

PT MNC LAND TBK (“KPIG”) BUSINESS UPDATE

Jakarta, Indonesia – 31 July 2019

KPIG posted a strong 20% YoY growth in 1H-2019 Revenues to Rp528 billion

PT MNC Land Tbk (“KPIG” or “the Company”), a lifestyle property, hospitality and entertainment company, announced its unaudited financial results as of June 30, 2019 (“1H-2019”) as follows:

- KPIG recorded a total consolidated revenue of Rp528 billion, up 20% YoY from Rp442 billion in 1H-2018. The **Hotel, Resort and Golf** segment maintained its position as the largest revenue contributor generating 42% to the total consolidated revenue. This segment achieved 12% YoY growth to Rp221 billion from Rp197 billion in 1H-2018. The **Property and Security Management Services** segment closely follows by contributing 35% to the total consolidated revenue, this segment’s revenue rose by 60% YoY, amounting to Rp187 billion in 1H-2019 compared to Rp117 billion in 1H-2018. The **Office Rental** segment managed to increase its revenue by 5%, generating a total revenue of Rp91 billion in 1H-2019, that represents 17% of the total consolidated revenue. The Company was able to maintain the average occupancy rate of more than 90% despite the current high supply in the office rental market. The segment of non-recurring revenue which was particularly contributed by the sale of **Apartment and Other Properties** generated Rp29 billion in 1H-2019.
- The Company recorded a 12% YoY growth in 1H-2019 EBITDA to Rp95 billion from Rp85 billion in 1H-2018, representing an EBITDA margin of 18%. Net income was booked at Rp314 billion, representing a net income margin of 59%.
- The Company’s total assets as at June 30, 2019 increased by 53% YoY to Rp24.9 trillion. The increase in total assets was mainly attributable to the construction progress of the ongoing developments as well as the results from the application of revaluation method in presenting the fair value of its property assets. The major project that is in the final stage of construction and will be operational in 4Q-2019 is Park Tower in Jakarta. Furthermore, the Company has also invested in the construction of main road infrastructure and secondary roads inside MNC Lido City which span over 8.9km and early works for the resort development in MNC Lido City.

The development of **MNC Lido City** is continuously progressing which is proven by advanced infrastructure developments in the area. The up and running property in MNC Lido City, Lido Lake Resort, a 101-key resort hotel which had completed its major renovation and started its operations in November 2018, has been performing really well with an average occupancy rate that has reached more than 50% in a relatively short period of time. Therefore, the Company is planning to develop an extension building adjacent to the hotel with 125 roomkeys as well as ballroom and MICE venues to accommodate the increasing demand in the area. The groundbreaking for this hotel expansion is targeted to be hold in 4Q-2019.

Additionally, KPIG is committed to execute the following actions in 2019:

- The pre-selling of residential units will commence in 4Q-2019.
- The construction of a 6-star resort, a lifestyle country club and exclusive residential will start later this year. Furthermore, the construction of an 18-hole PGA standard golf course that is designed by major championships winner Ernie Els, has reached 70% completion.
- MNC Park™, the first world-class theme park to be opened in Indonesia will also commence construction in 4Q-2019.

Developments in MNC Lido City will also be positively supported by Bocimi toll road. After the opening of the section 1 in December 2018, President Joko Widodo has announced that the Government will continue the constructions of section 2 Cigombong-Cibadak (11.9km), section 3 Cibadak-West Sukabumi (13.7km) and section 4 West Sukabumi-East Sukabumi (13km). All sections are targeted to be fully constructed and operational by 2021.

The second major project under development is **MNC Bali Resort**, that is located in Tanah Lot, Tabanan, Bali with a total area of 107 ha.

- This 6-star resort complex will be managed by a world-leading hotel operator and will become the largest and most integrated resort development in Bali. The resort complex will consist of resort, an 18-hole signature golf course designed by major championships winner Phil Mickelson, high-end villas and condominiums.
- The construction of the resort area will start later this year, as well as the pre-selling of residential units.

Furthermore, to cater to the growing demand for a more modern and flexible space with an integrated work, live and play concept, the Company is now focusing on expanding its portfolios into co-working, co-living and co-retail areas. Currently, KPIG is developing approximately a total co-working space area of 5,800 sqm which are located at Park Tower Jakarta and BEI Building Surabaya.

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

“KPIG had successfully completed major projects in prominent areas of Jakarta and Surabaya over the past couple of years. Moving forward, we continue to build our company for the future by entering into co-working, co-living and co-retail areas which we believe will promote exponential growth to our recurring income. By the end of 2019, several co-working spaces located in our buildings in Jakarta and Surabaya will be launched and we intend to further expand our network across Indonesia. The developments of our major projects in MNC Lido City and MNC Bali Resort are also progressing as we targeted. The constructions of the firsts Trump Collection Resort in Asia which will be located at MNC Lido City and MNC Bali Resort shall take place before the year end. We are confident that our projects in the pipelines will be realized in a timely manner and will multiply the valuations of KPIG and result in a profitable returns for all shareholders”.

Table 1. Summary of Key Financial Performances

Income Statements (unaudited) in IDR mio	Actual		Variance
	1H-2019	1H-2018	YoY
Revenue	528.454	441.876	20%
Hotel, Resort and Golf	221.077	197.038	12%
Office Space Rental	91.481	87.333	5%
Apartment and Other Properties	28.707	40.147	-28%
Property and Security Management Services	187.189	117.359	60%
Direct Cost	330.875	256.452	29%
Depr & Amort in Direct Cost	28.068	27.685	1%
Gross Profit	197.580	185.424	7%
Gross Profit Margin	37%	42%	-5%
Marketing Expense	14.455	15.202	-5%
General & Administrative Expenses	122.160	119.326	2%
Depr & Amort in G&A Expenses	5.886	6.099	-4%
EBITDA	94.917	84.681	12%
EBITDA margin	18%	19%	-1%
Net Income	313.724	5.697	5407%
Net Income margin	59%	1%	58%

For further information, please contact:

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.