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**BUILDING A BETTER INDONESIA**

*Press Release – 19 November 2020*

## **SSIA POSTED Rp2,125 BILLION of REVENUE in 9M20, KEY DRIVER PROPERTY SECTOR UP BY 8%**

- SSIA aims to book 69 hectares land sales of real estate assets from phase-4 Suryacipta City of Industry, Karawang in 4Q-2020. Meanwhile the construction revenue forecasted will be lower by about 23% compared to FY19 revenue of Rp2.6 trillion. All in all, the Company expects FY20 revenue will decrease by about 30%.
- The COVID-19 pandemic has impacted SSIA's three main business pillars. The hotel business unit is among the hardest hit as a result of physical distancing, travel restrictions, and airports closure for commercial flights both in Jakarta and Bali. The Company has seen the hotel occupancy rates dropped dramatically, resulted in drastic drop in hospitality revenue by about 71% for 9M-2020 period. We closed the 5-star hotels - Gran Melia Jakarta (GMJ), Melia Bali Hotel (MBH) and Banyan Tree Ungasan Resort (BTUR) - since end of March/early April until end of May 2020. The management has placed several cost savings initiatives to rescue its negative cash flow such as: furlough scheme for the majority of employees, reduction in utility costs, renegotiation of outsourcing contracts through discount or extension the contract periods, reduction other fixed costs. Furthermore, SSIA management has also obtained interest rates reduction and the extension of principal repayments from the lenders. The Company expects the hospitality industry starts its slow-moving recovery period in 4Q-2020. Our hotels have prepared to act agilely to address health and safety concerns. We revised our commercial strategy for the restart, with an eye toward the health and safety standards.
- The construction business unit also faced a downturn due to this COVID-19 situation, mainly due to declining activities within the existing projects as project owners are not able to sell their properties and/or they would need to preserve liquidities during this situation. About 30% of the existing projects has slowed down while the remaining 70% is still active. Meanwhile, NRCA managed to obtain new contract of Rp780.2 billion in 9M-2020, for the rest of the year, there will be no significant additional new contracts in the market as property business will take sometime to recover. Therefore, NRCA has revised down its target for FY20 new contract, by about 15% compared to FY19 new contract of Rp2 trillion.
- On property business unit, which mainly contributed from land sales of the Industrial estate, is also challenged with delayed in investment decisions due to the lockdown in several countries and state of emergency declared by the Indonesian Government since March 2020. The government has started

relaxing the restrictions in stages through the partial openings of major cities within Indonesia in June 2020.

## PT Surya Semesta Internusa Tbk (“SSIA”) 9M20 Financial Highlights

- SSIA for the nine months of 2020 posted a consolidated revenue of Rp2,125.1 billion. The revenue decreased by about 23.3% from Rp2,768.9 billion booked in 9M19. This decrease was mainly due to revenue in construction and hospitality were down by 12.5% and 70.6% respectively. Meanwhile, SSIA property business segment revenue increased by about 8.0%, mainly due to land sales booked of Rp62.4 billion in 9M20 compared to land sales booked in 9M19 of Rp42.9 billion.
- The 9M20 gross profit was about Rp338.5 billion, a 50.2% lower from 9M19 gross profit of Rp679.9 billion.
- Meanwhile, the Company 9M20 EBITDA was Rp39.7 billion, a 86.4% lower from 9M19 EBITDA at Rp291.4 billion.
- SSIA consolidated net loss in 9M20 stood at Rp197.9 billion, a 2,337.4% lower than net loss booked in 9M19 of Rp8.1 billion, due to increase in interest expense by about 19.2% from Rp121.9 billion in 9M19 to Rp145.3 billion in 9M20.
- The Company cash position per 9M20 stood at Rp819.5 billion, a 25.8% lower from 1H20 cash position at about Rp1,104.3 billion, mainly due to land acquisition in Subang from January – September 2020.
- Meanwhile the interest-bearing debt for the period 9M20 amounted at Rp1,958.6 billion – which resulted debt/equity (gearing) ratio of 46.5%.

<b>Consolidated Financial Statements</b>			
<b>(in billion Rp)</b>			
	9M20	9M19	YoY
Revenues	2,125.1	2,768.9	-23.3%
Property	279.1	258.4	8.0%
Construction	1,672.1	1,910.5	-12.5%
Hospitality	177.5	603.1	-70.6%
Others	13.2	11.1	18.9%
Gross Profit	338.5	679.9	-50.2%
EBITDA	39.7	291.4	-86.4%
Net Income	-197.9	-8.1	-2337.4%
Comprehensive Income	-195.3	-14.9	-1213.5%
EBITDA Margin	1.9%	10.5%	-8.6 ppts
Net Income Margin	-9.3%	-0.3%	-9.0 ppts
	9M20	1H20	QoQ
Cash and Cash Equivalents	819.5	1,104.3	-25.8%
Total Assets	7,767.5	7,822.4	-0.7%

Interest Bearing Debt	1,958.6	1,917.9	2.1%
Total Liabilities	3,556.0	3,504.9	1.5%
Non-Controlling Interest	505.0	514.4	-1.8%
Equity	3,706.5	3,803.1	-2.5%

### Business Segment Analysis

9M20 in billion Rp	Business Segments			Total
	Property	Construction	Hospitality	
Revenues	279.1	1,672.1	177.5	2,125.1
<i>Segment percentage</i>	13%	79%	8%	100%
Gross Profit	107.4	175.3	59.2	338.5
<i>Segment percentage</i>	32%	52%	18%	100%
EBITDA	60.3	102.6*	-96.0	39.7
<i>Segment percentage</i>	152%	259%	-242%	100%
Gross Profit Margin	38.5%	10.5%	33.4%	15.9%
EBITDA Margin	21.6%	6.1%	-54.1%	1.9%

\*Includes loss from JO Rp 8.1 billion

9M19 in billion Rp	Business Segments			Total
	Property	Construction	Hospitality	
Revenues	258.4	1,910.5	603.1	2,768.9
<i>Segment percentage</i>	9%	69%	22%	100%
Gross Profit	99.3	200.3	381.5	679.9
<i>Segment percentage</i>	15%	29%	56%	100%
EBITDA	57.2	136.7*	129.8	291.4
<i>Segment percentage</i>	20%	47%	45%	100%
Gross Profit Margin	38.4%	10.5%	63.3%	24.6%
EBITDA Margin	22.1%	7.2%	21.5%	10.5%

\*Includes income from JO Rp7.7 billion

### Property

- SSIA property unit which consists of industrial estate revenue, maintenance fees, commercial rental, booked a revenue of Rp279.1 billion in 9M20 or up by 8.0% compared to Rp258.4 billion revenue in 9M19.
- The industrial estate business unit, PT Suryacipta Swadaya, which is the Company main business, posted revenue of Rp235.2 billion, increased by about 14.9% from 9M19 revenue of Rp204.7 billion. The increase was mainly from total land sales booked at Rp62.4 billion in 9M20 compared to land sales booked in 9M19 of Rp42.9 billion.
- SSIA successfully launched the Subang Smartpolitan on 18 November 2020, and it marked its pre-marketing campaign. The Company expects to obtain commitments for this project in 2021. Meanwhile to accelerate the development of Subang Smart & Sustainable Industrial City project (“Subang

Smartpolitan”), the Company managed to acquire total 1,270 hectares of land by end of 9M20.

- SLP Karawang, under PT SLP SURYA TICON INTERNUSA. As of 30 September 2020, it has total of 128,566 sqm rentable buildings or 80.2% from the total available land (160,255 sqm), the 9M20 occupancy rate is about 92.3% compared to 96.3% occupancy rate in 9M19.
- On 21 March 2020, Edenhaus Simatupang located in Tanjung Mas Raya, South Jakarta, had its groundbreaking ceremony. Edenhaus Simatupang, a portfolio of PT TCP Internusa, is a luxurious housing cluster consists of 41 units of boutique homes designed with a garden home resort concept and worth about Rp300 billion.

### **Construction**

- PT Nusa Raya Cipta Tbk (“NRCA”), SSIA’s construction unit, for the nine months of 2020 recorded a consolidated revenue of Rp1,674.4 billion (includes projects within SSIA group). Its revenue compared to the same period in 9M19 decreased by 12.6% from Rp1,915.4 billion. It also managed to book Rp65.5 billion of net profit from January – September 2020, decreased by 38.4% from 9M19 net profit of Rp106.4 billion.
- NRCA, for the nine months of 2020 period managed to book new contracts of Rp780.2 billion, a 56.5% lower than new contracts achieved in 9M19 of Rp1,794.0 billion. Main projects obtained in 9M20 were Lampung City Mall, Extension North Wing Ayana Resort Jimbaran Bali, Mega Surya Mas Extension Surabaya, Sekolah Tritunggal Semarang, Electrical Carstensz Apartment Gading Serpong, Tempo Optima Cikarang, Thaiunion Kharisma Lestari, Hartono Elektronika Jawa Timur, and Art Gallery Jimbaran Bali.

### **Hospitality**

- SSIA hospitality business unit booked a revenue of Rp177.5 billion in 9M20, 70.6% decrease compared to Rp603.1 billion in 9M19.
- The GMJ occupancy rate for 9M20 was at 15.0% from 43.6% in 9M19. While the average room rate (ARR) for the nine months of 2020 was around US\$80.9 from US\$88.2 in 9M19. Meanwhile MBH occupancy rate in 9M20 at 20.8% decreased from 79.6% in 9M19. The MBH ARR was at US\$109.9 in 9M20 from US\$117.3 in 9M19.
- The BTUR occupancy rate in 9M20 was at 14.7% from 9M19’s occupancy rate of 58.2%. The 9M20 ARR was at US\$434.1, from US\$440.9 in 9M19.
- SSIA currently has BATIQA Hotels in seven locations i.e. BATIQA Hotel & Apartments Karawang, BATIQA Hotel Cirebon, BATIQA Hotel Jababeka, BATIQA Hotel Palembang, BATIQA Hotel Pekanbaru, BATIQA Hotel Lampung, and BATIQA Hotel Darmo – Surabaya. 9M20 occupancy rate of BATIQA Hotels recorded at 35.7%, while its ARR was at Rp300,912. BATIQA 9M19 ARR was Rp310,711 with 61.1% occupancy rate.

## **About PT Surya Semesta Internusa Tbk (SSIA)**

SSIA, previously known as PT Multi Investments Limited, was established on 15 June 1971. The company name was later changed to PT Surya Semesta Internusa (SSIA) in 1995. SSIA's main businesses are industrial estate & real estate development, construction and hospitality.

SSIA's investment portfolio, which will be 50 years old next year (2021), is very diverse, including Suryacipta City of Industry, SLP Karawang, Graha Surya Internusa (to be rebuilt as SSI Tower), Hotel Gran Melia Jakarta, Melia Bali Hotel, Banyan Tree Ungasan Resort Bali, and BATIQA Hotels.

For almost 50 years in the property business, SSIA has strengthened its recognition and brand position as one of the strongest development companies in Indonesia. Cementing its status as a leading company, SSIA listed its shares on the Indonesia Stock Exchange and became a public company on 27 March 1997. For more information, visit [www.suryainternusa.com](http://www.suryainternusa.com).

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For more information, please contact:

Erlin Budiman

VP Head of Investor Relations

[erlin.budiman@suryainternusa.com](mailto:erlin.budiman@suryainternusa.com)

Office: +62215262121