compact



Signatory of WEF Stakeholder Capitalism

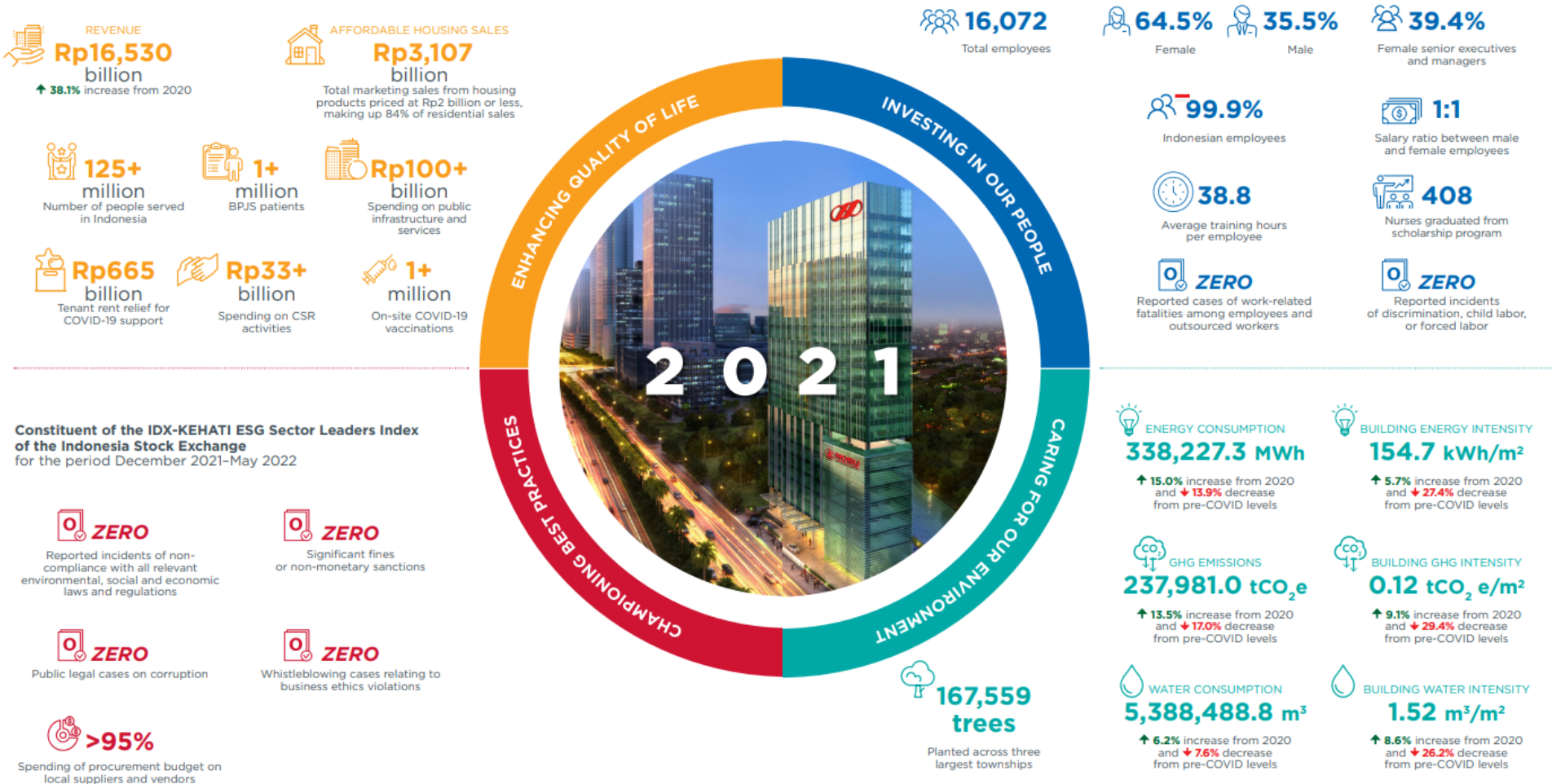






# SUSTAINABILITY

## 2021 Highlights





# SUSTAINABILITY

## 2021 Highlights

Over 1 million vaccine doses administered



38.8 training hours per employee



Zero cases of work-related facilities

Over 167,000 trees planted in townships



## LOOKING AHEAD





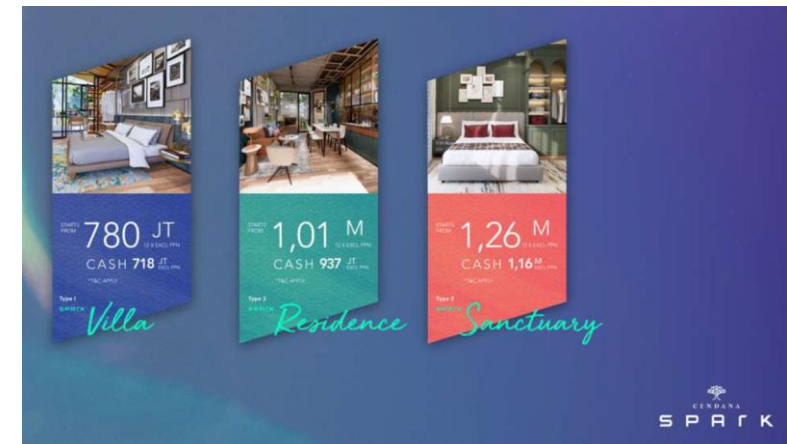
# Looking Ahead

## Real Estate Segment

- Increasing challenging macro risks which may impact the industry, including:
  - Rising interest rate environment in Indonesia with the potential to push up mortgage rates, leading to reduced affordability; exacerbating a weak demand environment
  - Softening commodity prices positive for real estate from material cost-perspective, but can be negative for Indonesia more broadly, affecting demand growth
  - Thinning demand closely correlated to higher price points (above Rp2.5bn)
  - Deterioration in other real estate markets globally, although we believe Indonesia is in a different place
- Upcoming medium rise apartment to serve demand on selected market with compelling price points
- Smaller lot size of Industrial land plot in Lippo Cikarang to capitalize increasing business demand



Cendana Series in Lippo Village & Lippo Cikarang

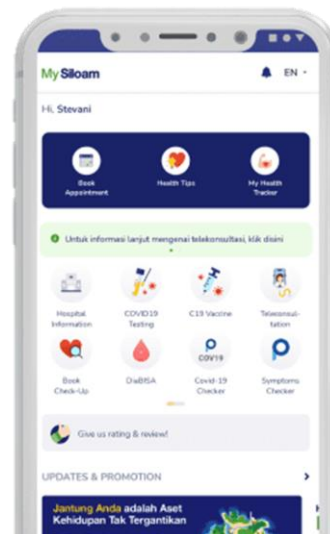


Grand launching of Cendana Spark @ Lippo Cikarang in 3Q22

# Looking Ahead

## Healthcare Segment

- Covid made up over 30% of 2021 revenue that needs to be made up by base case revenue growth in 2022. Sustained month-on-month base case recovery has been maintained from Q2 onward and likely to continue through the end of the year
- Siloam is partnering with Indonesian government to enable 7 of our hospitals to become the recommended hospitals for tourists, supporting Indonesia's medical tourism industry. The 3 Bali Hospitals have seen strong business recovery
- Continue to ramp up digital channel. The MySiloam application has capability to book/manage appointment, book medical check up, access personal medical records and video teleconsultation with specialist doctor



### My Siloam Apps:

- Book appointment
- Hospital information
- C19 testing
- Book check-up
- Blood donation
- Health tracker
- Teleconsultation
- Symptoms checker
- Personal medical records

# Looking Ahead

## Lifestyle Segment

- Strong path to recovery on our Malls and Hotels with loosening of travel restriction and less restriction on public activities
- Continue asset enhancement of our two most iconic malls in Jakarta: Gajah Mada Plaza and Plasa Semanggi that located in Jakarta's main business hub
- Upcoming new malls in 2H22 – 2023: Omotesando Bintaro and Lippo Mall East Side Jakarta
- Target full recovery of Malls traffic in early 2023
- Hotel focuses on the family segment and business leisure travel while maintaining efforts to increase revenues in social events, meetings, and weddings.
- Future hotel expansion in Grand Hotel Aryaduta Kemang and Grand Hotel Aryaduta Puri
- Re-opening of water recreational park in Cikarang



Asset Enhancement of iconic Plasa Semanggi



Courtyard pool in Aryaduta Medan



THANK YOU



## Notes:

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