

PT MNC LAND TBK (“KPIG”) BUSINESS UPDATE

Jakarta, Indonesia – 31 October 2019

KPIG recorded a 9% YoY growth in 9M-2019 Revenue to Rp836 billion

PT MNC Land Tbk (“KPIG” or “the Company”), a lifestyle property, hospitality and entertainment company published its 9M-2019 unaudited financial statements. During the period, KPIG managed to deliver Rp836 billion in revenue, reflecting a 9.1% YoY growth. Net income was booked at Rp321 billion, representing a margin of 38.4%.

Key performance highlights:

- 9M-2019 revenue amounting to Rp836 billion, up 9.1% YoY from Rp766 billion in 9M-2018.
- The **Hotel, Resort and Golf** segment managed to book Rp383 billion in revenue, contributing 45.7% to the 9M-2019 revenue. Without the one-off transaction from the IMF-World Bank event at The Westin Resort Nusa Dua, Bali in 3Q-2018, this segment revenue would have grown by 10.9% YoY.
- The **Property and Security Management Services** segment contributed 33.2% to the 9M-2019 revenue. This segment’s revenue rose by 41.2% YoY, amounting to Rp277 billion in 9M-2019 compared to Rp196 billion in 9M-2018.
- The **Office Space Rental** segment managed to increase its revenue by 3.2% YoY, generating Rp143 billion that represents 17.1% of the 9M-2019 revenue.
- The **Apartment and Other Properties** segment contributed non-recurring revenue amounting to Rp34 billion in 9M-2019.
- In 9M-2019, KPIG booked EBITDA of Rp171 billion with an 20.4% margin, while net income was recorded at Rp321 billion, representing a margin of 38.4%.
- Total assets as of 9M-2019 stood at Rp24.8 trillion, increased by 48.6% YoY due to project completion and the implementation of revaluation method in presenting the fair value of the Company’s property assets.

Hospitality and Others

In 3Q-2019, the Company continue to strengthen its business in Hospitality and Others segment as shown by the execution of the following key events:

- The grand opening of Oakwood Hotel & Residence, a 5-star hotel in Surabaya on September 9th, 2019. This hotel marks our strong presence in Indonesia’s 2nd largest city in hospitality business by providing 144 rooms operated by Oakwood, an award-winning and the largest service apartment operator in the world.
- On October 1st, 2019, the Company held the soft opening of MNC x Koléga, its very first co-working space located at Park Tower Jakarta.

- The Company is still on track to fully commence the operations of Park Hyatt Jakarta by the end of 2019.

MNC Bali Resort

The second business focus of KPIG is **MNC Bali Resort**, a 107-ha development located in Tanah Lot, Tabanan, Bali. MNC Bali Resort will feature Trump International Resort, Golf Club and Residences Bali, the very first Trump integrated resort and residences in Asia.

A successful soft launch of Trump Residences Lido and Bali was held on August 12th, 2019. Trump Residences Bali features a total of 144 ultra-luxurious residences offering an unparalleled exclusive lifestyle. As of 9M-2019, the progress highlights in this area includes the construction of marketing gallery and show unit villas.

MNC Lido City

MNC Lido City, Pride of The Nation, is a 3,000-hectare integrated entertainment and lifestyle destination located in Lido, West Java. Advanced infrastructure development and strong performance of Lido Lake Resort, a 101-key resort hotel, had been the highlights at MNC Lido City during 9M-2019.

Presently, the Company is developing an extension building next to Lido Lake Resort with 125 room keys, ballroom and MICE venues to accommodate the increasing demand in the area. Furthermore, the Company is also planning to revitalize Lido Lake and transform the area to be more attractive and opening new doors for more developments, such as Lido Lake Adventure Park, the biggest outbound facilities in Southeast Asia; and Soekarno Park.

Major upcoming project constructions including Trump International Resort, Golf Club and Residences Lido and MNC Park™, the first world-class theme park to be opened in Indonesia.

Shortly, MNC Lido City will be awarded as a Special Economic Zone area which will benefit from some privileges such as reduced tax rates and some other economic benefits for certain activities within the zone. Along with its excellent accessibility and prompt realization of its project development, the land value of MNC Lido City can easily reach Rp 12 million/sqm by 2021.

Commenting on the results, the Chairman of MNC Group Hary Tanoesoedibjo said:

“KPIG has demonstrated continuous commitment on realizing major projects and tapped into prominent areas in Jakarta, Surabaya and Bali. During the quarter, we soft launched the Trump Residences Lido and Bali and opened our very first co-working space, MNC x Koléga. We keep on innovating and continue to align with today's market condition and trend, proven by our collaboration with Koléga as our starting milestone in building co-working, co-living and co-retail areas which will escalate our recurring income growth. We continue to strengthen our presence in the hospitality business by opening Oakwood Hotel & Residence in Surabaya. Our growing development pipeline, combined with our strong balance sheet, sets us apart and allows us to continue to become the leading lifestyle property, hospitality and entertainment company”.

Table 1. Summary of Key Financial Performances

Income Statements (unaudited) in IDR mio	Actual		Variance
	9M-2019	9M-2018	YoY
Revenue	836,374	766,480	9.1%
Hotel, Resort and Golf	382,637	386,248	-0.9%
Property and Security Management Services	277,321	196,340	41.2%
Office Space Rental	142,622	138,198	3.2%
Apartment and Other Properties	33,794	45,695	-26.0%
Direct Cost	462,230	374,104	23.6%
Depr & Amort in Direct Cost	42,318	41,517	1.9%
Gross Profit	331,827	350,859	-5.4%
Gross Profit Margin	39.7%	45.8%	
Marketing Expense	22,255	22,535	-1.2%
General & Administrative Expenses	180,885	178,431	1.4%
Depr & Amort in G&A Expenses	9,166	9,223	-0.6%
EBITDA	171,005	191,410	-10.7%
EBITDA margin	20.4%	25.0%	
Net Income	321,290	2,029	15733.2%
Net Income margin	38.4%	0.3%	

For further information, please contact:

Pauline Changgara

Head of Investor Relations

investorrelations.mncland@mncgroup.com

PT MNC Land Tbk

MNC Tower, 17th Floor

Jl. Kebon Sirih No. 17 – 19

Jakarta 10340, Indonesia

Phone : +6221 392 7471

Fax : + 6221 392 1227

www.mncland.com

DISCLAIMER

By accepting this Press Release, you are agreeing to be bound by the restrictions set out below. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

The information and opinions contained in this Press Release have not been independently verified, and no representation or warranty, expressed or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of, the information or opinions contained herein. It is not the intention to provide, and you may not rely on this Press Release as providing, a complete or comprehensive analysis of the condition (financial or other), earnings, business affairs, business prospects, properties or results of operations of the company or its subsidiaries. The information and opinions contained in this Press Release are provided as at the date of this presentation and are subject to change without notice. Neither the company (including any of its affiliates, advisors and representatives) nor the underwriters (including any of their respective affiliates, advisors or representatives) shall have any responsibility or liability whatsoever (in negligence or otherwise) for the accuracy or completeness of, or any errors or omissions in, any information or opinions contained herein nor for any loss howsoever arising from any use of this Press Release. In addition, the information contained in this Press Release contains projections and forward-looking statements that reflect the company's current views with respect to future events and financial performance. These views are based on a number of estimates and current assumptions which are subject to business, economic and competitive uncertainties and contingencies as well as various risks and these may change over time and in many cases are outside the control of the company and its directors. No assurance can be given that future events will occur, that projections will be achieved, or that the company's assumptions are correct. Actual results may differ materially from those forecasts and projected. This Press Release is not and does not constitute or form part of any offer, invitation or recommendation to purchase or subscribe for any securities and no part of it shall form the basis of or be relied upon in connection with any contract, commitment or investment decision in relation thereto. Any investment in any securities issued by the company or its affiliates should be made solely on the basis of the final offer document issued in respect of such securities.