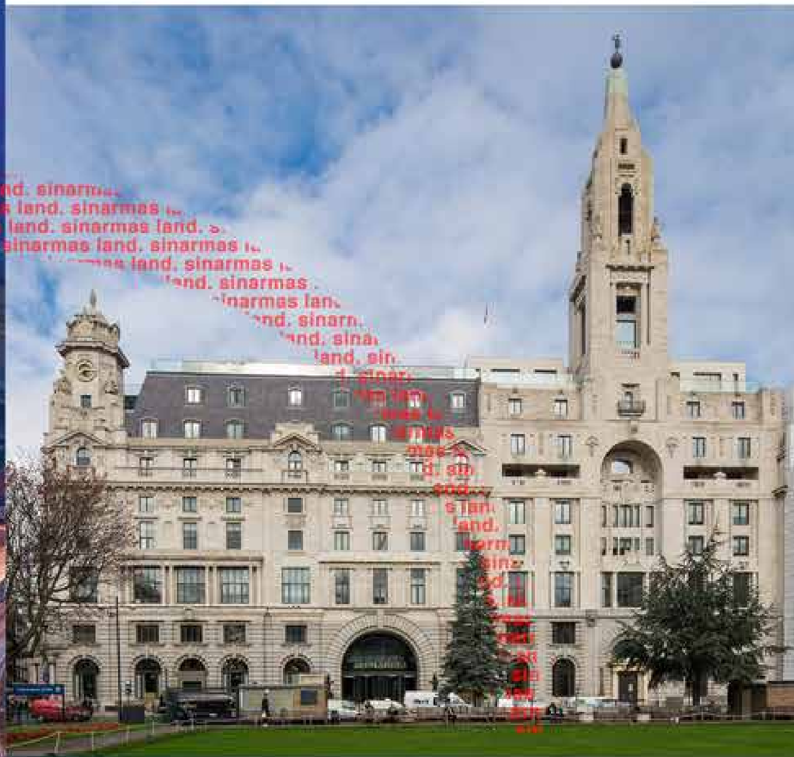


BUILDING FOR A BETTER FUTURE

ANNUAL REPORT 2019

Contents

Outside Indonesia, SML has development projects and holds long-term investments in commercial and hospitality assets, across markets including Malaysia, China, Australia and the United Kingdom.

Corporate Profile

Listed on the Singapore Exchange and headquartered in Singapore, Sinarmas Land Limited ("SML") is engaged in the property business through its developments and investments in Indonesia, Malaysia, China, Australia and the United Kingdom.

In Indonesia, SML is one of the largest property development companies by land bank and market capitalisation. SML operates mainly through three public listed Indonesia subsidiaries, namely PT Bumi Serpong Damai Tbk ("BSDE"), PT Duta Pertiwi Tbk ("DUTI") and PT Puradelta Lestari Tbk ("DMAS") – with a combined market capitalisation in excess of S$5.8 billion as at 31 December 2019. In addition, BSDE is the largest shareholder of Dana Investasi Real Estat Simas Plaza Indonesia ("DIRE"), the biggest listed Real Estate Investment Trust ("REIT") on the Indonesia Stock Exchange, following the restructuring of our listed associated company, PT Plaza Indonesia Realty Tbk ("PLIN"), in 2019. The Indonesia property division is engaged in all sub-sectors of the property business, including township development, residential, commercial, industrial and hospitality-related properties.

Vision

To be the leading property developer in Southeast Asia, trusted by customers, employees, society, and other stakeholders

Values

Integrity, Positive Attitude, Commitment, Continuous Improvement, Innovation, Loyalty

Year in Brief

FEB 2019

SML ENTERED INTO A JOINT VENTURE WITH CITRAMAS GROUP

The joint venture company will develop and manage commercial properties located in Nongsa district, Batam, with a focus on the digital economy

MAR 2019

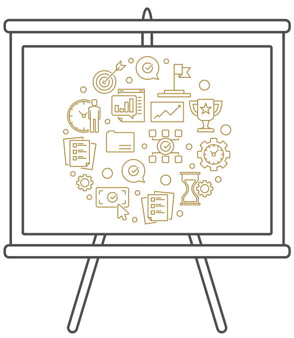
SML RECEIVED ASIA'S BEST FIRST-TIME SUSTAINABILITY REPORT AWARD

The award is the highest recognition for exceptional sustainability and integrated reporting in Asia

PARTNERED WITH RONGQIAO GROUP TO JOINTLY DEVELOP IN TAICANG CITY, CHINA

SML invested a total of RMB222.3 million with a 30.0% equity stake to jointly develop a residential project located in Chengxiang Town, Taicang City with Rongqiao Group Co., Ltd. ("Rongqiao")

JUL 2019



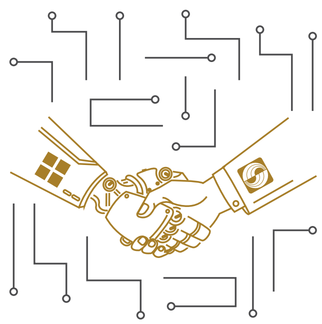
SURBANA JURONG APPOINTED AS MASTER PLANNER FOR NONGSA HUB IN BATAM

SML and Citramas Group jointly appointed Surbana Jurong on 18 July 2019 as the Master Planner to develop Nongsa Digital Economy Hub

SML SPUN-OFF ASSETS INTO A LISTED REIT ON INDONESIA STOCK EXCHANGE

DIRE is listed on the Indonesia Stock Exchange with a total asset value of Indonesian Rupiah ("IDR") 13.5 trillion (S$1.3 billion)

SEP 2019



STRATEGIC COLLABORATION WITH MICROSOFT

SML and Microsoft signed a Memorandum of Understanding ("MOU") to transform BSD City into an integrated smart city by utilising digital technologies such as cloud, artificial intelligence, Internet of Things (IoT), and data-based decision making

MAR 2019

STRATEGIC TECHNOLOGY PARTNERSHIP WITH GRAB

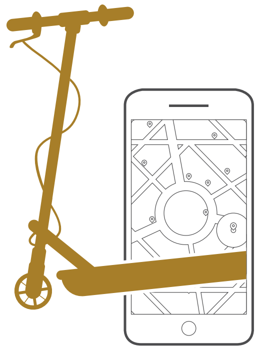
SML signed a partnership agreement with Southeast Asia ride-hailing giant, Grab, to develop digital infrastructure and drive technological transformation in BSD City

APR 2019

PARTNERSHIP WITH LUCK AND HP INDONESIA

SML partnered with PT Sentral Mitra Informatika Tbk ("LUCK") and HP Indonesia to develop cloud printing technology in BSD City

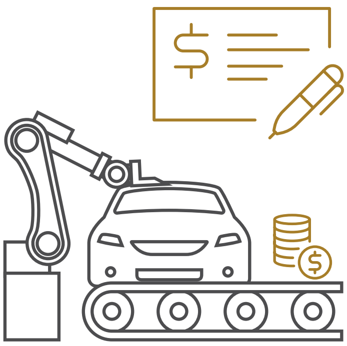
MAY 2019



SML AND GRAB LAUNCHED GRABWHEEL

SML and Grab launched an innovative mobility solution, GrabWheels. This service provides environmental-friendly electric scooters for use in several locations within BSD City

NOV 2019



HYUNDAI MOTOR TO INVEST US$1.55 BILLION IN KOTA DELTAMAS

Hyundai Motor Company and the Indonesian government signed a MOU to build a 77.6 hectares state-of-the-art manufacturing plant in Kota Deltamas, Indonesia, with an investment of approximately US$1.55 billion (S$2.2 billion)

TOPPING-OFF OF AERIUM APARTMENTS IN WEST JAKARTA

SML held a topping-off ceremony for Aerium Apartment. This is a joint venture between SML and two leading companies from Japan; namely Itochu Corporation and Shimizu Corporation Motor Group

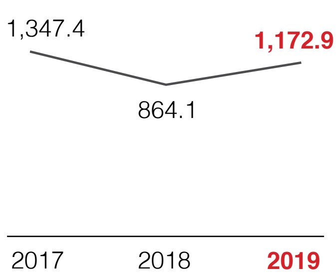
DEC 2019

SML INVESTED A$40.0 MILLION INTO MASCOT PRIVATE TRUST

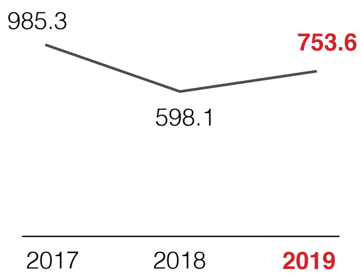
Mapletree Australia Commercial Office Trust ("MASCOT") is a private trust which is fully invested in 10 Grade A office assets strategically located in key Australian gateway cities with a total asset value about Australian dollar ("A$") 1.4 billion (S$1.3 billion)

Financial Highlights

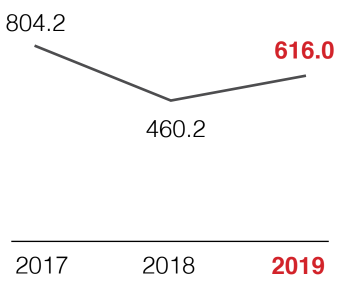
Revenue (S$ million)



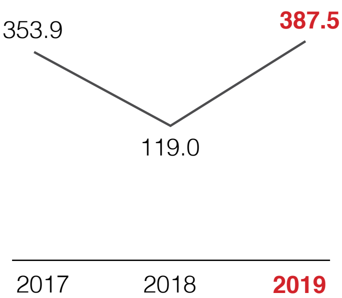
Gross Profit (S$ million)



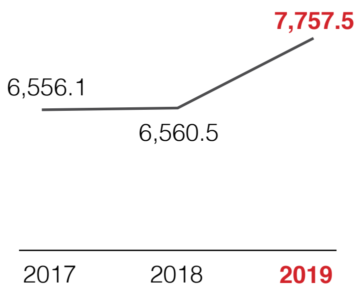
EBITDA (S$ million)



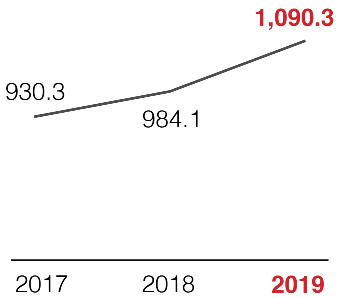
Profit Attributable to Owners of the Company (S$ million)



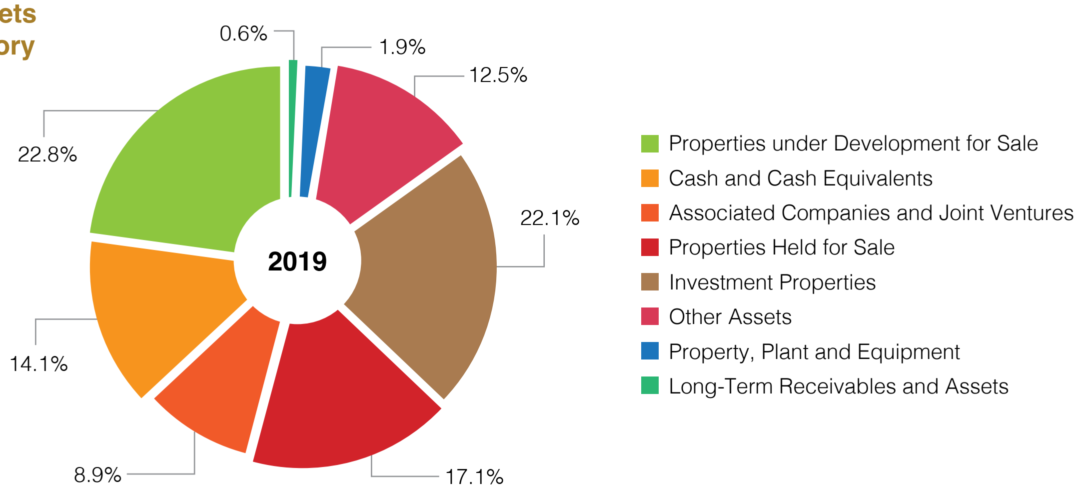
Total Assets (S$ million)



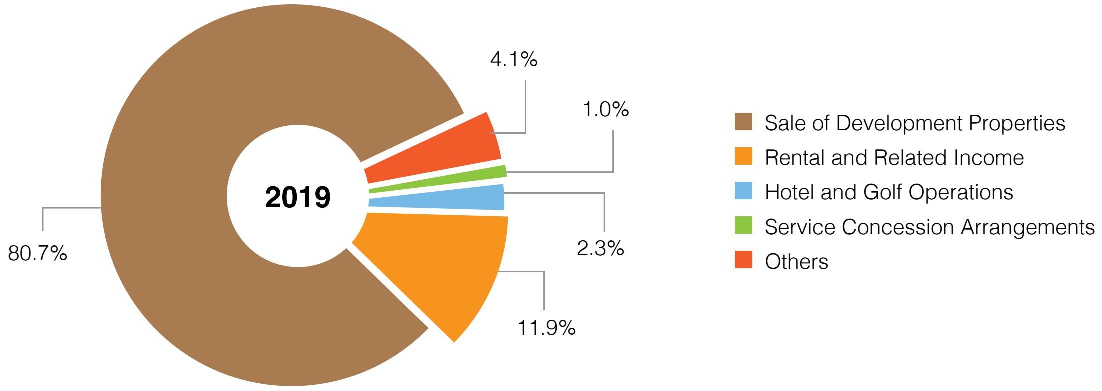
Cash and Cash Equivalents (S$ million)



Total Assets by Category



Revenue By Product Category



Gross Profit Margin

2019 : **64.3%**

2018 : 69.2%
2017 : 73.1%

EBITDA Margin

2019 : **52.5%**

2018 : 53.3%
2017 : 59.7%

Net Debt to Equity

2019 : **20.5%**

2018 : 22.9%
2017 : 14.8%

EBITDA / Interest (times)

2019 : **3.5**

2018 : 3.0
2017 : 6.1

Total Debt / EBITDA (times)

2019 : **3.3**

2018 : 4.0
2017 : 1.9

Return on Shareholders' Equity

2019 : **15.4%**

2018 : 6.1%
2017 : 15.6%

Net Asset Value per Ordinary Share (excluding treasury shares)

2019 : **S$1.10**

2018 : S$0.89
2017 : S$0.95

Earning per Share (Basic) (Singapore cents)

2019 : **9.11**

2018 : 2.80
2017 : 8.32

Cash Dividend (Singapore cents)

2019 : **0.38**

2018 : 0.20
2017 : 1.50

Milestones

1972 – 1989

DUTI established (1972)

• • •

BSDE established (1984)

• • •

BSDE commenced operations (1984 – 1989) of developing self-sufficient city

1990 – 1997

ITC brand established (1990)

• • •

DUTI - IPO (1994)

• • •

Asia Food & Properties (“AFP”) listing in Singapore (1997)

2002 - 2010

SML controls BSDE (2002)

BSDE – IPO (2008)

• • •

BSDE rights issue to acquire: DUTI, Sinar Mas Teladan, Sinar Mas Wisesa (2010)

2015

BSDE issued US$225.0 million in its maiden US dollar-denominated senior notes at 6.75% annual coupon

• • •

Successful listing of DMAS onto Indonesia Stock Exchange

• • •

Acquisition of Alphabeta Building in Central London, United Kingdom, for £259.6 million

• • •

1,507,359,759 new SML shares were allotted and issued following the exercise of SML warrants eW151118

2014

Acquisition of Warwick House in London, United Kingdom, for £57.3 million

• • •

Disposal of New Brook Buildings in London, United Kingdom, for £113.4 million, recording an exceptional gain of S$71.0 million

2013

Strategic alliance with AEON Mall, Hongkong Land and Kompas Gramedia Group

• • •

Acquisition of New Brook Buildings in London, United Kingdom, for £84.1 million

2011

Sinarmas Land brand introduced

• • •

AFP changed name to **Sinarmas Land**

2016

Strategic alliance with Mitsubishi Corporation

• • •

BSDE won the tender to develop a 30km toll road project connecting Serpong and Balaraja for an investment value of IDR6.04 trillion

• • •

BSDE issued US$200.0 million senior notes at 5.5% annual coupon and IDR650.0 billion for its Indonesian bond issuance

2017

Acquisition of 33 Horseferry Road in Victoria, London, United Kingdom, for £188.6 million

• • •

Disposal of Orchard Towers in Singapore for S$162.0 million, recording an exceptional gain of S$109.4 million

• • •

Acquisition of Sinarmas MSIG Tower for IDR2.4 trillion

• • •

BSDE issued US$70.0 million senior notes, at 5.5% annual coupon

• • •

Strategic alliance with Panahome Asia Pacific

2018

BSDE issued US$300.0 million senior notes, at 7.25% annual coupon

• • •

Apple launched Asia's first Developer Academy at BSD City, Jakarta, Indonesia

• • •

Formed partnership with Kawan Lama Group to develop a mixed-use development in Kota Wisata, Indonesia

• • •

First collaboration with Rongqiao to invest RMB396.0 million for a 40.0% stake in a mixed-use development project in Chengdu, China

2019

SML invested A$40.0 million in MASCOT to further strengthen SML's property investments outside of Indonesia

• • •

SML invested RMB222.3 million with a 30.0% equity stake to jointly develop a residential project with Rongqiao in Taicang City, China

• • •

Hyundai Motor to develop a manufacturing plant in Kota Deltamas, Indonesia, with an investment of approximately US$1.55 billion

• • •

Listing of DIRE onto Indonesia Stock Exchange with a total value of IDR13.5 trillion

• • •

Entered into a joint venture partnership with Citramas Group to develop Nongsa district in Batam City, Indonesia

Chairman and CEO Statement

FRANKY OESMAN WIDJAJA
Executive Chairman

Dear Valued Shareholders,

A stellar performance in FY2019

On behalf of the Board of Directors, it gives us great pleasure to announce that Sinarmas Land Limited ("SML" or "the Company") and its subsidiaries (collectively "the Group") has delivered a stellar set of financial results for the year ended 31 December 2019 ("FY2019") amidst challenging macroeconomic environment, ongoing trade tension, and political uncertainty. The Group reported a 35.7% jump in total revenue to S$1,172.9 million, driven primarily by increased sale of land parcels and higher handover of residential units in our Indonesia Division. Recurring income from the Group's portfolio of investment properties also supplemented the Group's revenue with a 1.8% growth year-on-year to S$166.5 million, due to greater contributions from our commercial office assets.

The rise in revenue correspondingly increased gross profit by 26.0% to S$753.6 million. However, the gross profit margin dipped 4.9 percentage points from 69.2% to 64.3% in FY2019 due to higher development and land sales-related costs.

As the Group continues to rein in operational costs and exercise financial discipline, operating profit leaped 45.4% to S$484.0 million as operating expenses only inched up marginally by 1.7% to S$269.6 million despite the surge in revenue. The improved operating performance led to Earnings before Interest, Taxes, Depreciation, and Amortisation ("EBITDA") increasing 33.9% from S$460.2 million to S$616.0 million, with EBITDA margin at 52.5% (FY2018: 53.3%).

Our associated company, PLIN, restructured its assets into DIRE and was listed onto the Indonesia Stock Exchange on 4 July 2019 with Hankyu Hanshin Properties and Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development as strategic co-investors. DIRE's assets include Plaza Indonesia Shopping Mall, Grand Hyatt Indonesia Hotel, The Plaza Office and fX Sudirman Shopping Mall. Following the listing, the Group's principal subsidiary, BSDE will own 38.83% of the units in DIRE and recorded a one-off exceptional item amounting to S$368.2 million.

Due to the strong operating performance and one-off exceptional items, Net Profit for the Year and Profit Attributable to Owners of the Company ("PATMI") soared 216.2% and 225.6% respectively to achieve a record high of S$724.4 million and S$387.5 million in FY2019. Basic earnings per share were 9.11 Singapore cents for FY2019 (FY2018: 2.80 cents).

The Group's Statement of Financial Position remains healthy, ending the financial year with total assets of

S$7,757.5 million (FY2018: S$6,560.5 million), including cash and cash equivalents of S$1,090.3 million (FY2018: S$984.1 million). The strong financial performance in FY2019 improved shareholders' equity and resulted in net debt to equity ratio dipping from 22.9% to 20.5%, total debt to EBITDA being lowered to 3.3 times as compared to 4.0 times in the previous year, and interest coverage improving from 3.0 times to 3.5 times.

In view of FY2019 financial performances, the Company is proposing a first and final dividend of 0.38 Singapore cents per share, subject to shareholders' approval during the 2020 Annual General Meeting ("AGM") and is expected to be paid on 24 June 2020.

Apart from the successful listing of DIRE mentioned above, there are several noteworthy milestones for the Group in FY2019.

Strategic collaboration with Grab in BSD City

Rapid technological advancement in today's digital era has set forth the Group's vision to transform BSD City from a traditional township development into the "First Integrated Smart Digital City" in Indonesia. To develop a digital ecosystem, the Group has actively sought technological partners to collaborate, one of which is Grab Holdings Inc. ("Grab"), the leading super app in Southeast Asia. The strategic collaboration between both parties will allow Grab to provide smart and clean mobility solutions within BSD City, support the growth of businesses, as well as drive technology development. As the key technological partner, Grab will leverage its technology expertise and human capital to develop digital infrastructure that aims at improving the quality of life and convenience of day-to-day living. As part of this partnership, Grab will also establish a Grab Innovation and Engineering Lab as the research and development centre for innovation at Green Office Park ("GOP") 9 in BSD City, utilising artificial intelligence technology to create a smart and clean transportation system through various collaborative projects.

MOU with Microsoft Corporation

On 12 September 2019, the Group signed a MOU with software giant, Microsoft Corporation, to continue the work of transforming BSD City into Indonesia's first large-scale resilient and innovative smart city that is inclusive and accessible for everyone. Microsoft brings global expertise in enabling smart and sustainable solutions of city living supported by digital technologies like cloud, artificial intelligence, Internet of Things (IoT) and data-driven decision making. The Group aims to create a future-ready city with smart residences, connected workplaces, enhancing the Digital Hub with community amenities and public infrastructure. As part of this

MUKTAR WIDJAJA
Executive Director and
Chief Executive Officer

Chairman and CEO Statement

agreement, Microsoft will also offer opportunities for its business partners to work with the Group to develop creative solutions based on their fields of expertise.

Hyundai Motor to invest US$1.55 billion over 10 years in Kota Deltamas, Indonesia

On 26 November 2019, the Indonesian government entered into a MOU with Hyundai Motor Company to construct its maiden Indonesia automotive plant in Indonesia to be located in Kota Deltamas, the township development owned by DMAS which the Group has an effective stake of 57.28%. With a planned investment of approximately US$1.55 billion until 2030, the 77.6 hectares state-of-the-art manufacturing plant has commenced its construction in December 2019 and expects to begin commercial production in the second half of 2021 with an initial annual capacity of 150,000 units, and 250,000 units at full capacity. This deal further solidifies Kota Deltamas's importance as a key automotive manufacturing hub in Bekasi with Suzuki, Mitsubishi Motors, SAIC-GM-Wuling, Maxxis Tyre and Astra Honda Motors already in the establishment.

Joint venture with Citramas Group to develop Nongsa district, Batam City, with Surbana Jurong appointed as the Master Planner

On 25 February 2019, the Group announced the signing of a Shareholder Agreement with Citramas Group to jointly develop a digital economy hub in Nongsa, Batam. The strategically located Nongsa district is 30-minute from Singapore by ferry and 15-minute from the Batam Hang Nadim International Airport. This hub is envisioned to be a digital bridge between Indonesia and Singapore, to attract startups, local and international companies undertaking digital-related activities to set up in Indonesia. To kickstart this development, the joint venture appointed Surbana Jurong, an Asia-based urban and infrastructure consultancy group, as the master planner. Surbana Jurong's scope of work includes the development of a concept master plan of the hub which covers a total area of 62 hectares, and this includes an Eco Digital Project, the Nuvasa Bay Town Centre, and the Nongsa Digital Park.

Continuing collaboration with Rongqiao in China

The Group has entered into its second joint venture with Rongqiao, a prominent Fuzhou-based real estate group in China, to develop and construct a residential site with a land area of 49,359 square metres ("sqm"), located in Chengxiang Town, Taicang City, approximately 50km north-west of Shanghai Hongqiao International Airport. This RMB222.3 million investment, which consist a 30.0% equity stake, would allow the Group to leverage on Rongqiao's branding and expertise to further strengthen its property development footprint in China.

Maiden investment into Australia Commercial Office Sector

On 2 December 2019, the Group invested A$40.0 million into MASCOT. MASCOT owns 10 Grade A commercial office assets that are strategically located in key Australian gateway cities namely - Sydney, Melbourne, Adelaide, Brisbane, and Perth - with a gross asset value of approximately A$1.4 billion. With a total net lettable area of approximately 160,000 sqm, the portfolio comprises of reputable occupiers from well-diversified industries such as technology, media, and telecom, government agencies as well as mining, oil, and gas. This maiden Australia investment is in line with the Group's diversification strategy to extend its property investment footprint outside of Indonesia into the commercial office sector in matured markets and offers the opportunity to work with an established government-linked sponsor in the real estate investment trust sector.

Initiatives by the Indonesian government to stimulate the property sector

To support economic growth, Bank Indonesia ("BI") has cut its seven-day reverse repo rate four times by 100 basis points to 5.0% over the course of 2019, as well as relaxing its loan-to-value ("LTV") and financing-to-value ("FTV") ratios for property and motor vehicles loans. Starting from 2 December 2019, LTV for property financing shall be relaxed by 5.0%, motor vehicles FTV will be reduced by 5.0 to 10.0%. In a bid to combat climate change, both green properties and automotive shall be entitled to a further 5.0% reduction.

Other than the reduction of LTV and FTV ratio, the Ministry of Finance has initiated a series of additional measures to stimulate Indonesia's property sector. Specifically targeting the high-end luxury market, starting from June 2019, only properties (all types of property) above the price of IDR30.0 billion shall be imposed with a 20.0% luxury goods tax. Previously, the 20.0% luxury tax was imposed on apartments above the price of IDR10.0 billion and landed houses above the price of IDR20.0 billion. The other policy was to reduce the luxury houses' income tax rates. From 19 June 2019 onwards, properties below IDR30.0 billion will be subjected to 1.0% income tax (previously for apartments below IDR5.0 billion and landed houses below IDR10.0 billion), whereas property above the price of IDR30.0 billion will continue to be taxed at 5.0% (previously for apartments above IDR5.0 billion and landed houses above IDR10.0 billion).

Looking to 2020

We ushered into the new decade with the conclusion of a partial trade deal between the United States and China, followed by the United Kingdom ("UK") formally leaving the European Union ("EU") on 31 January 2020. Despite these positive developments providing a much-needed reprieve from the cloud of uncertainty over the past year, the global pandemic of the novel coronavirus (COVID-19) will inevitably lead to a global economic slowdown or recession. Coupled with the recent oil price shocks, it looks like the perfect storm is brewing for 2020.

Many affected countries have announced economic stimulus to alleviate the impact on their local economy. The Indonesian government has announced an IDR10.3 trillion (US$725.0 million) stimulus package to support consumer spending and tourism. This package came shortly after BI cut its seven-day reverse repo rate by 25 basis points to 4.75 percent on 20 February 2020. While the Group expects its businesses, especially in the first half of 2020, to be negatively affected by dented consumer sentiments, we will manoeuvre through challenging market conditions by offering products that are highly sought after by our customers. Also, with the goal to transform BSD City into the "First Integrated Smart Digital City" in Indonesia, we will champion more collaborations and investments directed towards the development of a mature digital ecosystem. Through meticulous planning and well thought out initiations, we are humbled when Indonesia's Home Affairs Minister, Tjahjo Kumolo, cited BSD City as an example of how the new administrative capital in East Kalimantan should be developed.

In 2019, BSDE achieved marketing sales of IDR6.5 trillion, exceeding its target of IDR6.2 trillion while DMAS exceeded its marketing sales target of IDR1.25 trillion by achieving IDR2.97 trillion. For 2020, BSDE and DMAS have both announced marketing sales targets of IDR7.2 trillion and IDR2.0 trillion respectively. BSDE expects its 2020 marketing sales target to be contributed by 58.3% residential, 27.8% commercial and the remaining 13.9% from sales of land to potential joint venture companies, while DMAS continues to expect industrial land sales to be the key revenue driver in 2020.

Nearer to Singapore, Indonesia will commence the construction of its longest sea bridge linking the island of Batam and Bintan as it seeks to integrate the shipping and manufacturing industry in that region. The construction of this 7km bridge is set to take three to four years, with an investment of approximately IDR4.0 trillion. Upon completion, this bridge is expected to spur economic growth, improve tourism and encourage trade with Singapore. The success of this bridge will no doubt benefit our development in Batam.

Outside Indonesia, the Group will continue to pursue its goal to diversify its global footprint as was reflected in its investment in MASCOT. Our China Division will continue to explore further acquisition and collaboration opportunities with strong local partners. And the UK Division will patiently seek out acquisition opportunities amidst post-Brexit while focusing on asset enhancements and driving upwards rent reversions for better rental yields.

Appreciation

On behalf of the Board of Directors, we would like to express our deepest gratitude and appreciation for the valuable contributions of two of our Independent Directors, Mr. Rodolfo Castillo Balmater and Mr. Kunihiko Naito, who will both retire and resign from the Board after the coming AGM on 27 April 2020. We also express our heartfelt appreciation to our stakeholders, including our shareholders, business partners, customers and vendors for their continued support. Lastly, we thank our fellow Board members, management and staff for their commitment and hard work to enhance shareholders' value and we look forward to building a better future together.

Franky Oesman Widjaja
Executive Chairman

Muktar Widjaja
Executive Director and
Chief Executive Officer

17 MARCH 2020

Board of Directors

Seated from Left

FRANKY OESMAN WIDJAJA
Executive Chairman

MUKTAR WIDJAJA
Executive Director and Chief Executive Officer

Standing from Left

FERDINAND SADELI
Executive Director and Chief Financial Officer

KUNIHIKO NAITO
Independent Director

RODOLFO CASTILLO BALMATER
Independent Director

MARGARETHA NATALIA WIDJAJA
Executive Director

HONG PIAN TEE
Lead Independent Director

LEW SYN PAU
Independent Director

WILLY SHEE PING YAH @ SHEE PING YAN
Independent Director

ROBIN NG CHENG JIET
Executive Director

FRANKY OESMAN WIDJAJA
Executive Chairman

Mr. Franky Widjaja is the Executive Chairman of Sinarmas Land Limited ("SML") and a member of its Executive/Board Committee and Nominating Committee. He has been a Director of SML since 1997. His last re-appointment as a Director was in 2019.

Mr. Franky Widjaja, aged 62, graduated from Aoyama Gakuin University, Japan with a Bachelor's degree in Commerce in 1979. He has extensive management and operational experience and, since 1982, has been involved with different businesses including pulp and paper, property, chemical, telecommunication, financial services and agriculture.

Mr. Franky Widjaja is also the Chairman and Chief Executive Officer of Golden Agri-Resources Ltd ("GAR"), and a Director of Bund Center Investment Ltd ("BCI"), both listed on the Official List of the Singapore Exchange Securities Trading Limited.

Mr. Franky Widjaja is a member of the boards of several subsidiaries of SML, GAR and BCI. Mr. Franky Widjaja is also the President Commissioner of PT Sinar Mas Agro Resources and Technology Tbk, a subsidiary of GAR listed on the Indonesia Stock Exchange.

Currently, Mr. Franky Widjaja is the Co-Chairman of Partnership for Indonesia Sustainable Agriculture ("PISAgro"); the Vice Chairman of the Indonesian Chamber of Commerce and Industry ("KADIN") for Agribusiness, Food and Forestry Sector; and he is a member of the Advisory Board of the Indonesian Palm Oil Association ("GAPKI"); and a member of World Economic Forum ("WEF"): Global Agenda Trustee for World Food Security and Agriculture Sector. Mr. Franky Widjaja was Co-Chair of WEF: Grow Asia until August 2019.

Previously, from 2007 to 2015, Mr. Franky Widjaja was Vice President Commissioner of PT Bumi Serpong Damai Tbk and PT Duta Pertiwi Tbk; and he was also Vice President Commissioner of PT Puradelta Lestari Tbk until his resignation in May 2016, all subsidiaries of SML listed on the Indonesia Stock Exchange.

Present directorships in other Singapore listed companies:
- Golden Agri-Resources Ltd
- Bund Center Investment Ltd

Other principal commitments: Nil

Past directorships in other Singapore listed companies (2017-2019): Nil

MUKTAR WIDJAJA
Executive Director and Chief Executive Officer

Mr. Muktar Widjaja is an Executive Director and the Chief Executive Officer of SML, and a member of its Executive/Board Committee. He has been a Director of SML since 1997 and the Chief Executive Officer since 2006. His last re-appointment as a Director was in 2017.

Mr. Muktar Widjaja, aged 65, obtained his Bachelor of Commerce degree in 1976 from the University Concordia, Canada. Since 1983, Mr. Muktar Widjaja has been actively involved in the management and operations of the property, financial services, agriculture, chemical and pulp and paper businesses.

Mr. Muktar Widjaja is currently an Executive Director and President of GAR, listed on the Official List of the Singapore Exchange Securities Trading Limited. Mr. Muktar Widjaja is also a member of the boards of several subsidiaries of SML and GAR. He is the President Commissioner of PT Bumi Serpong Damai Tbk, PT Duta Pertiwi Tbk and PT Puradelta Lestari Tbk, all subsidiaries of SML listed on the Indonesia Stock Exchange. Mr. Muktar Widjaja is also the Vice President Commissioner of PT Sinar Mas Agro Resources and Technology Tbk, a subsidiary of GAR listed on the Indonesia Stock Exchange.

Present directorships in other Singapore listed companies:
- Golden Agri-Resources Ltd

Other principal commitments: Nil

Past directorships in other Singapore listed companies (2017-2019): Nil

Board of Directors

MARGARETHA NATALIA WIDJAJA
Executive Director

Ms. Margaretha Widjaja is an Executive Director of SML and a member of its Executive/Board Committee. She has been a Director of SML since December 2010, and her last re-appointment as a Director was in 2017.

Ms. Margaretha Widjaja, aged 38, graduated from Seattle University, United States of America in 1999 with a degree in Bachelor of Arts majoring in Finance, Marketing and Information Systems. She later obtained a Master of Management Information Systems in 2001 from the same university.

Since 2008, Ms. Margaretha Widjaja was Vice-Chairman of the Indonesian Property Division of SML and she was instrumental in leading the transition of the management organisation structure and the re-branding of "Sinarmas Land" in Indonesia. She assists the Chief Executive Officer in the operations, strategic development of the Group, formulating the Group's business plans and strategies, and is also responsible for the Group's Enterprise Risk Management activities and corporate governance initiatives.

Ms. Margaretha Widjaja is a member of the boards of several subsidiaries of SML.

Prior to her current position in SML, Ms. Margaretha Widjaja was Deputy CEO, Forestry Division of Sinar Mas Group from 2002 to 2008, where she led the teams responsible for Finance, Information Technology, Human Resources, Legal and Business Control and was key to driving the strategies for the Division's growth during her tenure. She had also worked as an Investment Analyst with Merrill Lynch Bank in the United States between 2000 and 2002 and was involved in the due diligence analysis and execution of various M&A transactions.

Present directorships in other Singapore listed companies: Nil

Other principal commitments: Nil

Past directorships in other Singapore listed companies (2017-2019): Nil

FERDINAND SADELI
Executive Director and Chief Financial Officer

Mr. Ferdinand Sadeli is an Executive Director and the Chief Financial Officer ("CFO") of SML, and a member of its Executive/ Board Committee. He has been a Director and CFO since April 2012. His last re-appointment as a Director was in 2018.

Mr. Sadeli, aged 46, graduated from Trisakti University, Jakarta, Indonesia with a Bachelor of Economics majoring in Accounting in 1996, the University of Melbourne, Australia with a Master of Applied Finance in 1999 and Bina Nusantara University with a Doctor in Management in 2017. In July 2019, he completed a post graduate Diploma in Digital Business from Emeritus Institute of Management in collaboration with MIT and Columbia Business School. He is a Chartered Financial Analyst (CFA) charterholder, CPA (Australia) holder and Financial Risk Manager (FRM) holder.

Mr. Sadeli has more than 23 years of combined working experience in several different roles (auditor, accountant, business valuer, merger & acquisition consultant, CFO and banker) within multinational and public listed companies in Indonesia, Singapore and Australia.

Mr. Sadeli is a member of the boards of several subsidiaries of SML.

Prior to joining SML as the Chief Investment Officer, Mr. Sadeli was a Director of the Investment Bank Division in PT Barclays Capital Securities Indonesia from October 2010 to January 2012. He joined PT Bakrieland Development Tbk as a Finance Director in July 2007 before he left in October 2010. He previously worked for 11 years in Ernst & Young, Jakarta and Sydney Offices with his last position as a Senior Manager. Mr. Sadeli was the President of CPA Australia – Indonesia Office from 2009 to 2012, and served as a member of the International Board of CPA Australia from 2013 to 2014.

Present directorships in other Singapore listed companies: Nil

Other principal commitments: Nil

Past directorships in other Singapore listed companies (2017-2019): Nil

ROBIN NG CHENG JIET
Executive Director

Mr. Robin Ng Cheng Jiet is an Executive Director of SML and a member of its Executive/Board Committee. He has been a Director of SML since April 2012. His last re-appointment as a Director was in 2018.

Mr. Ng, aged 45, graduated with a Bachelor of Accountancy (Honours) from Nanyang Technological University, Singapore in 1998. Mr. Ng is a Chartered Accountant (Australia) since 2001 and a Chartered Accountant (Singapore) since 2002. He is currently a Fellow Member of the Institute of Singapore Chartered Accountants.

Mr. Ng is a member of the boards of several subsidiaries of SML. He is also an active Grassroots Leader since 2008 and currently serves as the Treasurer of the Citizens' Consultative Committee of the Ulu Pandan constituency of Holland-Bukit Timah GRC in Singapore.

Mr. Ng has over 21 years of experience in operational finance and public accounting within the Asia Pacific region. He was the Chief Financial Officer of Top Global Limited, a company listed on the Singapore Exchange Securities Trading Limited before becoming the Finance Director of SML.

Prior to joining Top Global Limited, Mr. Ng was the Finance Director, Asia, of Methode Electronics Inc. from August 2009 to October 2010, and was with Lear Corporation (a Fortune 500 company) where he held various regional positions, with his last position as the Head of Finance in Japan, before leaving in August 2009. Previously, he was the Regional Internal Controls Manager at Kraft Foods Asia Pacific Ltd (now known as Mondelez Asia Pacific Pte Ltd). Mr. Ng was also with Ernst & Young Singapore and Australia (Sydney office) for more than seven years, serving as Audit Manager before he left.

Present directorships in other Singapore listed companies: Nil

Other principal commitments: Nil

Past directorships in other Singapore listed companies (2017-2019): Nil

HONG PIAN TEE
Lead Independent Director

Mr. Hong Pian Tee is an Independent Director of SML, chairman of both the Audit Committee and Nominating Committee and a member of its Remuneration Committee. Mr. Hong joined the Board of Directors of SML in April 2017. His last re-appointment as a Director was in 2018.

Mr. Hong, aged 75, was a Partner of PricewaterhouseCoopers from 1985 to 1999 prior to retiring from professional practice.

Mr. Hong's experience and expertise are in corporate advisory, financial reconstruction and corporate insolvencies since 1977. He has been a Corporate/Financial Advisor to clients with businesses in Singapore and Indonesia and in addition was engaged to restructure companies with operations in Taiwan, Indonesia and Malaysia.

Mr. Hong is currently the Chairman of Pei Hwa Foundation Limited and he sits on the boards of two companies listed on the Official List of the Singapore Exchange Securities Trading Limited, namely, as an Independent Director of XMH Holdings Ltd and Yanlord Land Group Limited.

Mr. Hong was previously a Non-executive Chairman and an Independent Director of AsiaPhos Limited, an Independent Director of Golden Agri-Resources Ltd and Memstar Technology Ltd, until his resignation in May 2019, April 2017 and December 2017, respectively.

Present directorships in other Singapore listed companies:
- XMH Holdings Ltd
- Yanlord Land Group Limited

Other principal commitments: Nil

Past directorships in other Singapore listed companies (2017-2019):
- AsiaPhos Limited
- Golden Agri-Resources Ltd
- Memstar Technology Ltd

Board of Directors

KUNIHIKO NAITO
Independent Director

Mr. Kunihiko Naito is an Independent Director of SML, and a member of its Audit Committee and Remuneration Committee. Mr. Naito has been a Director since December 2007. His last re-appointment as a Director was in 2019.

Mr. Naito, aged 75, graduated from Waseda University, Japan, in 1967 with a Bachelor's degree in Engineering.

Mr. Naito is currently a Director of NSN Global (S) Pte Ltd, Singapore in the field of industrial business consulting.

Mr. Naito was actively involved in food and industrial/residential property development projects worldwide. Mr. Naito was with Nissho Iwai Corporation (now known as Sojitz Corporation) for 36 years, of which 14 years were with its North American operation in New York. He had held various positions at Nissho Iwai Corporation, including that of General Manager of Machinery Department in New York, Deputy General Manager for the South East Asia region (based in Singapore), and Chief Representative for Nissho Iwai Corporation Indonesia.

Present directorships in other Singapore listed companies: Nil

Other principal commitments:
- NSN Global (S) Pte Ltd (Director)

Past directorships in other Singapore listed companies (2017-2019): Nil

RODOLFO CASTILLO BALMATER
Independent Director

Mr. Rodolfo Castillo Balmater is an Independent Director of SML, chairman of its Remuneration Committee and a member of its Audit Committee and Nominating Committee. Mr. Balmater has been a Director of SML since February 2006. His last re-appointment as a Director was in 2017.

Mr. Balmater, aged 71, graduated from Araullo University, Philippines in 1969 with a degree in Bachelor of Science in Commerce majoring in Accountancy (with honours), and completed a Master in Management from the Asian Institute of Management (with distinction) in 1978.

Mr. Balmater is currently the President Director/CEO of PT. Balmater Consulting Company which advises family owned businesses and also provides training on corporate governance, finance, accounting, audit and risk management. Mr. Balmater is a Commissioner of PT. ABM Global Solutions and PT. Madusari Murni Indah Tbk and a member of each of the Audit Committees of PT Erajaya Swasembada Tbk and PT Delta Djakarta Tbk.

Mr. Balmater had worked with international accounting firms (SGV Philippines, Arthur Andersen and Ernst & Young) from 1969 to 2006 in various capacities. Within the 37 years, he was involved in audit work, financial consulting activities, and business advisory service holding various job positions as Partner and/or Director.

Present directorships in other Singapore listed companies: Nil

Other principal commitments:
- PT. Balmater Consulting Company (President Director/CEO)
- PT. ABM Global Solutions (Commissioner)
- PT. Madusari Murni Indah Tbk (Commissioner)

Past directorships in other Singapore listed companies (2017-2019): Nil

WILLY SHEE PING YAH @ SHEE PING YAN
Independent Director

Mr. Willy Shee Ping Yah @ Shee Ping Yan is an Independent Director of SML. Mr. Shee joined the Board of Directors of SML in April 2018. His last re-appointment as a Director was in 2019.

Mr. Shee, aged 71, holds a Diploma in Urban Valuation from the University of Auckland, New Zealand (under the Colombo Plan Scholarship 1968-1970). He is a Fellow Member of the Singapore Institute of Surveyors and Valuers, a Fellow Member of the Association of Property and Facility Managers. Mr. Shee is a Licensed Estate Agent in Singapore and a full member of the Singapore Institute of Directors.

Mr. Shee is currently Senior Advisor to CBRE Pte Ltd having assumed a non-executive role after stepping down as the Chairman, Asia of CBRE Pte Ltd in July 2016. From 1991 to June 2005, Mr. Shee was the Managing Director of CB Richard Ellis (Pte) Ltd, Singapore office, and was responsible for its growth and overall operations. He was also Chairman of Ascendas-Singbridge Gives Foundation from January 2012 until he stepped down in 2019.

Other boards which Mr. Shee sits on include Bund Center Investment Ltd, Shanghai Golden Bund Real Estate Co., Ltd, Mercatus Co-operative Ltd and Keppel Land Limited. He is also a Committee Member of Singapore Turf Club.

Present directorships in other Singapore listed companies:
- Bund Center Investment Ltd

Other principal commitments:
- CBRE Pte Ltd (Senior Advisor)

Past directorships in other Singapore listed companies (2017-2019): Nil

LEW SYN PAU
Independent Director

Mr. Lew Syn Pau is an Independent Director of SML. Mr. Lew joined the Board of Directors of SML in April 2018. His last re-appointment as a Director was in 2019.

Mr. Lew, aged 66, obtained a Master in Engineering from Cambridge University, UK and a Master of Business Administration from Stanford University, USA. Mr. Lew was a Singapore Government scholar.

Mr. Lew was Senior Country Officer and General Manager for Banque Indosuez Singapore, where he worked from 1994 to 1997. He was General Manager and subsequently, Managing Director of NTUC Comfort from 1987 to 1993 and Executive Director of NTUC Fairprice from 1993 to 1994. Mr. Lew served as a Member of Parliament from 1988 to 2001. He was President of The Singapore Manufacturers' Federation from July 2002 to June 2006.

Present directorships in other Singapore listed companies:
- Broadway Industrial Group Ltd
- Food Empire Holdings Ltd
- Golden Agri-Resources Ltd
- Golden Energy and Resources Limited
- SUTL Enterprise Limited

Other principal commitments: Nil

Past directorships in other Singapore listed companies (2017-2019):
- Poh Tiong Choon Logistics Limited (delisted on 4 January 2018)

Key Management Personnel

LIE JANI HARJANTO

Ms. Lie Jani Harjanto has been the director of BSDE since 2010. She has also been the vice president director of DUTI since 2016. She was the managing finance director of the Sinar Mas Energy and Mining Division from 2009 to 2010, managing finance director of Sinar Mas Forestry Division from 2001 to 2009, general manager of property management of Sinar Mas Real Estate Divison from 1992 to 2001, controller manager of Sinar Mas Real Estate Division in 1992 and corporate internal audit manager of Sinar Mas from 1988 to 1992. She received her Bachelor of Economics degree from Trisakti University, Indonesia, in 1989.

MICHAEL JP WIDJAJA

Mr. Michael JP Widjaja has been the vice president director of BSDE since 2007. He was a vice president director of DUTI from 2007 to 2015. He was a vice president commissioner of PT Golden Energy Mines Tbk from 2011 to 2013 and vice president commissioner of PT Dian Swastatika Sentosa Tbk from 2009 to 2011. He received his Bachelor of Arts degree from the University of Southern California, the United States, in 2006.

MONIK WILLIAM

Ms. Monik William has been the director of BSDE since 2007. She was a deputy director of ITC Depok from 2004 to 2007. From 1992 to 2004, she was a project manager or construction manager for various construction projects, including Harco Mas Mangga Dua in Jakarta, Hua Fung Garden in Zhuhai, China, Ambassador Mall & Apartment in Jakarta, and Greenview Apartment in Jakarta. She was a housing project manager of Duta Pertiwi from 1991 to 1992. She worked in PT Dacrea Avia from 1987 to 1991. She received her Bachelor of Civil Engineering degree from Bandung Institute of Technology, Indonesia, in 1986.

RIDWAN DARMALI

Mr. Ridwan Darmali has been the president director of BSDE since 2013. He was BSDE commissioner from 2011 to 2013. He was the president director of DUTI from 2010 to 2013. Prior to that, he was the director of engineering and planning in DUTI from 1994 to 2005, the general manager of PT Paraga Artamida in 1992, the chief engineer of PT Putra Satria Prima from 1986 to 1991, and a civil project coordinator of PT Indulexco Consulting Engineers from 1979 to 1985. He received his Bachelor of Civil Engineering degree from Parahyangan Catholic University, Indonesia, in 1981 and a Bachelor's degree in Highway Engineering from Bandung Institute of Technology, Indonesia, in 1994.

TEKY MAILOA

Mr. Teky Mailoa has been BSDE's commissioner since 2013. He was BSDE vice president director from 2011 to 2013. He has also been a vice president director of DUTI since 2010, after serving as Duta Pertiwi's director from 2006 to 2010 and deputy director for treasury and corporate planning from 1993 to 1995. He has also been a president director of PT Pembangunan Deltamas since 1995, and was the president director of DMAS from 2013 to 2016. He worked as an assistant project manager for Tutor-Saliba, Perini Corp. in the United States from 1991 to 1993, and project manager for John R. Hundley Inc., a U.S. company, from 1990 to 1991. He received his Bachelor of Civil Engineering degree from Trisakti University, Indonesia, in 1987 and Master's degree in Structure and Construction Management from the University of Wisconsin, the United States, in 1990.

TEAM WORK

Corporate Governance Report

Sinarmas Land Limited (the "Company" or "SML") and together with its subsidiaries ("Group") is committed to observing high standards of corporate governance, to promote corporate transparency and to enhance shareholder value.

The Monetary Authority of Singapore issued a revised Code of Corporate Governance on 6 August 2018 effective for financial years beginning on or after 1 January 2019 (the "Code").

Rule 710 of the listing manual ("Listing Manual") of the Singapore Exchange Securities Trading Limited ("SGX-ST") requires an issuer to describe its corporate governance practices with specific reference to the principles and provisions of the Code. Issuers must comply with the principles of the Code. Where practices vary, adequate reasons should be given and how adopted practices are consistent with the intent of the principle.

This report describes the Company's corporate governance practices and structures in place during the financial year ended 31 December 2019 ("FY2019"), which are substantially in compliance, with explanations given for deviations from practices of the Code.

For easy reference, the principles of the Code are set out in italics in this report.

BOARD MATTERS

Principle 1: The Board's Conduct of Affairs
The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

1.1 The Board's Role

The Board of Directors of the Company ("Board") heads the Company to provide effective leadership and direction to enhance the long-term value of the Group to its shareholders and other stakeholders.

The Board has the responsibility to fulfil its role which includes the following:

(a) provide entrepreneurial leadership, and set strategic objectives, which include appropriate focus on value creation, innovation and sustainability;

(b) ensure that the necessary resources are in place for the Company to meet its strategic objectives;

(c) establish and maintain a sound risk management framework to effectively monitor and manage risks, and to achieve an appropriate balance between risks and Company performance;

(d) constructively challenge Management and review its performance;

(e) instil an ethical corporate culture and ensure that the Company's values, standards, policies and practices are consistent with the culture; and

(f) ensure transparency and accountability to key stakeholder groups.

1.2 Scope of Director Duties, Code of Conduct, and Policy on Directors' Conflict of Interest

All Directors of the Company ("Directors") are expected to be cognisant of their statutory duties, and to discharge them objectively, in the interest of the Company. To establish appropriate tone-at-the-top behaviour, there is in place a code of conduct, known as the SML Code of Conduct, which spells out the standards expected of all employees of SML and the Group to follow, and the behaviours expected of its officers and employees.

Directors are regarded as Executive, Non-executive and Independent according to their differing roles, although all Directors have the same statutory duties. In FY2019, all Directors were reminded, and took note, of the different roles they have.

The Board has adopted a comprehensive Policy on Directors' Conflict of Interest that sets out guiding principles for Directors when faced with an actual or potential conflict of interest situation. If a Director has or is deemed to have a conflict of interest, he/she is required to refrain from discussing, decision-making, and to abstain from voting on the relevant agenda item(s).

1.3 Training and Development of Directors

The Company provide Directors with opportunities to develop and maintain their skills and knowledge at the Company's expense. In this regard, the Board has approved a framework for Directors' training where the Company facilitates Director's training arrangements. An annual budget is allocated to fund any Director's participation/attendance at seminars and training programmes that are relevant to his duties as a Director.

The Director's training framework/programme applied a 3-step approach to training as follows:

(1) Externally conducted courses on audit/financial reporting matters, audit committee's role, corporate governance/regulatory changes and other relevant topics subject to course availability;

(2) Quarterly management updates on operations and industry-specific trends and development; and

(3) Quarterly continuing education on regulatory changes and updates, including extraction of case studies on corporate governance, and external auditors' briefings on changes to accounting standards and issues.

Having attended external courses/seminars, Directors are requested, in turn, to share their key takeaways with fellow Directors at the next Board meeting.

1.4 Training and Orientation for New Directors

As a standard procedure, newly appointed Directors will be provided with a formal appointment letter setting out the terms of appointment, general duties and obligations as a Director pursuant to the relevant legislations and regulations. They will also be given the relevant governing documents of the Company, meeting schedule and contact particulars of senior Management. From FY2019, those without prior experience as a director of a Singapore listed company, are required to attend SGX-ST prescribed training on the roles and responsibilities as a director of a listed company in Singapore.

Non-executive Directors who are newly appointed may not be familiar with the Group's business. Upon recommendation, they will be provided with orientation through overseas trips to familiarise them with the Group's operations, including briefing(s) by Management on the Group's business, as well as governance practices.

1.5 FY2019 External Training for Directors

External courses/seminars attended by certain Director(s) in 2019 include the following:

(1) Audit Committee Seminar 2019: The Audit Committee in the New Normal (January 2019)

(2) Elevating the AC Role with Analytics and AC Commentary (March 2019)

(3) SID Directors' Conference 2019 – Transformation: From Ordinary to Extraordinary (September 2019)

(4) SIAS-Global Corporate Governance Conference – Technology – The New Face of Governance? (September 2019)

(5) Singapore Board of Directors Survey 2019 (November 2019)

(6) Annual Corporate Governance Roundup (November 2019)

Corporate Governance Report

1.6 Matters Requiring Board Approval

The Company's Internal Guidelines specify matters requiring Board approval, which include the following corporate events and actions:

- approval of results announcements
- approval of the annual report and financial statements
- dividend declaration/proposal
- convening of shareholders' meetings
- shares issuance
- material acquisitions and disposals of assets
- annual budgets
- interested person transactions
- corporate governance

1.7 Committees Established by the Board

Committees established by the Board ("Board Committees") comprise the Audit Committee ("AC"), the Nominating Committee ("NC"), the Remuneration Committee ("RC") and the Executive/Board Committee ("BC") with written terms of reference which clearly set out the authority and duties of each committee.

While the respective Board Committees has been delegated power to make decisions within its authority, the ultimate responsibility for the decisions and actions rests with the Board as a whole.

Pages 23 to 38 of this report sets out further information on these Board Committees.

1.8 Composition of the Board and Board Committees

At present, a total of 10 Directors sit on the Board. Their position(s) in the Company, membership (if any) on the Board Committees and directorship role are shown below:

Name	Position(s)	Executive/Independent Director
Franky Oesman Widjaja	Executive Chairman Member of NC and BC	Executive Director
Muktar Widjaja	CEO Member of BC	Executive Director
Margaretha Natalia Widjaja	Member of BC	Executive Director
Ferdinand Sadeli	CFO Member of BC	Executive Director
Robin Ng Cheng Jiet	Member of BC	Executive Director
Hong Pian Tee	Lead Independent Director Chairman of AC and NC Member of RC	Non-executive, Independent Director
Kunihiko Naito	Member of AC and RC	Non-executive, Independent Director
Rodolfo Castillo Balmater	Chairman of RC Member of AC and NC	Non-executive, Independent Director
Willy Shee Ping Yah @ Shee Ping Yan	-	Non-executive, Independent Director
Lew Syn Pau	-	Non-executive, Independent Director

Please refer to pages 12 to 17 of this Annual Report for key information, including qualifications, on the Directors.

Abbreviation:
CEO: Chief Executive Officer
CFO: Chief Financial Officer

1.9 Role of Executive/Board Committee

The Board has established the BC to supervise the management of the business and affairs of SML. The BC assists the Board in the discharge of its duties by, inter alia, approving the opening, closing of banking accounts and acceptance of banking facilities up to certain limits.

The BC comprises the following 5 Executive Directors:

Group A
Franky Oesman Widjaja
Muktar Widjaja
Margaretha Natalia Widjaja

Group B
Ferdinand Sadeli
Robin Ng Cheng Jiet

Circular resolutions of the BC are effective if signed by any 2 Directors from Group A jointly with the 2 Directors from Group B.

1.10 Key Features of Board Processes

The Board and the respective Board Committees meet regularly on scheduled dates throughout the year to consider pre-set agenda items. To assist Directors in planning their attendance, Meeting dates together with agenda items for each new calendar year are notified to all Directors, before the start of that calendar year.

In addition to regularly scheduled meetings, ad-hoc meetings may be convened for specific purpose, if requested or warranted by circumstances deemed appropriate by the Board. Participation by Directors at Meetings by teleconference or similar communication equipment is permitted under the Company's Constitution ("Constitution").

In between regularly scheduled meetings, matters that require the Board and/or Board Committees' approval are circulated to all Directors and/or respective Board Committee members, as the case may be, for their consideration by way of circular resolutions, as provided in the Constitution and the terms of reference of the respective Board Committees.

1.11 Number of Meetings Held in 2019 and Attendance Record

In 2019, the Board met 5 times, with the year-end meeting focusing on annual budget and strategic issues; the Board Committees met a total of 9 times; and 1 shareholders' meeting being the annual general meeting ("AGM") was held. The number of Board and Board Committee Meetings held and the attendance of Directors and Board Committee members respectively, is disclosed below:

Corporate Governance Report

Number of Meetings Attended by Members

Name	Board Meetings	AC Meetings	NC Meetings	RC Meetings	AGM	Total Attendance at Meetings
EXECUTIVE DIRECTORS						
Franky Oesman Widjaja	5/5	-	2/2	-	1/1	8/8
Muktar Widjaja	4/5	-	-	-	1/1	5/6
Margaretha Natalia Widjaja	4/5	-	-	-	1/1	5/6
Ferdinand Sadeli	5/5	-	-	-	1/1	6/6
Robin Ng Cheng Jiet	5/5	-	-	-	1/1	6/6
NON-EXECUTIVE INDEPENDENT DIRECTORS						
Hong Pian Tee	5/5	5/5	2/2	2/2	1/1	15/15
Kunihiko Naito	5/5	5/5	-	2/2	1/1	13/13
Rodolfo Castillo Balmater	5/5	5/5	2/2	2/2	1/1	15/15
Willy Shee Ping Yah @ Shee Ping Yan	4/5	-	-	-	1/1	5/6
Lew Syn Pau	5/5	-	-	-	1/1	6/6
Number of Meetings Held	**5**	**5**	**2**	**2**	**1**	**15**

1.12 Complete, Adequate and Timely Information

To enable Directors to make informed decisions and discharge their duties and responsibilities, Management recognises its role to provide the Board with complete, adequate and timely information prior to Meetings and on an on-going basis.

It is a standard procedure that Directors review the Meeting Papers prior to a Meeting. Papers for each Board, Board Committee and Shareholders Meeting are uploaded to a digital Board portal before a Meeting, for Directors to access from their tablets.

Management, the Company's auditors and other professionals who can provide additional insights into the matters to be discussed at Board and Board Committee Meetings are invited to be present at these meetings, where necessary.

Management provides the Board with financial statements and management reports of the Group on a quarterly basis. Explanations are given by Management for material variance (if any) between any projections in the budget and actual results.

Separate and independent access to the Company's Management is available to all Non-executive Independent Directors if they have queries in addition to that provided.

1.13 Company Secretary

The Directors may separately and independently contact the company secretary who attends and prepares minutes for all Board meetings. The company secretary's role is defined which includes responsibility for ensuring that board procedures are followed and that applicable rules and regulations are complied with.

The appointment and the removal of the company secretary are matters requiring Board approval.

1.14 External Advice

Where Directors, either individually or as a group, in furtherance of their duties, require external advice, the company secretary can assist them to do so, at the Company's expense.

Principle 2: Board Composition and Guidance
The Board has an appropriate level of independence and diversity of thought and background on its composition to make decisions in the best interests of the company.

2.1 Director Independence

Director independence is fundamental to good corporate governance as it facilitates the exercise of independent and objective judgement on corporate affairs. It also ensures discussion and review of key issues and strategies in a critical yet constructive manner. Given the size of the Board and measures in place as set out in item 3.2 below, the Board is of the view that it is not necessary or cost-effective for the time being to have Non-executive or Independent Directors make up a majority of the Board as there is a strong and independent element presence within the Board with half of the Board members comprising Independent Directors (5 out of 10) as reflected under item 1.8 above.

When determining a Director's independence, the NC and Board considers the following circumstances:

(1) Listing Manual;

(2) The Code; and

(3) Any other circumstance or relationship which might impact a Director's independence, or the perception of his independence.

The 5 Independent Directors have nil relationship with the Company, its related corporations, its substantial shareholders, or their officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of the Group, and they are able to exercise objective judgement on corporate affairs independently from Management and its substantial shareholders.

Each year, the Board examines its size, composition, skills and core competencies of its members to ensure an appropriate balance and diversity of skills, experience and knowledge. The Board comprises Directors from different industries and background, with business and management experience, knowledge and expertise who, collectively as a group provides the core competencies for the leadership of the Company. The Company has no alternate Directors on its Board.

Taking into account the scope and nature of operations of the Group, the Board considers that the current composition mix and size is appropriate to facilitate effective decision making at meetings of the Board and Board Committees.

2.2 Non-executive Directors

A key duty of the Board is to set objectives and goals for Management, monitor the results, assess and remunerate Management on its performance. Executive Directors, who are part of Management, may face conflicts of interest in these areas.

Non-executive Directors make up half of the Board (5 out of 10).

If deemed necessary by the Lead Independent Director, the Non-executive Independent Directors are invited to hold discussions amongst themselves without the presence of other Executive Directors and Management.

Corporate Governance Report

2.3 Lead Independent Director ("LID")

The AC Chairman acts as a LID. A LID has the following additional role:

(1) LID is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate;

(2) Plays an additional facilitative role within the Board;

(3) Where necessary, he may also facilitate communication between the Board and shareholders or other stakeholders of the company; and

(4) Providing a channel to Non-executive Directors for confidential discussions on any concerns, and to resolve conflicts of interest as and when necessary.

The LID may be contacted through office phone number +65 6590 0805.

2.4 Board Diversity Policy

In support of the principles of good corporate governance, the Board has adopted a Board Diversity Policy relating to Directors appointment and Board composition. By practicing diversity at Board level, the Directors believe that such differences may, collectively, enhance the attainment of corporate strategic objectives and to reach greater heights of achievement. However, it is noted that differences should be appropriately balanced so that the Board can function as a whole, and effectively within its leadership role in the Company. All Board appointments are based on merit of candidates.

During FY2019, the NC reviewed a matrix of the composition and skills of the existing Board to improve diversity in certain areas.

Principle 3: Chairman and Chief Executive Officer
There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

3.1 Chairman and Chief Executive Officer

Our Executive Chairman is Mr. Franky Oesman Widjaja, and our CEO is Mr. Muktar Widjaja. We believe that the Independent Directors have demonstrated a high commitment in their roles as Directors and have ensured that there is a good balance of power and authority.

The overall role of the Chairman is to lead and ensure the effectiveness of the Board. This includes:

(a) promoting a culture of openness and debate at the Board;

(b) facilitating the effective contribution of all Directors; and

(c) promoting high standards of corporate governance.

3.2 To address the issue of the Executive Chairman and the CEO being immediate family members, the LID position and role were created, as set out in item 2.3 above, where, in addition to holding the position of AC Chairman, he is also NC Chairman and a member of the RC. Further, all Board Committees are chaired by a Non-executive Independent Director.

Principle 4: Board Membership
The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

4.1 Nominating Committee Composition and Role

The NC comprises the following 3 Directors, a majority of whom, including the NC Chairman, are Non-executive Independent Directors:

Hong Pian Tee	(NC Chairman)
Rodolfo Castillo Balmater	
Franky Oesman Widjaja	

The NC's terms of reference sets out its roles and responsibilities. The NC is primarily responsible for:

(a) identifying and nominating for the approval of the Board, all Board appointments including candidates to fill Board vacancies as and when they arise; and

(b) deciding how the Board's performance may be evaluated.

The NC is also responsible for making recommendations to the Board:

(a) as regards the re-appointment, re-election and re-nomination of any Director, and succession planning;

(b) concerning the performance criteria and related evaluation processes;

(c) regarding training and development programmes for Directors;

(d) concerning any matters relating to the continuation in office of any Director at any time; and

(e) concerning Board diversity.

4.2 Selection, Appointment and Re-appointment of Directors

All new Board appointments are considered, reviewed and recommended by the NC first, before being brought up to the Board for approval. Potential candidates to fill casual vacancies are sourced with recommendations from Directors, Management or external consultants. Upon the NC's recommendation, the Board approves the new appointment. In the event that the membership of the NC falls below the minimum number of 3 members, the NC shall be dissolved, and any new nominations are channeled directly to the Board for approval after which the NC is reconstituted with the requisite number of members.

When evaluating a shortlisted candidate's suitability for appointment, the NC will carry out interview(s) with the candidate to consider, inter alia, the candidate's competencies, commitment, independence, ability and potential to contribute positively to the Board's effectiveness.

The NC may refer to a comprehensive checklist in ensuring that basic standard criteria, as well as the Board Diversity Policy are considered during the process of appointment or re-appointment.

Corporate Governance Report

4.3 Director Independence Review

The Board has adopted the definition of "independence" in the Code in its review.

An "independent" Director is one who is independent in conduct, character and judgement, and has no relationship (whether familial, business, financial, employment, or otherwise) with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of the Company.

In addition, consideration is given to the 2012 Code of Corporate Governance which requires that the independence of any Director who has served on the Board beyond 9 years from the date of first appointment, be subject to the Board's rigorous review ("Rigorous Review").

Further, the Listing Manual sets out specific circumstances in which a director is deemed non-independent, including, effective on 1 January 2022, the requirement for directors wishing to remain as independent after serving more than 9 years, to seek 2-tier voting by shareholders.

Bearing in mind the above, the NC determines on an annual basis and, whenever the circumstances require, the independence of an Independent Director. To facilitate NC review, each Independent Director is required to complete a self-declaration checklist at the time of appointment, and annually, based on the above independence criteria.

Having conducted its review, including Rigorous Review, the NC/Board is satisfied with the independence of the following 5 Directors and regard them as Independent Directors of the Company:

Hong Pian Tee
Kunihiko Naito*
Rodolfo Castillo Balmater*
Willy Shee Ping Yah @ Shee Ping Yan
Lew Syn Pau

Each Independent Director duly abstained from the NC/Board's determination of his independence.

* Please see item 4.4 below on Rigorous Review.

4.4 Rigorous Review

The Board recognises that over time, an Independent Director may develop a better understanding of, and obtain greater insights into, the Group's business, operations and culture. And despite having served an increasing number of years, or beyond 9 years, as an Independent Director, he can still continue in his role to provide significant and valuable contribution to the Board as a whole, and as an independent and objective check on Management. Where there are such Directors serving as an Independent Director beyond 9 years, the NC and the Board will do a Rigorous Review of their continuing contribution and, particularly, their independence.

A Rigorous Review of both Mr. Kunihiko Naito and Mr. Rodolfo Castillo Balmater ("2IDs") were conducted as each had served as a Non-executive Independent Director beyond 9 years.

During the NC and Board's Rigorous Review, they looked at, amongst others, the manner and extent in which each of the 2IDs contributed in their individual role as an Independent Director.

Additionally, the Rigorous Review procedure required each of the 2IDs to provide reason(s) why they should be considered independent despite having served beyond 9 years. They also confirmed not having any relationship that could interfere with their exercise of independent judgement in the best interest of the Company.

After taking into account these factors, including weighing the need for Board refreshment against tenure, the Board determined that each of the 2IDs be regarded as Independent Directors of the Company, notwithstanding having served beyond 9 years.

4.5 Re-appointment at 2020 AGM under the Listing Manual

Pursuant to Rule 720(5) of the Listing Manual ("R720"), all Directors must submit themselves for re-election at least once every 3 years.

The Directors due for retirement at the forthcoming 2020 AGM under R720 are (1) Mr. Rodolfo Castillo Balmater, (2) Ms. Margaretha Natalia Widjaja, and (3) Mr. Muktar Widjaja.

Each of Ms. Margaretha Natalia Widjaja and Mr. Muktar Widjaja, who, being eligible, has offered herself/himself for re-appointment at the 2020 AGM. The NC has recommended each of their re-appointment as a Director at the 2020 AGM.

In its deliberation on the re-appointment of retiring Directors who, being eligible, have offered themselves for re-appointment, the NC takes into consideration the Director's attendance, participation, contribution, commitment and performance during the previous year.

Each member of the NC abstains from participating in deliberations and voting on any resolutions if pertaining to his re-appointment as Director.

4.6 Retirement and Resignation of Independent Director with More Than 9 Years Service

The 2IDs having served more than 9 years have notified the NC/Board as follows:

4.6.1 Mr. Rodolfo Castillo Balmater will not be offering himself for re-election as a Director at the 2020 AGM under R720.

4.6.2 Mr. Kunihiko Naito has offered to step down as a Director at the conclusion of the 2020 AGM.

The NC has accepted the 2IDs' decision. Accordingly, both Mr. Rodolfo Castillo Balmater and Mr. Kunihiko Naito shall cease from the Board and Board Committees at the conclusion of the 2020 AGM.

4.7 Directors' Time Commitments and Multiple Directorships

The Board believes that each Director, when accepting new appointments or who already sit on multiple boards, has the individual responsibility to personally determine the demands of his/her competing directorships and obligations, and ensure that he/she can allocate sufficient time and attention to the affairs of each company. The Board is of the view that setting a numerical limit on the number of listed company directorships a Director may hold is arbitrary, given that time requirements for each person vary, and therefore prefers not to be prescriptive, currently.

Annually, the NC assesses and reviews each Director's attendance record and his/her ability to allocate sufficient time and attention to the affairs of the Company. The NC is satisfied with the time commitment and effort made by each Director to attend meetings in 2019. Directors with multiple board representation made sure to allocate time to attend to the Company's affairs.

Currently, the maximum number of directorships in Singapore listed companies, including the Company, held by an Independent Director is 6, and of that held by an Executive Director is 3.

Corporate Governance Report

Principle 5: Board Performance
The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

5.1 Accessing Board Performance

The NC is tasked to carry out the processes as implemented by the Board for assessing the effectiveness of the Board as a whole, and the contribution by each individual Director to the effectiveness of the Board, on an annual basis.

The Company has in place a system to assess the effectiveness/performance of the Board and acts, where appropriate, on feedback from Board members, on improvements.

During the annual evaluation process, each Director is required to complete the respective forms for self-assessment as well as for assessment of the performance of the Board, based on pre-determined approved performance criteria.

The NC will review for any added assessments of Board Committees, and make appropriate, recommendation(s) to the Board.

REMUNERATION MATTERS

Principle 6: Procedures for Developing Remuneration Policies
The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

6.1 Remuneration Committee Composition and Role

The RC comprises the following 3 Directors, all of whom, including the RC Chairman, are Non-executive Independent Directors:

Rodolfo Castillo Balmater (RC Chairman)
Kunihiko Naito
Hong Pian Tee

The RC's roles and responsibilities are described in its terms of reference. The duties of the RC include reviewing and recommending to the Board for approval, the following:

(a) a general framework of remuneration for the Board and key management personnel;

(b) the specific remuneration packages for each Director and key management personnel; and

(c) the Company's obligations arising in the event of termination of Executive Directors and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

The RC may, during its annual review of remuneration of Directors and key management personnel, seek advice from external remuneration consultants as and when it deems necessary.

None of the members of the RC is involved in deliberations in respect of any remuneration, fee, compensation, incentives or any form of benefits to be granted to him.

6.2 Long-term Incentive Scheme

Currently, the Company does not have any long-term incentive schemes, including share schemes.

Principle 7: Level and Mix of Remuneration
The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

7.1 Remuneration of Executive Directors and Key Management Personnel

In designing the compensation structure, the Company seeks to ensure that the level and mix of remuneration is competitive, relevant and appropriate.

The remuneration structure for Executive Directors and key management personnel consists of (a) fixed remuneration, (b) variable bonus and/or (c) other benefits. Executive Directors do not receive Directors' fees.

The extent of an individual's performance and contributions towards the achievement of corporate objectives and targets, for the year under review, will largely determine that individual's variable bonus component. Other determinants of the level of remuneration include the Group's performance, industry practices, individual's contribution through engagement with governmental authorities and other stakeholders.

The use and application of clawback provisions in remuneration contracts of Executive Directors and key management personnel is subject to further consideration by the Company.

7.2 Remuneration of Non-Executive Independent Directors

Non-executive Independent Directors receive Directors' fees, which are subject to shareholders' approval at AGMs ("Directors' Fees").

Directors' Fees are structured according to the roles performed by the Non-executive Independent Director, basing the payment on a scale of fees comprising a base fee, and fee as AC Chairman, AC member, RC Chairman, RC member, NC Chairman and NC member. If a Non-executive Independent Director occupies a position for part of the financial year, the relevant fee(s) payable will be pro-rated accordingly.

Directors' Fees are reviewed annually by the RC and/or the Board, taking into consideration contributions, regulatory changes and responsibilities, and market benchmarks.

The RC, with the concurrence of the Board, has recommended that an amount of S$465,000 as Directors' Fees be paid to the Non-executive Independent Directors for FY2019. These fees will be tabled for shareholders' approval at the 2020 AGM.

Corporate Governance Report

Principle 8: Disclosure on Remuneration
The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

8.1 Directors' Remuneration

The Directors' remuneration for FY2019 in bands of S$250,000 is set out in the table below:

Name of Directors	Fixed Salary	Bonus paid or payable/ Benefit	Directors' Fees	Total
EXECUTIVE DIRECTORS				
S$5,000,000 to S$5,250,000				
Muktar Widjaja	17.6%	82.4%	-	100%
S$3,000,000 to S$3,250,000				
Margaretha Natalia Widjaja	15.6%	84.4%	-	100%
S$2,750,000 to S$3,000,000				
Franky Oesman Widjaja	12.9%	87.1%	-	100%
S$500,000 to S$750,000				
Ferdinand Sadeli	87.3%	12.7%	-	100%
S$250,000 to S$500,000				
Robin Ng Cheng Jiet	77.4%	22.6%	-	100%
NON-EXECUTIVE INDEPENDENT DIRECTORS				
Below S$250,000				
Hong Pian Tee	-	-	100%	100%
Kunihiko Naito	-	-	100%	100%
Rodolfo Castillo Balmater	-	-	100%	100%
Willy Shee Ping Yah @ Shee Ping Yan	-	-	100%	100%
Lew Syn Pau	-	-	100%	100%

Variable bonus is based on performance in the same financial year.

Each Director's remuneration is expressed in bands of S$250,000 rather than to the nearest dollar, due to continuing sensitivity surrounding the issue of remuneration. The Company believes that the current format of disclosure in bands of S$250,000 with a percentage breakdown, is sufficient indication of each Director's remuneration package.

8.2 Remuneration of Key Management Personnel

The top 5 key management personnel, in alphabetical order, who are not Directors of the Company ("KMP") for FY2019 are as follows:

Lie Jani Harjanto
Michael JP Widjaja
Monik William
Ridwan Darmali
Teky Mailoa

The remuneration of a KMP who is also an IFM (as defined below) is disclosed in item 8.3 below. Save for this, the Company, having taken into account that the above KMPs are employed and remunerated by the Company's Indonesian subsidiaries; the relevant personnel's comments; and the size of the Company and the Group's scope of business, does not believe it to be in its interest to disclose the KMPs' remuneration, due to the highly competitive human resource environment for personnel with the requisite knowledge, expertise and experience in the country of operation of the Group's business. In addition, such disclosure of specific remuneration information may encourage inappropriate peer comparisons and discontent, and may, in certain cases, give rise to recruitment and talent retention issues.

In view of the abovementioned reasons, the Company believes that the interests of shareholders will not be prejudiced as a result of such non-disclosure of the above KMPs' remuneration.

8.3 Remuneration of Employees who are Substantial Shareholders of the Company, or are Immediate Family Members of a Director/CEO ("IFM") or a Substantial Shareholder of the Company

The remuneration of employees who are immediate family members of a Director or the CEO, and whose remuneration exceeds S$100,000 for FY2019, being two, Mr. Michael JP Widjaja and Ms. Marcellyna Junita Widjaja, children of Mr. Muktar Widjaja, are as follows:

Remuneration Band	Number
S$2,750,000 to S$3,000,000	1
Below S$250,000	1

Mr. Franky Oesman Widjaja and Mr. Muktar Widjaja are brothers, and Ms. Margaretha Natalia Widjaja is the daughter of Mr. Muktar Widjaja.

Other than disclosed above, none of the Directors or substantial shareholders had immediate family members who were employees and whose remuneration exceeded S$100,000 for FY2019.

IFM remuneration is disclosed in applicable bands of S$250,000, instead of bands of S$100,000, due to continuing sensitivity surrounding the issue of remuneration. The Company believes that the current format of disclosure in bands of S$250,000, is sufficient indication of each IFM's remuneration package.

ACCOUNTABILITY AND AUDIT

Principle 9: Risk Management and Internal Controls
The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

9.1 Risk Management and Internal Controls - Responsibilities

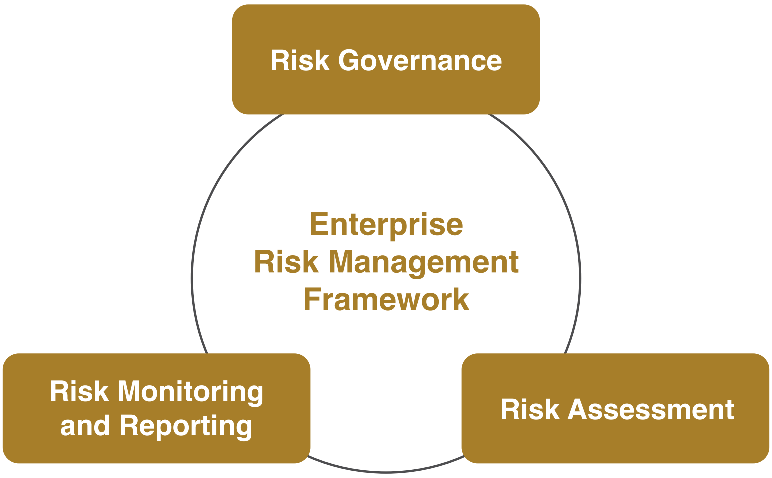
The Board, with assistance from the AC, is responsible for the governance of risk by ensuring that Management maintains a sound system of risk management and internal controls, including financial, operational, compliance and information technology controls, to safeguard shareholders' interests and the Group's assets, and determines the nature and extent of the significant risks which the Board is willing to take in achieving strategic objectives.

Corporate Governance Report

9.2 Enterprise Risk Management Processes

The Group has established an independent Enterprise Risk Management ("ERM") function, headed by the Chief Risk Officer and supported by risk champions across all divisions to assist in ERM implementation within their respective divisions. The ERM framework implemented by the Group aligns with International Standard for Risk Management, which include ISO 31000, COSO Enterprise Risk Management Framework and the 2018 Code.

The 3 key components of ERM framework are diagrammatically represented below:



- Risk Governance, the backbone to a robust risk management framework, sets out the risk management strategy, objectives and organisation structure for implementing ERM. It also establishes and communicates clear roles and responsibilities to support effective functioning of the ERM structure. The Group has also implemented specific key performance indicators to measure contribution of all relevant parties in ERM implementation.

- Risk Assessment, an objective evaluation of events that may prevent the Group from achieving its strategic objectives, which includes establishing the risk appetite/parameters, assigning resources and implementing risk management processes, tools and systems to manage identified risks within acceptable levels. The ERM function facilitates assessment of key risks and controls on a regular basis so as to define the risk levels and necessary actions needed to manage such risks.

- Risk Monitoring and Reporting, provides the platform for reporting risks, controls and early warning signals on a regular basis, and to monitor the effectiveness of existing controls. The ERM function actively monitors the Group's risk profile, effectiveness of key controls and outstanding action plans using the ERM reporting platform, and in certain situations, proactively facilitates the development or implementation of mitigation measures (e.g., when the impact of the risk is considered high). With regards to early warning signals, the ERM function has identified, and monitors various internal and external parameters as key risk indicators.

The ERM framework covers various risk categories as described below:

- Financial risks: In relation to management of financial risks which the Group is exposed to, including interest rate, foreign currency, price and liquidity risks, our approach to these risks are as follows:

  – Interest rate risk: assess the Group's exposure to interest-bearing financial instrument and perform sensitivity analysis

- Foreign currency risk: construct natural hedges where it matches revenue and expense in single currency

- Price risk: the Group monitors the market closely to ensure that risk exposure to volatility of investments is kept to a minimum

- Liquidity risk: the Group maintains a level of cash and cash equivalents and funding facilities deemed adequate by management to finance its operations

• Operational risks: The Group manages operational risks related to key business and support activities which include the following:

  - business development and marketing/leasing related risks;
  - land acquisition related risks;
  - pre-construction, construction and post-construction related risks;
  - property management related risks;
  - human capital related risks;
  - finance process related risks;
  - IT related risks; and
  - tender and procurement related risks.

• Legal & Compliance risks: The Group manages legal and compliance requirements by establishing close relationships with relevant regulators and associations to monitor the development of legal and compliance requirements. In 2015, the Group has established a Compliance Management Framework related to its operational activities. The framework sets clear roles and responsibilities and guidelines on compliance management, which includes identification process, establishment of compliance database, monitoring and tracking process.

• Strategic risks: The Group manages strategic risk by providing regular market and competitor information to relevant Group divisions so they can make necessary alignment to the respective business plan. Significant changes in market or regulatory conditions that may pose material impact on the achievement of corporate strategy are tabled in management forums to define necessary actions.

The Board recognises that risk is dynamic, thus ERM implementation requires continuous effort to improve its quality and coverage.

9.3 Internal Controls

The Group through its Corporate Policy Division formulates internal controls in all business activities through development of policies and standard operating procedures. The design of internal controls related to the Group's key risks are assessed by the ERM team, as part of annual risk assessment.

The role of the internal auditors is to assist the AC in ensuring that the Company maintains a sound system of internal controls. The internal audit function reviews the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls established by Management. Every quarter, the AC, the Chief Internal Auditor ("CIA") and Management review and discuss notable internal audit findings, recommendations and status of remediation, at AC meetings.

Furthermore, in the course of the statutory audit, the external auditors also perform a review of the adequacy and effectiveness of the Group's material internal controls to the extent of their scope as laid out in their audit plan. Material non-compliance and internal control weaknesses noted during the audit are reported to the AC together with the recommendations of the external auditors.

9.4 Assurance from the CEO and CFO

The AC and Board review and approve the results announcements before each release. In presenting the annual and quarterly financial statements to shareholders, the Board aims to provide shareholders with a balanced and clear assessment of SML's performance, position and prospects.

Corporate Governance Report

For the financial year under review, the CEO and the CFO have provided assurance to the Board on the integrity of the financial statements of SML and its subsidiaries. For interim financial statements, the Board provided a negative assurance confirmation pursuant to Rule 705(5) of the Listing Manual.

The CEO and CFO have obtained relevant assurances on corporate governance from the business heads in the Group, and, in turn, assured the Board of the following:

(a) Financial Records

The financial records of the Group for FY2019 have been properly maintained and the FY2019 Financial Statements give a true and fair view of the Group's operations and finances in accordance with the applicable financial reporting framework that are free from material misstatement; and

(b) Risk Management and Internal Controls

The internal controls, including financial, operational and information technology controls, and risk management systems in place within the Group are adequate and effective in addressing the material risks in the Group in its current business environment.

9.5 Commentary on Adequacy and Effectiveness of Internal Control and Risk Management Systems

The AC undertakes an annual assessment regarding the adequacy and effectiveness of the internal controls (including financial, operational, compliance and information technology controls) and risk management systems of the Group. In this regard, the AC is assisted by external auditors, internal auditors and the Enterprise Risk Management Committee ("ERMC").

The Board is satisfied that there is appropriate and adequate review by the AC of the adequacy and effectiveness of the Company's internal controls and risk management systems established by Management.

On the basis of the assurance received from the CEO and CFO, as well as the ERM framework established and maintained, the work performed by the ERMC, internal auditors and external auditors, the Board with the concurrence of the AC, is of the opinion that the Group's internal controls (including financial, operational, compliance and information technology controls) and risks management systems, are adequate and effective to meet the needs of the Group in its current business environment.

The Board notes that the Company's systems of internal controls and risk management provide reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen. Furthermore, the Board also acknowledge that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

Principle 10: Audit Committee
The Board has an audit committee which discharges its duties objectively.

10.1 Audit Committee Composition and Role

The AC comprises the following 3 Directors, all of whom, including the AC Chairman, are Non-executive Independent Directors:

Hong Pian Tee (AC Chairman)
Rodolfo Castillo Balmater
Kunihiko Naito

The Board considers that the members of the AC are appropriately qualified to discharge the responsibilities of the AC. None of the members of the AC were previous partners or directors of our external auditors, Moore Stephens LLP, and none of the members of the AC hold any financial interest in Moore Stephens LLP.

The AC's roles and responsibilities are described in its terms of reference. The AC has the explicit authority to investigate any matter within its terms of reference. In addition, the AC has full access to and co-operation of Management and full discretion to invite any Director or executive officer to attend its meetings. Reasonable resources are made available to enable the AC to discharge its functions properly.

In addition to its statutory functions, the AC considers and reviews any other matters as may be agreed to by the AC and the Board. In particular, the duties of the AC include:

(a) Reviewing significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance.

(b) Reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls and risk management systems.

(c) Reviewing the adequacy, effectiveness, independence, scope and results of the Group's internal audit function.

(d) Reviewing the scope and results of the external audit, and the independence and objectivity of the external auditors.

(e) Making recommendations to the Board on the proposals to the shareholders on appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors. In this regard, the AC is primarily responsible for proposing the appointment and removal of the external auditors.

(f) Reviewing the assurance from the CEO and the CFO on the financial records and financial statements of the Group.

The AC has been delegated to assist the Board in the oversight of sustainability practice.

The AC reviews with Management, and where relevant, with the internal and external auditors, the results announcements, annual reports and financial statements, interested person transactions and corporate governance, before submission to the Board for approval or adoption.

In performing its functions, the AC meets with the internal and external auditors, and reviews the audit plans and overall scope of both internal and external audits, and the co-operation and assistance given by Management to the respective auditors. Where necessary, the AC also meets separately with the internal and external auditors whereby any issues may be raised directly to the AC, without the presence of Management. The internal and external auditors have unfettered access to the AC.

In its review of the financial statements of the Group for FY2019 ("FY2019 Financial Statements"), the AC has discussed with external auditors and Management on matters of significance which are included under "Key Audit Matters" in the Independent Auditors' Report. The AC is satisfied that those matters, i.e. revenue recognition and valuation and classification of development properties, have been appropriately addressed. The AC recommended to the Board to approve the audited FY2019 Financial Statements. The Board has on 17 March 2020 approved the FY2019 Financial Statements.

10.2 Independence of External Auditors

Taking cognisance that the external auditors should be free from any business or other relationships with the Group that could materially interfere with their ability to act with integrity and objectivity, the AC undertook a review of the independence of the external auditors. During the process, the AC also reviews any non-audit services provided by the external auditors to satisfy itself that the nature and extent of such non-audit services would not affect their independence. Fee for audit services to the external auditors is disclosed in the Notes to the FY2019 Financial Statements on page 124 of this Annual Report. The external auditors, Moore Stephens LLP, did not provide any non-audit services to the Group during FY2019.

Corporate Governance Report

The AC has recommended to the Board that the external auditors be nominated for re-appointment at the 2020 AGM.

In appointing the audit firms for the Group, the AC is satisfied that the Company has complied with Rules 712 and 715 of the Listing Manual.

10.3 Internal Audit

The Company has established an in-house internal audit function headed by the CIA, Ms. Hamina Ali, who reports to the AC Chairman. On administrative matters, the CIA reports to the CEO. The CIA has met the standards set by nationally or internationally recognised professional bodies including the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

The role of the internal auditors is to assist the AC to evaluate and improve the effectiveness of governance, risk management and control processes.

The AC approves the hiring and removal of the CIA and ensures that the internal audit function is adequately staffed and trained, and has appropriate standing within the Company. It also ensures the adequacy and effectiveness of the internal audit function.

The annual internal audit plan is established in consultation with, but independent of, Management, and is reviewed and approved by the AC. Every quarter, the AC and Management review and discuss internal audit findings, recommendations and status of remediation, at AC meetings.

The internal auditors have unfettered access to the Group's documents, records, properties and personnel, including access to the AC.

The AC is satisfied that the Company's internal audit function is adequately resourced and has appropriate standing within the Company. It is also satisfied with the independence, adequacy and effectiveness of the internal audit function.

10.4 Whistle-Blowing Procedures

The Board is committed to uphold the Company's values and standards, and has put in place whistle-blowing procedures by which employees may, in confidence and without fear of retaliation, bring to the AC's attention, concerns or complaints about possible improprieties in matters of financial reporting or other matters.

Under these procedures, the AC may, if it deems appropriate, engage appropriate external independent advisors, at the Company's expense.

The Company is committed to treat all complaints as confidential, and the anonymity of the whistle-blower concerned will be maintained until the whistle-blower indicates that he/she does not wish to remain anonymous.

10.5 Annual Confirmation on Procedures relating to Rights of First Refusal ("ROFR")

In accordance with paragraph 4.2 of the circular dated 12 November 2014 ("Circular") to shareholders of the Company, the AC confirms that no ROFR (details of which are set out in the Circular) has been granted to and/or exercised by Bund Center Investment Ltd and the Company for FY2019.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Principle 11: Shareholder Rights and Conduct of General Meetings
The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, positions and prospects.

11.1 Shareholder Rights

The Company recognises the importance of maintaining transparency and accountability to its shareholders. The Board ensures that the Company's shareholders are treated fairly and equitably, and their rights are protected.

The Company is committed to providing shareholders with adequate, timely and sufficient information pertaining to the Group's business which could be trade-sensitive or have a material impact on the Company's share price or value.

All shareholders of the Company are entitled to attend and vote at general meetings in person or by proxy. In 2017, the Constitution was amended to include provisions to facilitate the sending of documents, including circulars and annual reports, to shareholders, using electronic communications. In that year, the Listing Manual was also amended to allow such electronic communications. Starting with the 2018 AGM, the Company used electronic communications to transmit annual reports and other documents to shareholders. The annual report and other documents are made available on the Company website[1], and all shareholders of the Company receive a letter on how to access the said documents. They also receive the printed notice of AGM, proxy form and request form for printed copies of the annual report and appendices. The notice of AGM is advertised in the newspapers and released via SGXNET.

11.2 Conduct of Shareholders' Meetings

During the AGMs which are held in Singapore, shareholders are given the opportunity to communicate their views and to engage the Board and Management on the Group's business activities and financial performance. Directors are encouraged to attend shareholders' meetings. In particular, members of the NC, AC and RC and the external auditors are asked to be present to address questions at such meetings.

At shareholders' meetings, each distinct issue is proposed as a separate resolution. Absentia voting methods are currently not permitted, as the authentication of shareholder identity information and other related integrity issue still remain a concern.

In support of greater transparency and to allow for a more efficient voting process, the Company has been conducting electronic poll voting instead of voting by show of hands since the 2013 AGM. With electronic poll voting, shareholders present in person or represented by proxy at the meeting will be entitled to vote on a 'one-share, one-vote' basis. The voting results of all votes cast "for" and "against" and the respective percentages, in respect of each resolution, will be instantly displayed on–screen at the meeting. The detailed breakdown of results showing the total number of votes cast "for" and "against" each resolution and the respective percentages are announced via SGXNET after the AGM.

The Company does not believe that it will necessarily benefit the Company by uploading minutes of general meetings on its corporate website, since such minutes are available to shareholders, upon their request.

11.3 Dividend Policy

Based on Management recommendations, the Directors determine on a quarterly basis the amount, if any, of dividends to be declared taking into account all relevant factors such as the Group's net profit attributable to shareholders, financial performance, future capital expenditure requirements, business expansion plans and general economic conditions. Any payouts will be clearly communicated to shareholders via announcements posted on SGXNET.

1 http://www.sinarmasland.com/annual-reports

Corporate Governance Report

The Board has recommended a proposed first and final dividend of S$0.0038 per ordinary share for FY2019, subject to shareholders' approval at the 2020 AGM.

Principle 12: Engagement with Shareholders
The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

12.1 Engagement with Shareholders

The Company is committed to engage our shareholders and the investment community regularly with timely, balanced, transparent and accurate information to make well-informed decisions. To ensure regular dialogues, the Company has a dedicated investor relations ("IR") team that facilitates the effective communication of information to our various stakeholders through multiple platforms.

The Company does not practice selective disclosure of material information. During FY2019, the Company conveys material information and its quarterly financial results through announcements made via SGXNET, and is required to comply with the Listing Manual on the continuous disclosure obligations. Results announcements and annual reports are announced or issued within the specified/stipulated period.

The Company's financial results, together with the accompanying presentation slides and press releases, are announced, during 2019, on a quarterly basis and the date of release of the financial results is disclosed two weeks in advance via a SGXNET announcement. In conjunction with the release of the quarterly financial results, the Management conducts a joint briefing for research analysts and media representatives to keep them abreast of the Company's financial performance and business operations.

In addition, the Company has proactively engaged investors and the investment community through non-deal roadshows ("NDRs"), investor conferences and tele-conferences to keep them apprised of its corporate development and financial performance. In 2019, the Management and IR team has engaged institutional and retail investors via face-to-face meetings and conference calls, as well as participation in investor conferences and NDRs.

The Company welcomes enquiries and feedback from shareholders and the investment community. Enquiries can be addressed to the IR team at investor@sinarmasland.com.sg or by post to 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535. The Company endeavours to respond to queries within 3 business days or whenever earliest possible.

More on IR can be found on page 67 of this Annual Report.

MANAGING STAKEHOLDER RELATIONSHIPS

Principle 13: Engagement with Stakeholders
The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Group constantly engages a broad range of stakeholders, including customers, national and local governments, local communities, non-governmental organisations, interest groups and industry associations, shareholders, investors and analysts through various avenues. Our Management carefully considers the occasionally diverging interests of these diverse groups and integrates them into our business strategy. To better serve the needs of our stakeholders, there will be designated person-in-charge taking charge of the respective stakeholder to maintain active engagement.

Throughout the reporting period, we have engaged external stakeholders through our regular channels, such as annual surveys, shareholder meetings, quarterly financial analyst calls, customer satisfaction surveys, engagement of local communities through education and healthcare initiatives, and our work with various government entities on joint public infrastructure projects (e.g. toll roads or public transport).

More details of our stakeholders' engagement can be found in our Sustainability Report which will be published later. Also, stakeholders can reach out to the Company via our email address, investor@sinarmasland.com.sg or by post to 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535.

DEALINGS IN SECURITIES

The Company complies with Rule 1207(19) of the Listing Manual on dealings in securities, and has devised and adopted its own internal compliance code to provide guidance with regard to dealings in the Company's securities by the Company, its Directors and officers, including the prohibition on dealings in the Company's securities on short-term considerations.

Dealings in the Company's securities are prohibited during the period commencing (i) two weeks before announcement of the Company's first, second and third quarter results (if the Company announces its quarterly results, whether required by the SGX-ST or otherwise) and (ii) one month before the announcement of the Company's half year and full year results (if the Company does not announce its quarterly results), and ending on the date of the announcement of the results. Such dealings in the Company as well as other listed companies' securities are also prohibited whilst in possession of unpublished material price-sensitive information in relation to those securities.

INTERESTED PERSON TRANSACTIONS

Particulars of interested person transactions required to be disclosed under Rule 907 of the Listing Manual are as follows:

Name of interested person ("IP")	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate* pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate* pursuant to Rule 920 (excluding transactions less than S$100,000)
		FY2019 S$	**FY2019 S$**
PT Bank Sinarmas Tbk	#1	-	26,992,039 #2
PT Cakrawala Mega Indah	#1	-	804,057
PT Dian Swastatika Sentosa Tbk	#1	-	172,088
PT Eka Mas Republik	#1	-	1,018,887
PT Golden Energy Mines Tbk	#1	-	2,836,569
PT Indah Kiat Pulp & Paper Tbk	#1	-	8,161,530
PT Lontar Papyrus Pulp & Paper Industry	#1	-	714,881
PT Purinusa Ekapersada	#1	-	244,618
PT Sinarmas Asset Management	#1	-	2,015,393
PT Sinar Mas Agro Resources and Technology Tbk	#1	-	2,214,602
PT Sinar Mas Specialty Minerals	#1	-	244,618
PT Sinarmas Sekuritas	#1	-	398,645
PT Smart Telecom	#1	-	896,381
Total		**-**	**46,714,308**

Notes:
* Renewed at SML's Annual General Meeting on 24 April 2019 pursuant to Rule 920 of the Listing Manual.
#1 These IPs are regarded as associates of SML's controlling shareholder under Chapter 9 of the Listing Manual on interested person transactions.
#2 Time deposits and current account placements with PT Bank Sinarmas Tbk during the year. Principal amount of placements as at 31 December 2019 is approximately S$4.953 million.

Corporate Governance Report

ADDITIONAL REQUIREMENTS UNDER RULE 720(6) OF THE LISTING MANUAL

Information relating to Directors seeking re-election at the 2020 AGM is as follows:

Name of Director	Margaretha Natalia Widjaja ("MNW")	Muktar Widjaja ("MW")
Date of Appointment	14 December 2010	10 March 1997
Date of last re-appointment (if applicable)	25 April 2017	25 April 2017
Age	38	65
Country of principal residence	Singapore	Indonesia
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	Please refer to item 4.5 on page 29 of this Annual Report.	Please refer to item 4.5 on page 29 of this Annual Report.
Whether appointment is executive, and if so, the area of responsibility	Executive. Assists the Chief Executive Officer in the operations, strategic development of the Group, formulating the Group's business plans and strategies, and is also responsible for the Group's Enterprise Risk Management activities and corporate governance initiatives.	Executive. In consultation with the Executive Chairman, to implement measures to achieve the goals and strategic direction of the Group as formulated by the Executive Chairman; and manage the operations of the Group.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director, Member of BC	Executive Director and Chief Executive Officer; Member of BC
Professional qualifications Working experience and occupation(s) during the past 10 years	Please refer to page 14 of this Annual Report.	Please refer to page 13 of this Annual Report.
Shareholdings interest in the listed issuer and its subsidiaries	Nil	Please refer to item 3 on page 90 of this Annual Report.
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Daughter of Mr. Muktar Widjaja and niece of Mr. Franky Oesman Widjaja, both Directors of the Company. Sister of Mr. Michael JP Widjaja, Vice President Director of PT Bumi Serpong Damai Tbk and President Commissioner of PT Paraga Artamida, both principal subsidiaries of the Company.	Brother of Mr. Franky Oesman Widjaja and father of Ms. Margaretha Natalia Widjaja, both Directors of the Company. Father of Mr. Michael JP Widjaja, Vice President Director of PT Bumi Serpong Damai Tbk and President Commissioner of PT Paraga Artamida, both principal subsidiaries of the Company.
Conflict of interests (including any competing business)	Nil	Nil
Undertaking (in the form of Appendix 7.7) under Rule 720 (1) has been submitted to the listed issuer	Yes	Yes

Name of Director	Margaretha Natalia Widjaja ("MNW")	Muktar Widjaja ("MW")
Other Principal Commitments* Including Directorships#	Past (for the last 5 years) GMN No 2 Limited Prime Glory Capital Limited SML Brook Partners Pte Limited SML Jersey Brook Pte Limited SML Jersey Properties Pte Limited SML Chancery Pte Limited Waddell Capital Ltd Present Agamemnon S.a r.l Ascent Wealth Investment Limited Bali Indowisata Pte Ltd Finneland Properties Pte Ltd Golden Moment Limited Global Prime Capital Pte Ltd Global Prime Treasury Pte Ltd Golden Ray Development Pte Ltd Horseferry Property Limited JF Capital Management Ltd Lotus Venture Asset Management Limited Lyon Investments Limited Massingham International Limited Mountain Ranch Group Limited Multiple Achieve Group Limited Peninsula Bay Inc PRB (L) Ltd Rainbowland Holdings Limited Sinarmas Land Overseas Holding Pte Ltd Sinar Mas Holding Limited SML Alpha S.a r.l SML Brook England (HK) Limited SML Great Pte Limited SML Victoria Limited Sunny Vantage Investment Limited Triton Court GP Limited Triton Court Nominee (Newco) Limited	Past (for the last 5 years) Ascent Wealth Investment Limited Golden Bay Realty (Private) Limited Golden Moment Limited Massingham International Limited Sinar Mas Holding Limited Present AFP Gardens (Tanjong Rhu) Pte Ltd AFP Hillview Pte Ltd AFP Land Limited AFP Land (Malaysia) Sdn Bhd AFP Resort Development Pte Ltd AFP Resort Marketing Services Pte Ltd Amcol (China) Investments Pte Ltd Anak Bukit Resorts Sdn Bhd Bali Indowisata Pte Ltd Golden Agri Plaza Pte Ltd Golden Agri-Resources Ltd Golden Ray Development Pte Ltd PT Sinar Mas Cakrawala PT Sinarindo Gerbangmas PT Sinar Syno Kimia Sinarmas Land (HK) Limited Sinarmas Land Overseas Holding Pte Ltd

* "Principal Commitments" has the same meaning as defined in the Code.
# These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9).

Corporate Governance Report

Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.

Name of Director	MNW	MW
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:- (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	Yes*
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

* MW has been a Director of the Company since 1997. In 2001, the Company (then known as Asia Food & Properties Limited ("AFP")) was investigated by the Commercial Affairs Department ("CAD"). As far as MW is aware, the CAD had completed its investigations against AFP and no further action was taken against AFP. As far as MW is aware, he was not the subject of any investigation and no action has ever been taken against him by the CAD.

Simplified Corporate Structure

Sinarmas Land Limited [1]

INDONESIA

- PT Bumi Serpong Damai Tbk[2] 49.08%
- PT Duta Pertiwi Tbk[2] 43.47%
- PT Puradelta Lestari Tbk[2] 57.28%
- PT Paraga Artamida 84.37%
- PT Sinar Mas Wisesa 64.96%
- PT Sinar Mas Teladan 57.81%
- PT Royal Oriental 54.06%
- PT Karawang Bukit Golf 84.77%
- PT Karawang Tatabina Industrial Estate 49.67%

CHINA

- AFP China Ltd 100.00%
- Shining Gold Real Estate (Chengdu) Co., Ltd 100.00%
- Shining Gold Real Estate (Shenyang) Co., Ltd 100.00%
- AFP (Shanghai) Co., Ltd 100.00%
- Chengdu Sinarmas New Century Investment Co., Ltd. 100.00%

SINGAPORE / MALAYSIA / BATAM

- AFP Land Limited 100.00%
- AFP Gardens (Tanjong Rhu) Pte Ltd 100.00%
- PT AFP Dwilestari 65.00%
- Anak Bukit Resorts Sdn Bhd 100.00%
- Palm Resort Berhad 99.22%

UNITED KINGDOM

- SML Brook England (HK) Limited 100.00%
- SML Alpha S.a r.l 100.00%
- SML Great Pte Limited 100.00%
- SML Victoria Limited 100.00%

Simplified Corporate Structure as at 31 December 2019, with main subsidiaries, directly and indirectly held by Sinarmas Land Limited

1 Listed on the SGX-ST
2 Listed on the Indonesia Stock Exchange

Financial Review

The Group achieved a full-year revenue of S$1,172.9 million in FY2019, an increase of 35.7% as compared to S$864.1 million in FY2018. The surge in revenue was derived mainly from increased land sales and higher handover of residential units from our Indonesia Division.

Though the sale of development properties and land parcels remain the major source of revenue, the Group has been continuously implementing its earning diversification strategy in terms of recurring income and geographical presence. The Group regards rental and related income and revenue from hotel and golf operations as recurring income in its revenue classification. In FY2019, recurring income increased to S$166.5 million, recording a steady growth rate of 1.8% from S$163.5 million reported in FY2018. To diversify our income outside of Indonesia, the Group announced that it has invested A$40.0 million in MASCOT, a private trust which owns 10 Grade A office assets that are strategically located in key Australian gateway cities. This marked the Group's maiden entry into the Australian commercial office market and opened the opportunity to work with an established government-linked sponsor in the real estate investment trust sector. The new investment is expected to improve the Group's investment income outside Indonesia going forward.

In tandem with the increase in revenue, FY2019 gross profit gained 26.0% to S$753.6 million. However, gross profit margin decreased from 69.2% in FY2018 to 64.3% in FY2019 mainly due to the sales recognition of high-rise apartments that generally delivers lower profit margin and the incurrence of higher land sales related costs.

With prudent financial management and the focus to instil operational cost discipline, operating expenses (comprising of selling expenses, and general and administrative expenses) increased marginally by S$4.4 million or 1.7% to S$269.6 million despite the significant increase in revenue. Mirroring the gain in revenue and stringent operating expenses management, EBITDA increased 33.9% to S$616.0 million while EBITDA margin decreased marginally to 52.5% (FY2018: 53.3%).

The Group recorded a foreign exchange loss of S$12.0 million in FY2019 as compared to a gain of S$5.7 million in the previous financial year. The current year's loss was mainly attributable to unrealised translation loss on inter-company balances arising from weakening of USD against IDR and SGD during the current year. The previous financial year's gain was mainly a result from the strengthening of USD.

Share of results of associated companies decreased from S$11.3 million to S$6.1 million as the Group recorded a reversal of unrealised gain adjustment of S$12.6 million, representing the Group's portion for gain on sales of land parcel to associated companies for further development in FY2019. Without this reversal, on a like-for-like comparison between FY2019 and FY2018, the Group's share of profit in associated companies would have increased from S$11.3 million to S$18.7 million mainly due to fair value gain on investment in an associated company. Separately, due to higher sales of residential units in some of its joint ventures in Indonesia, the Group's share of profit in joint ventures recorded a gain of S$8.9 million in FY2019, reversing a loss of S$3.7 million in FY2018.

Indonesia - Dana Investasi Real Estat Simas Plaza Indonesia IPO

During the year, BSDE completed a restructuring exercise relating to its shareholding interests in PLIN. Pursuant to this restructuring exercise, BSDE disposed all its shareholdings in PLIN, and acquired participation units in DIRE and shares in PT Plaza Indonesia Mandiri ("PIM"). Subsequent to this restructuring exercise, BSDE owns (i) 38.83% of the units in DIRE, (ii) DIRE owns 100% of the shares in PT Plaza Indonesia Investama, which in turn owns 95.75% of the shares in PLIN; and (iii) BSDE owns 48.48% of the shares in PIM. This resulted in the Group recording a one-off exceptional item amounting to S$368.2 million for FY2019.

Due to the above factors, the Group's PATMI surged to a record-high of S$387.5 million in FY2019, a 225.6% increase compared to S$119.0 million recorded in FY2018.

The Group's Statement of Financial Position remains strong as at 31 December 2019 with total assets increasing from S$6,560.5 million as at 31 December 2018 to S$7,757.5 million. The gain is mainly attributed to investment in DIRE, investment into Taicang Rongguan Real Estate Development Co., Ltd (a new associated company in China), higher short-term investments and recognition of intangible assets pertaining to the cost incurred for a toll road concession project in Indonesia. The Group is also in a strong liquidity position with cash and cash equivalents of S$1,090.3 million and net debt to equity ratio of 20.5% at the end of FY2019.

Indonesia - Bakrie Tower

Indonesia - The Elements

INDONESIA PROPERTY DIVISION ("INDONESIA DIVISION")

Revenue (S$ million)	EBITDA (S$ million)
2019 **1,120.5**	2019 **594.6**
2018 : 806.0	2018 : 426.9
2017 : 1,290.0	2017 : 801.5

Indonesia Division comprised mainly of BSDE, DUTI and DMAS, as well as unlisted Indonesian businesses. BSDE owns and develops BSD City, one of the largest satellite township developments in the country located 25km to the west of Central Jakarta, Indonesia. BSDE also holds a majority stake in DUTI, which is involved in the development of superblocks and commercial properties for the small and medium-sized enterprises. DMAS engages in the development and operations of the Kota Deltamas industrial township, sitting 37km to the east of Central Jakarta, Indonesia.

Revenue from Indonesia Division increased 39.0% or S$314.5 million to S$1,120.5 million in FY2019 mainly attributable to stronger contribution from sales of commercial and industrial land parcels in Kota Deltamas and Karawang International Industrial City, as well as higher sales of housing apartment units and undeveloped land parcels in our flagship township development, BSD City. However, the increase was partially offset by lower sales of developed land offices and commercial shophouses in BSD City.

Financial Review

In additional, recurring income rose from S$107.1 million in FY2018 to S$114.6 million in FY2019 aided by increased contribution from the leasing of our commercial offices. Recurring income in Indonesia is derived principally from the portfolio of commercial office assets such as Sinar Mas Land Plaza - Jakarta, Sinarmas MSIG Tower, Sinar Mas Land Plaza - Surabaya, Sinar Mas Land Plaza - Medan, BSD City Green Office Park and Bakrie Tower; retail assets such as ITC retail Superblocks and The Breeze Mall BSD City, as well as hospitality assets including Rooms Inc., Le Grandeur Balikpapan and Le Grandeur Mangga Dua.

Mirroring the growth in revenue, Indonesia Division's gross profit increased from S$562.9 million in FY2018 to S$723.4 million in FY2019. However, higher development cost and cost related to the sale of land led to a decrease in Division's gross profit margin from 69.8% to 64.6%. Mitigated by prudent financial management, FY2019's EBITDA increased 39.3% to S$594.6 million with EBITDA margin remaining stable at 53.1% (FY2018: 53.0%) despite lower gross profit margin.

Indonesia Division's PATMI surged 265.3% to S$408.4 million mainly due to the gain in revenue, lower operating expenses and effects of a one-off restructuring of PLIN in FY2019.

UNITED KINGDOM PROPERTY DIVISION ("UK DIVISION")

Revenue (S$ million)	EBITDA (S$ million)
2019 **35.6**	2019 **26.2**
2018 : 40.7 2017 : 33.0	2018 : 29.5 2017 : 22.8

While the economic and political uncertainties surrounding Brexit show signs of clearing, the British Pound Sterling has depreciated against SGD throughout FY2019. Due to the absence of a one-off accounting revenue of S$2.9 million arising from the acquisition of Horseferry Building, as well as foreign exchange loss of S$1.2 million from the weakening of the GBP, the Division recorded a revenue of S$35.6 million, a decrease of 12.5% over FY2018. Notwithstanding this, the UK Division continues to be the Group's next most sizeable division outside of Indonesia.

The UK Division owns the Alphabeta Building, an iconic freehold prime commercial building in Shoreditch area

UK - Alphabeta Building

of Central London with a net leasable area of 247,670 square feet ("sq ft"), as well as Warwick House, another freehold property located on 10 Great Pulteney Street in the Soho area of Central London with a net leasable area of 47,044 sq ft. Horseferry Building, a freehold property acquired in June 2017, is located at 33 Horseferry Road in Central London with total net leasable area of 180,600 sq ft which comprise 163,761 sq ft of Grade A office accommodation and 16,839 sq ft of retail frontage space.

Following the dip in revenue, UK Division gross profit shrunk 19.2% from S$26.0 million in FY2018 to S$21.0 million in FY2019. All of our UK investment properties are freehold and leased on 'Triple Net Lease' agreements, i.e. tenants would bear all operating costs relating to the leased premises including building taxes, insurance and maintenance costs. The 'Triple Net Lease' agreements narrowed the decrease in EBITDA by 11.2% to S$26.2 million. Finance costs increased from S$14.0 million in FY2018 to S$15.4 million in FY2019 due to the increase in interest rates resulting from higher LIBOR in FY2019. These factors led to PATMI decreasing S$3.7 million to S$0.9 million for FY2019.

CHINA PROPERTY DIVISION ("CHINA DIVISION")

Revenue (S$ million)	EBITDA (S$ million)
2019 **0.5**	2019 **1.1**
2018 : 1.7 2017 : 5.8	2018 : 6.0 2017 : (3.5)

As China Division has fully sold its previous mixed-use developments in Chengdu (save for 166 strata-titled car park lots as of 31 December 2019) and Shenyang, its revenue decreased from S$1.7 million in FY2018 to S$0.5 million in FY2019. In line with the decrease in revenue, China Division recognised a lower gross profit of S$0.2 million in FY2019 as compared to S$0.6 million in FY2018,

China - Taicang Yue Jiang Nan

and EBITDA of S$1.1 million in FY2019 against S$6.0 million in FY2018. The Group is currently invested in a mixed-use joint development in Chengdu with Rongqiao since August 2018 and further acquired a 30.0% equity stake in another joint development in Taicang with Rongqiao in March 2019.

Net finance income from China Division decreased by 40.0% from S$6.5 million in FY2018 to S$3.9 million in FY2019, mainly attributable to financing costs relating to the new investment in Taicang. Coupled with expected credit losses, foreign exchange losses and share of loss from associate arising from initial operating expenses of the new associated company.

SINGAPORE, MALAYSIA & BATAM PROPERTY DIVISION ("AFP LAND GROUP")

Revenue (S$ million)	EBITDA (S$ million)
2019 **16.3**	2019 **(0.2)**
2018 : 15.7 2017 : 18.6	2018 : 0.6 2017 : (2.2)

AFP Land Group owns Palm Resort Golf & Country Club and Le Grandeur Palm Resort Johor, Malaysia, and Palm Springs Golf & Country Club in Batam, Indonesia. The Batam golf course and its surrounding land bank had been re-branded to Nuvasa Bay as the first luxury integrated residential and mixed-use development in Batam. The first phase of the rebranded development is named as The Nove, comprising of 3 condominium towers, landed houses and land plots sitting on an area of approximately 5.1 hectares.

In FY2019, revenue increased by 3.8% to S$16.3 million mainly due to sales recognition from Nuvasa Bay development project. Revenue from Palm Springs Golf & Country Club increased 32.5% to S$6.4 million driven mainly from Nuvasa Bay development, higher number of paid golf rounds, F&B segment and Sea Forest Adventure Village. Palm Resort Golf & Country Club's revenue decreased 8.7% to S$9.9 million on the back of lower occupancy and room rates due to weak market demand and oversupply of hotel rooms in Johor. However, its golfing business achieved an increase of 9,733 paid golf rounds offset by average green fees decreasing from S$15.70 to S$14.80 per round.

In line with higher revenue, AFP Land Group's gross profit improved by 4.7% to S$9.0 million. However, with the absence of S$1.4 million gain recognised from the disposal of one condominium unit in Costa Rhu (Singapore) that took place in FY2018, AFP Land Group recorded a negative EBITDA of S$0.2 million despite lower operating expenses.

Malaysia - Palm Resort Golf & Country Club

Operations Review

The world ended the decade growing at its weakest pace since the global financial crisis dragged by trade tensions between the United States and China, uncertainty from UK's Brexit, rising geopolitical tensions, social unrest and depressed commodity prices. Central Banks around the world has reacted aggressively by implementing both monetary easing and fiscal policies such as interest rates cuts and asset purchases. The US and China signed Phase One of a broader trade pact and the UK has formally left the EU on 31 January 2020.

Through the combination of robust sales performance and prudent financial management, the Group has ridden above the challenges to deliver yet another strong set of financial results for 2019. In Indonesia, the Group continues to lead among its peers with projects in all the real estate subsectors including investment, development and operation of townships, residential, commercial, retail, industrial, hospitality and leisure properties, located in Greater Jakarta or Jabodetabek (Jakarta, Bogor, Depok, Tangerang and Bekasi) area, as well as in Palembang, Medan, Semarang, Manado, Surabaya, Balikpapan, Samarinda and Makassar. Outside Indonesia, the Group added Australia to its international footprint which also includes China, Malaysia and the United Kingdom.

INDONESIA

Affected by a weakening global economy and trade tensions, Indonesia's GDP expanded at a slower pace to 5.04% in 2019. The economic slowdown in China, Indonesia's biggest trading partner and a major source of foreign direct investment, has dented Indonesia's key export sector. These effects rippled into the local economy hampering domestic sentiment and consumption. Hence, growth in household consumption, which accounts for half of Indonesia's GDP, remained flat at 5.04%. In addition, political uncertainty arising from the General Election during the first half of 2019 resulted in subdued foreign direct investment inflow. However, these uncertainties eased off following the successful re-election of the incumbent president, Joko Widodo ("Jokowi").

Shortly after the inauguration, President Jokowi announced his "Onward Cabinet" and unveiled a slew of initiatives including a proposed US$178.0 billion budget for the year 2020 focused on human capital, plans to cut corporate tax and scrap levy on dividend starting from the year 2021 in a bid to attract more foreign investments to support economic growth. In addition, President Jokowi announced the development of a new administrative capital in East Kalimantan that would cost approximately IDR466.0 trillion (US$32.8 billion) of which

Leveraging on our local knowledge and expertise, the Group is flexible to manoeuvre through challenging market condition by offering products that are highly sought after by our customers

approximately 19.0% will be funded by the state, with the remaining from public-private partnerships and private investments. Reflecting stronger economic fundamentals and political stability, IDR strengthened gradually throughout 2019, ending the year as the third strongest Asia currency behind Thai Baht and Philippines Peso.

To support economic growth, BI has cut its seven-day reverse repo rate four times in 2019 by 100 basis points to 5.0%, as well as relaxing its LTV and FTV ratios for property and motor vehicles loans. Starting from 2 December 2019, LTV for property financing shall be relaxed by 5.0%, motor vehicles FTV will be reduced by 5.0 to 10.0%. In a bid to combat climate change, both green properties and automotive shall be entitled to a further 5.0% reduction. On 20 February 2020, BI further cut rate to 4.75%.

Other than the reduction of LTV and FTV ratio, the Ministry of Finance has initiated other additional measures to stimulate Indonesia's property sector. Specifically targeting the high-end luxury market, starting from June 2019, only properties (which include all types of property) above the price of IDR30.0 billion shall be imposed with a 20.0% luxury goods tax. Previously, the 20.0% luxury tax was imposed on apartments above the price of IDR10.0 billion and landed houses above the price of IDR20.0 billion. The other policy was to relax the thresholds on income tax rates for properties. From 19 June 2019 onwards, properties below IDR30.0 billion will be subjected to 1.0% income tax (previously for apartments below IDR5.0 billion and landed houses below IDR10.0 billion), whereas property above the price of IDR30.0 billion will continue to be taxed at 5.0% (previously for apartments above IDR5.0 billion and landed houses above IDR10.0 billion).

Leveraging on our local knowledge and expertise, the Group is flexible to manoeuvre through challenging market condition by offering products that are highly sought after by our customers. In addition, the Group's extensive network allows us to be well-positioned to seize opportunities whenever they present themselves. Both our key Indonesian subsidiaries, BSDE and DMAS, have achieved strong marketing sales figures in 2019. BSDE achieve marketing sales of IDR6.5 trillion, exceeding its 2019 target of IDR6.2 trillion. DMAS exceeded its marketing sales target of IDR1.25 trillion by achieving IDR2.97 trillion in 2019. Looking forward into 2020, BSDE has set a marketing sales target of IDR7.2 trillion, and DMAS setting IDR2.0 trillion.

During the year, our associate company, PLIN, restructured its assets into DIRE which was listed onto the Indonesia Stock Exchange on 4 July 2019. DIRE's assets, which has a total value of IDR13.5 trillion, include Plaza Indonesia Shopping Mall, Grand Hyatt Indonesia Hotel, The Plaza Office and fX Sudirman Shopping Mall. Post-IPO, BSDE will own 38.38% of the units in DIRE.

TOWNSHIPS

BSD City – the "First Integrated Smart Digital City" in Indonesia

BSDE's flagship development, BSD City, is one of the largest privately developed townships in Indonesia which started with development rights to approximately 5,950 hectares of land. It currently comprises residential estates, commercial sub-town centres that include commercial and industrial facilities, schools, hospitals, parks and other amenities. Located in Tangerang Regency, approximately 25km to the southwest of Jakarta, BSD City is well-connected to Jakarta and other parts of the Greater Jakarta by toll roads and railways. Based on its strategic Master Plan, BSD City will be developed into three phases with a total area of each phase approximately 1,500 hectares, 2,000 hectares and 2,450 hectares respectively. Phase 1 started in 1989 and is close to full completion. Phase 2 started its development since 2008 and is expected to be completed by 2020. Phase 3 is estimated to commence in 2020 and will complete by the year 2035.

Rapid development in digital technology has disrupted the way many traditional businesses operate. By analysing future trends and nurturing a pro-innovation culture, the Group revisited the previous plan of a traditional township development and envisioned BSD City to be the "First Integrated Smart Digital City" in Indonesia with a mature digital ecosystem. At the heart of this vision is Digital Hub. Dubbed as "the Silicon Valley" in Indonesia, the 26 hectares Digital Hub is a community dedicated to house startups, educational institutions, multinational and domestic corporations in the technology industry. Located within BSD City's Green Office Park, it has since attracted the likes of Apple, Binar Academy, Huawei, MyRepublic, Sale Stock, Orami, EV Hive, Techpolitan, Purwadhika, Geeks Farm, Plug and Play Indonesia.

After Apple Inc. opened the first Asia-based iOS Developer Academy in BSD City in May 2018, Indonesia welcomed the first batch of 200 academy graduates after completing a free nine-month long (June 2018 to March 2019) application development course that was fully funded by Apple Inc. The inaugural graduation ceremony was graced by Indonesian Minister of Information and Technology, Mr. Rudiantara, Minister of Industry, Mr. Airlangga Hartarto, and Minister of Finance, Ms. Sri Mulyani Indrawati, as well as representatives from Apple Inc. and Sinarmas Land. Also, speaking after attending "Retrospekt!" - a one-day conference that gathers people from startups, corporations, and the government to speak on the current state of digital transformation, Indonesian Minister of Communication and Information, Mr. Rudiantara, expressed his support for BSD City to be the first role-model of a digital ecosystem in Indonesia and his desire to share this successful model to other key Indonesian cities.

Following on the milestone achievement with Apple, the Group continued to stride forward in its digital ecosystem initiatives by collaborating with other giant technology companies, such as Microsoft Corporation ("Microsoft"). The Group signed a MOU with Microsoft on 12 September 2019 to explore collaboration opportunities that use digital technologies such as cloud, artificial intelligence, Internet of Things (IoT) and data-driven decision making, to create a future smart city for its citizens. And together with partners Hewlett-Packard (HP) and PT Sentral Mirta Informatika Tbk (LUCK), Indonesia's first clouding printing facility, Chopchopprint, opens in The Breeze, BSD City. Other than just printing materials on the spot, users can make use of cloud technology to have their materials printed at other printers connected to the cloud.

Other than collaboration with multinational technology companies, the Group has partnered with Grab Holdings Inc. ("Grab"), a Southeast Asia super app, to provide smart and clean mobility solutions that seeks to also support the growth of micro and small businesses, as well as drive technology development to strengthen

BSD City - MOU with Microsoft Corporation

Operations Review

BSD City - Grab Ventures

BSD City's goal as the first integrated smart city in Indonesia. As part of the partnership, Grab will establish a Grab Innovation and Engineering Lab, a research and development centre for innovation, and Grab Ventures Velocity Program, an accelerator program where startups will be provided with training and mentoring sessions to further scale their businesses. Shortly into the partnership, Grab and Sinarmas Land launched their first innovative mobility solution, GrabWheels, that uses environmental-friendly e-scooters for short-distance travel. GrabWheels forms part of BSD City's multimodal transportation system, a key development for a green smart city.

In addition, SML signed a collaboration agreement with GK Plug and Play Indonesia and Digitaraya on 11 September 2019 to develop BSD Innovation Labs, the startup accelerator for the first Property Technology in Indonesia. Digitaraya, a world-class accelerator with key partners such as Google Developers Launchpad, global management firm McKinsey & Company, and UBS Bank will guide startups to improve their business and provide technology support. GK Plug and Play Indonesia will use its experience with large corporations to help connect startups to investors and corporate partners. Leveraging on the partner's expertise, BSD Innovation Labs will support the development of digital-based startup businesses in BSD City. Located in GOP 1, BSD Innovation Labs will commence operations in 2020.

These initiatives support President Jokowi's roadmap by the name of "Making Indonesia 4.0" as the world enters into "Industry 4.0" era. "Industry 4.0" refers to the fourth industrial revolution that seeks to transform manufacturing through the implementation of new technologies and innovations, particularly in digital technology, cyber-physical systems, and biology and hardware automation.

Kota Deltamas

Kota Deltamas is a 3,181 hectares large modern self-sustainable integrated township development that consists of industrial, commercial and residential estates strategically located at the epicentre of the industrial corridor between Jakarta and Cikampek, West Java, with direct access at KM 37 of the Jakarta–Cikampek toll road. Leveraging on the expertise and network of its owners, being Sinarmas Land and Sojitz Corporation, Kota Deltamas has transformed into an integrated modern township development with its developer, DMAS, becoming a public listed company in 2015 after listing its shares on the Indonesia Stock Exchange.

Kota Deltamas operates one of the largest integrated industrial estates, Greenland International Industrial Centre ("GIIC"), in the eastern part of Jakarta. Its close proximity to major transportation and international logistics hub such as Tanjung Priok International Port and Soekarno-Hatta International Airport, as well as situated along the Jakarta-Cikampek toll road, one of the most pivotal transportation infrastructure in Indonesia that forms part of the Government's Trans Java Toll Road Development that connects Jakarta to West and Central Java, has made Kota Deltamas an ideal location for businesses and consumers.

To resolve transportation congestion brought by the thriving industrial activities in eastern Jakarta, particularly in Bekasi and Karawang Regency, the Indonesian government has initiated the development of several transportation infrastructures which include the construction of the Jakarta Outer Ring Road (JORR) 2 connecting Bekasi Regency with Tanjung Priok Port and Cimanggis area, Jakarta-Cikampek elevated toll road, South Jakarta-Cikampek toll road, Bekasi-Cawang-Kampung Melayu toll road, Patimban Deep Sea Port (Deep Seaport), Kertajati International Airport, Jakarta-Bogor-Depok-Bekasi Light Rail Transit (LRT), and Jakarta-Bandung fast train. Not only are these infrastructure developments expected to boost investment attractiveness into the region, it will also generate economic development and improve people's living standards.

2019 was starkly different from 2018 when DMAS was unable to achieve its marketing sales target due to unfavourable macroeconomic conditions, as well as political uncertainty arising from the impending elections which resulted in investors adopting a negative wait-and-see approach. However, 2019 ushered in much-improved investors' sentiments, the successful re-election of the pro-business incumbent president and rapid infrastructure enhancements along Jakarta-Cikampek toll road that led to DMAS exceeding its 2019 full year marketing sales target of IDR1.25 trillion by achieving IDR2.97 trillion. This remarkable feat was contributed mainly from 120 hectares sales of industrial land to the automotive industry and its supporting sectors.

On 26 November 2019, South Korea's Hyundai Motor Company entered into a MOU with the Indonesian government to build its first Indonesian manufacturing plant in Kota Deltamas. With an investment of approximately US$1.55 billion, the 77.6 hectares state-of-the-art manufacturing plant has commenced construction in December 2019 and expects to begin commercial production in the second half of 2021 with an annual capacity of 150,000 units, and 250,000 units at full capacity. The inclusion of Hyundai Motor further signifies Kota Deltamas's importance as a key automotive manufacturing hub in Indonesia having already attracted Suzuki Motor, Mitsubishi Motors, SAIC-GM-Wuling, Maxxis Tyre and Astra Honda Motors into its establishment.

Kota Deltamas - Signing Ceremony between Indonesian Government with Hyundai Motor Company to construct its first Indonesian Manufacturing Plant

Supporting the principles of work, live, play, Kota Deltamas has earmarked 1,463 hectares of land area for residential development and its supporting commercial facilities which include schools, retail malls, sport and recreation centres, medical facilities and other amenities.

On 18 April 2019, Jakarta Japanese School Cikarang Attached to the Embassy of Japan in Indonesia, better known as "Cikarang Japanese School", held an opening ceremony and welcomed its first batch of students.

Kota Deltamas - Grand Opening of Cikarang Japanese School

Operations Review

Previously, many Japanese expatriates working in Kota Deltamas and its surrounding areas chose to reside in Jakarta and endured the long commute time to work as their children attended the only Japanese school in Jakarta. The establishment of Cikarang Japanese School, a Japanese curriculum elementary and junior high school, provided a solution to the increasing population of Japanese expatriates in the region to reside in Kota Deltamas. Since its commencement, the school has triggered a positive ripple effect to its surrounding. An adjacent land plot was sold for the construction of a residential apartment to accommodate families whose children are attending the school next door.

Kota Wisata

Kota Wisata is an exclusive residential-focused township development project located in Cibubur with total development rights of 922 hectares of land. Kota Wisata is conceptualised as an idyllic urban getaway with an ideal blend of metropolitan sophistication and sweeping landscapes in Cibubur, being one of five administrative villages forming the sub-district of Ciracas, East Jakarta.

After entering into a MOU with Kawan Lama Group back in 2018, the JV company, PT Sahabat Kota Wisata, has successfully acquired the 8.5 hectares land to develop a mixed-use superblock and will commence construction in 2020. Named as “Living World Cibubur”, this 85,000 sqm superblock consists of a retail mall, hotel and apartments. Upon completion, Living World Cibubur shall feature more lifestyle and entertainment offerings, and an ideal tenancy mix to suit the needs of the local residents.

In 2019, Kota Wisata welcomes the opening of Eka Hospital Cibubur, a private general hospital committed to provide high-quality healthcare services, with dedicated medical personnel and cutting-edge medical technology. Standing on a land area of 1.6 hectares, the nine-storey Eka Hospital Cibubur comprised of 250 beds and is equipped with modern facilities that include 24-hour/7-day services for Emergency Room Installation, laboratories, radiology (MRI 1.5 Tesla, CT scan 128 slice, 4D ultrasound, Mammography) and pharmacy, as well as facilities with the latest technology such as cath lab (cardiac catheterisation), 41 polyclinics, ICU, HCU, NICU, Perina, endoscopy, haemodialysis, medical rehabilitation, and other supporting facilities.

Kota Wisata

RESIDENTIAL AND SHOPHOUSES

Amata and Aure, BSD City

BSDE launched 2 new residential clusters in The Mozia development area by the name of “Amata” and “Aure” on 21 July 2019. The Mozia is located in the heart of BSD City Phase 2, surrounded by QBig Mall, IPEKA Christian School and has a direct connection to the Indonesia Convention and Exhibition Hall. “Amata” – A total of 80 units of landed houses with specifications ranging from 116 to 200 sqm of built-up area over 96 to 160 sqm of land area. The starting price ranges from IDR1.4 to 2.3 billion per unit. “Aure” – A total of 101 units of landed houses with specifications ranging from 88 to 135 sqm of built-up area over 84 to 120 sqm of land area. The starting price ranges from IDR1.9 to 2.9 billion per unit.

ANIGRE Pinewood, Taman Banjar Wijaya

ANIGRE is a sub-cluster of Pinewood cluster, a residential development in Taman Banjar Wijaya. Located at the city centre of Tangerang, Banjar Wijaya is a 120 hectares middle to upper-class residences development accessible to major hospitals, schools, shopping centres, train station, and bus terminal. As part of the matured Pinewood residential cluster, ANIGRE is surrounded by lush greenery and has an extensive range of existing amenities including sports club, children’s playground and commercial shophouses to fulfil its residents’ daily needs. Built on a 1.5 hectares of land, ANIGRE allocated 120 units for its first launch with prices starting from

IDR1.4 to 3.0 billion per unit. Each unit ranges from 90 to 230 sqm building area and 76 to 173 sqm land area.

Digital Loft, BSD City

The recent data from the Central Statistics Agency (BPS) shows that approximately 23.8% of Indonesia's 268.0 million total population or 63.7 million are within the age group of 20 to 34 years old. Known as 'millennials', this technology-savvy generation has different tastes and preferences as compared to the older generation. To cater to their needs, BSDE launched an innovative commercial development by the name of "Digital Loft" within the Digital Hub region in BSD City. Digital Loft has a height of three to four floors and a basement, as well as double-deck parking to add to user comfort and convenience. All units are equipped with smart features and IoT facilities such as 24-hour CCTV, facial recognition door security, door sensor alarms, video intercom & office monitors, light motion sensors, automatic roller shutter doors and electronic delivery boxes that can be connected to the owner's mobile phone.

Other than the building's features, there will be a community park within the development to allow users to meet, connect, work, discuss and collaborate. Launched in September 2019, these 18 buildings' unit price ranged from IDR10.8 to 16.1 billion, with a land area ranging from 187 to 288 sqm, and built-in area from 600 to 825 sqm.

Fleek Hauz, BSD City

BSDE introduced a brand-new concept that aligns to the needs of young working families. Known as Fleek Hauz, this compact residential concept looks to maximise every area of the house through well-thought interior designs, equipped with modern fitting and strategic furniture placement. Located in BSD City Phase 2, next to Greenwich Park BSD City, QBig Mall, IPEKA Christian School and Indonesia Convention and Exhibition. Fleek Hauz is developed over 2 hectares of land area. There is a total of 290 units with each unit price starting from IDR0.9 to 1.0 billion, with a land area of 45 sqm and built-up area ranging from 40 to 52 sqm. On the launch date, BSDE received an overwhelming response with all 290 units fully sold out.

BSD City - Fleek Hauz

Fleek Hauz R, BSD City

Riding on the roaring success from Fleek Hauz, BSDE launched another similar development of Fleek Hauz by the name of "Fleek Hauz R". Developed over 1.5 hectares of land area, 160 units in Fleek Hauz R offered the same fitting and furniture as Fleek Hauz. Each unit price starts from IDR0.9 to 1.2 billion, with a land area 45 sqm and built-up area ranging from 40 to 60 sqm. On the launch date, all 160 units were fully sold to eager homebuyers on Fleek Hauz's waiting list.

Hayfield, Grand City Balikpapan

As the Indonesian government announced the plan to shift its capital to East Kalimantan, BSDE continue to develop Grand City Balikpapan to meet pent-up demands for residential units in the region. With a planned development area of 250 hectares, Grand Balikpapan is a residential-focused mixed-use development with a master plan that emphasises on 6 important elements of life, namely: live, work, learn, recreation, sport and lifestyle. Other than residential and commercial developments, Grand City Balikpapan will provide its residents with a full spectrum of daily supporting amenities and facilities such as education institutions, places of worship, medical centres, sports and recreation area. In addition, there is a 5.3 hectares large artificial lake in the development to act as a water reservoir and an attraction spot.

Hayfield cluster, the fourth residential cluster, was launched back in October 2018 to meet the needs of millennials and young working adults. Built over a land area of 7.2 hectares, Hayfield feature 317 modern minimalist architectural design residence with lush greenery in its surrounding. With 219 units fully sold in its two earlier launches, the latest launch consists of 73 units with prices starting from IDR0.7 to 1.7 billion with specifications ranging from 47 to 88 sqm of built-in area over 60 to 140 sqm of land area.

Operations Review

KAZUMI The Zora, BSD City

With the success of its earlier two clusters, BSDE launched KAZUMI, the third cluster within The Zora residential development. The Zora is a collaborative residential project between BSDE and a Japanese consortium led by Mitsubishi Corporation. To develop the latest 2.8 hectares cluster in The Zora area, BSDE has collaborated exclusively with renowned Japanese architectural consultant, Mitsubishi Jisho Sekkei Inc., as their master plan consultant and Belt Collins as the landscape design consultant. Located in an exclusive residential area in BSD City Phase 2, KAZUMI cluster shall feature 68 units of smart and energy-efficient homes built with the highest of quality. Each unit price ranges from IDR5.0 to 7.9 billion, with a specification of 208 to 280 sqm of building area and 120 to 238 sqm of land area.

ICE Business Park, BSD City

Located opposite Indonesia Convention Exhibition, ICE Business Park was developed to meet the commercial demands within the immediate vicinity. Surrounded by QBig mall and IPEKA Christian School, the three-storey shophouses have three different configurations ranging from 59 to 78 sqm of land area, with a built-in area of 176 to 234 sqm. There is a total of 80 units with each unit price ranging from IDR3.3 to 4.7 billion. Within a week after the launch date, all 80 units of the ICE Business Park were fully sold out.

Imajihaus, BSD City

Catering to the market's need for smart home with innovative features, BSDE introduced Imajihaus cluster in October 2019. Imajihaus is a compact concept residence based on a minimalist, stylish, modern design, equipped with smart interiors such as smart furniture & smart home systems. Each fully furnished unit maximises its allocated area to feature outdoor living rooms and attic rooms as part of its unique selling point. Located in the middle of Greenwich Park, Imajihaus is next to Caelus residential cluster with 2 clubhouses within its vicinity. A total of 155 units will be developed on this 1.5 hectares development with each unit price starting from IDR1.4 to 1.6 billion, with a built-up area of 77 sqm over a land area of 55 to 65 sqm. All 155 units were fully sold within one week from its launch.

Naraya Park, Kota Deltamas

Naraya Park is a modern residential development in Kota Deltamas that targets at the middle-class homebuyers and workers in GIIC. Located at the edge of GIIC industrial area, Naraya Park is well-connected to the commercial area and government centre of Bekasi Regency, with direct road access to KM 37 of the Jakarta–Cikampek toll road and the future KM 41 Jatiasih-Cikampek toll road exit which connects to Jakarta Outer Ring Road (JORR). There are 135 units with three different type of specifications. Price starts from IDR0.4 to 0.7 billion with 30 to 56 sqm built-in area developed over 48 to 60 sqm of land.

Northpoint NAVA Park, BSD City

NAVA Park, touted as the most exclusive residential development in BSD City, is jointly developed by BSDE and Hongkong Land. Located in the CBD of BSD City, NAVA Park covers a 68 hectares site, and incorporates 10 hectares of botanical gardens, a 3.5 hectares lake and

Residential - Naraya Park

Shophouses - Northpoint NAVA Park

a 2.5 hectares Country Club. Since its first launch back in 2015, NAVA Park's residential developments have been very well-received by the market. To supplement its offerings, BSDE launched Northpoint, a new business area within NAVA Park, on 4 August 2019. The five and six floors commercial shophouses in Northpoint offer business flexibility whereby each floor can be rented by different tenants, each with their own individual access. Each unit price starts from IDR15.7 to 35.8 billion, with built-up area ranging from 648 to 786 sqm over 151 to 154 sqm of land area.

Provence Suites, BSD City

Carrying the theme of 'Home for Urban Generation', Provence Suites is a modern mixed-use cluster targeted at urban dwellers seeking a home close to their place of businesses. Located to the east of BSD City, this densely populated area has shopping centres, schools, hospitals, and most importantly, the BSD-JORR toll gate as well as the Rawa Buntu Commuter Line (KRL) train station in its surrounding. Designed with a modern minimalist building façade, Provence Suites offers 102 residential units and 23 shophouses with a community centre serving as a public outdoor space for its residents to carry out various activities. There are two types of residential units, namely built-in area 67 sqm over two floors and 100 sqm over three floors, with both over a land area of 60 sqm. The commercial shophouses are three-storey high and overlook the main road of Jl. Letna Sutopo, with a large open parking area. Residential unit price starts from IDR1.2 billion onwards and commercial shophouses going from IDR2.0 billion onwards. Owing to its limited offering and exclusivity, BSDE has fully sold its residential units and left seven commercial shophouses within one month from its launch date.

The Savia, BSD City

Built on a 17 hectares site, The Savia is a residential cluster with a serene living concept in BSD City that bestows home dwellers tranquillity in this beautifully contoured residential area. During the year, BSD City launched an extension cluster in between Nusaloka and Savia development area, dedicated for residential development named "Savia Park". Savia Park is located at Phase 1 of BSD City, with strategic access to/from Jakarta-Serpong toll gate, accessible to Rawa Buntu train station (commuter line to Jakarta CBD), located nearby Modern Market I, and surrounded by various reputable schools. In total, there are 82 units with each unit price starting from IDR0.9 to 2.0 billion, with a land area from 60 to 116 sqm and a built-up area of 68 to 116 sqm.

Also, on 9 August 2019, BSD City launched "Ruko The Savia", the only commercial shophouse development within The Savia cluster catering to the needs of its residents. A total of 62 units were available for sales with each unit price starting from IDR1.3 to 2.2 billion. Each unit has a built-up area ranging from 90 to 110 sqm, over land area of 45 to 88 sqm.

Woodchester, Kota Deltamas

Cosy minimalist design built with a nature-themed home bringing peace and tranquillity to its dwellers. This is exactly what homebuyers can expect with Woodchester residence in Kota Deltamas that features a comprehensive range of services such as clubhouse, pool & gym, outdoor multi-purpose court, kids' playground and 24-hours security surveillance. Other than direct access to KM 37 Jakarta–Cikampek toll road, Woodchester is closely connected to educational institutions, commercial centres, recreation areas and hospital. In total, there are 42 units being launched with two specifications. One has 89 sqm of a built-in area over 98 sqm of land, and the other being 68 sqm of a built-in area and 84 sqm of land. Each unit price ranges from IDR1.0 to 1.3 billion.

Residential - Woodchester

Operations Review

COMMERCIAL AND RETAIL

Sinar Mas Land Plaza, Jakarta / Surabaya / Medan

Jakarta office market remained subdued in 2019 amidst lower transaction activities brought by slower economic growth. Although supply continued to outweigh demand, new office supply in 2019 is significantly lower than 2018 with technology and co-sharing companies being the demand driver seeking strategically located Grade A office spaces.

On 24 March 2019, Jakarta City officially welcomed the commencement of the highly-anticipated Mass Rapid Transit ("MRT"). Phase 1 of Jakarta MRT line is 16km long, starts from Lebak Bulus Station and ends at Bundaran HI Station, which is situated directly outside of Sinar Mas Land Plaza – Jakarta. The opening of Bundaran HI MRT Station has significantly reduced our tenants' commute time and further enhanced the accessibility of our flagship office complex in Jakarta.

Sinar Mas Land Plaza – Jakarta consists of three prestigious office buildings with a net leasable area of 95,648 sqm strategically located within Thamrin CBD in Jakarta, walking distance to government offices, embassies, hotels and shopping malls. Despite intense competition from surrounding and newly-completed buildings, Sinar Mas Land Plaza – Jakarta maintained resilience and reported a slightly decreased occupancy rate of 92.0% (2018: 97.0%).

SML also owns and operates two other Sinar Mas Land Plaza offices in Surabaya and Medan. Sinar Mas Land Plaza – Surabaya, a 20-storey office tower with a net leasable area of 18,573 sqm, recorded an average monthly rental rate of IDR98,867 per sqm in 2019 (2018: IDR129,513 per sqm) and witnessed a marginal drop in the occupancy rate to 76.0% (2018: 80.0%). Sinar Mas Land Plaza – Medan, a 10-storey office tower with a net leasable area of 27,689 sqm, recorded an occupancy rate of 56.0% (2018: 70.0%), and secured new leases at an average monthly rental rate of IDR129,868 per sqm (2018: IDR104,609 per sqm).

Indonesian Convention Exhibition ("ICE")

Covering a total land area of approximately 220,000 sqm, ICE is the most spacious exhibition and convention centre in Indonesia. Known as the new emerging destination for the Meetings, Incentives, Conferences, Exhibitions (MICE) industry in Indonesia, the award-winning ICE features 50,000 sqm of indoor space with 10 exhibition halls of 5,000 sqm each and additional 50,000 sqm of outdoor exhibition space, a 4,000 sqm convention hall, 33 meeting rooms, a 12,000 sqm convenient pre-function lobby, and 5,000 car parking spaces. Located in the heart of BSD City, ICE offers flexibility to facilitate a full range of business events, meetings, incentives, conventions and exhibitions.

In 2019, a series of exhibitions and activities with a wide genre were successfully conducted at ICE including:

- IndoBuildTech Expo 2019 with "Establishing Architecture 4.0" as the theme. This expo highlights innovative solutions and advancement of technology in the architecture and building industry. IndoBuildTech Expo 2019 consists of 4 co-located events, which are IndoConsTech Expo, Indonesia Facilities Management Exhibition (IFME), IndoLightTech Expo and IndoGlassTech Expo.

- Nusatic & Trubus Agro Expo 2019, the largest ornamental fish exhibition in the world. During this exhibition, there were a series of competition and show together with seminars and knowledge transfer on how to maintain and care for ornamental fishes.

- GAIKINDO Indonesia International Auto Show 2019 (GIIAS), Indonesia largest auto show attracting more than 470,000 visitors with over 300 automotive brands and its supporting industries.

Commercial - Sinarmas MSIG Tower

ICE - Korean Group EXO Concert

- ICEFEST 2019, the biggest family expo with an exciting theme “A Journey to Winter Village” allowing visitors to experience winter festival in a 12 degree celsius environment.
- Sinarmas Land collaborated as co-sponsors to hold a ‘Salute Concert’ honouring 3 esteemed Indonesian singer/songwriter.
- Disney on Ice “Mickey’s Super Celebration”.
- Music concert of International Superstar John Mayer Asia Tour 2019 and Korean group sensation EXO.

These exhibitions and shows illustrated ICE’s capability to accommodate and host a wide range of exhibitions across different industries and sectors.

The Breeze BSD City

The Breeze BSD City, located within the 25 hectares BSD Green Office Park, is a lifestyle retail mall known as the destination for alfresco dining with a panoramic view of Cisadane River, dynamic nightlife, and leisure activities. Blessed with a beautiful lush environment and a generous garden-like walkway, the award-winning mall has attracted a diverse mix of retailers and restaurants.

In February 2019, SML inaugurated the operation of Creative Nest Indonesia with Patrick Effendi, an Indonesian animation figure. The creative industry is one of the domestic industries that is being fully supported by the government of Indonesia as the main driving force of the economy. Hence, Creative Nest aimed to provide training and job opportunities for various types of creative industries such as application and development, coding, animation and videography, visual communication design, and product design.

In April 2019, SML welcomed the opening of NXL Esports Centre (“NES”), one of the first public e-sports game centre in Indonesia. Typically a closed-door and inaccessible centre, NES looked to break the tradition by getting their professional players to train in the centre and interacting with their fans. In addition, NES hopes to leverage on its platform to increase the awareness and standard of Indonesian e-sports.

In August 2019, SML hosted a digital entrepreneurship-themed event, Startup Weekend Indonesia at Jetty, The Breeze BSD City. For three days, startup enthusiasts gain experience to build a digital company that starts from forming a team, brainstorming, pitching ideas, to presentations in front of investors with the guidance of experienced mentors. This event is a collaboration of Sinarmas Land with Kumpul and Techstars, which is a startup development platform that aims to encourage the startup process so that it can resolve strategic issues in Indonesia.

BSD City - The Breeze

Operations Review

INDUSTRIAL

GIIC

Greenland International Industrial Centre ("GIIC") is a modern industrial estate located within Kota Deltamas integrated township development, owned and operated by DMAS. Strategically located in the epicentre of the highly concentrated industrial zone along East Jakarta–Cikampek Corridor, GIIC has attracted hundreds of renowned international and domestic customers from a diverse range of industries such as automotive, retail, food & beverage, consumer goods and logistics to set up their presences in Kota Deltamas.

To meet the demands of both its current and potential customers, GIIC offers a comprehensive and world-class modern facility and infrastructure to ensure smooth operations. Other than the meticulously planned placement of physical infrastructures such as road, lighting and water channels, GIIC also provides an extensive list of supporting infrastructures ranging from electricity to clean and wastewater treatment. Following our agreement with the state-owned electricity company, PT PLN Persero ("PLN"), all of our customers are assured of stable and constant premium electricity supply from PLN. Likewise, for natural gas and telecommunication facilities, GIIC work closely with PT Perusahaan Gas Negara (PGN) to obtain up to 10,000 cubic metres of gas per month; and PT Telkom Indonesia and MyRepublic for its telecommunication and fiber optic services. GIIC operates its in-house water treatment and wastewater treatment plants with a daily capacity of up to 24,700 cubic metres. In addition, GIIC and Kota Deltamas achieved Integrated Management System Certification, which consists of ISO 9001: 2015 on the quality management system, ISO 14001: 2015 on Environmental Management System, and OHSAS 18001: 2007 on health and safety work management system.

Another GIIC's key attraction is the Direct Construction After Investment Facility (KLIK). GIIC is one of the handfuls of selected industrial estates that has the KLIK from the Investment Coordinating Board (BKPM). With KLIK, customers can do away with multiple layers of red tapes and carry out their construction immediately after their investments are in place.

As a key automotive manufacturing hub in Indonesia, GIIC welcomes Hyundai Motor after the South Korean automotive manufacturer signed a MOU with the Indonesian government to establish its first Indonesia manufacturing plant in Kota Deltamas. Despite GIIC tenants' concentration level skewing towards the automotive and its peripheral industry - PT Suzuki Indomobil Motor, Mitsubishi Motors, SAIC-GM-Wuling, PT Astra Honda Motor and Maxxis Tyre, GIIC continue to diversify its target customers base having secured notable customers such as KALBE Pharmaceutical, KOHLER, Kewpie and Nippon Express in its establishment. Due to its large industrial landbank, GIIC has the flexibility to allocate a certain area for a specific purpose such as the 200 hectares China-Indonesia Economic & Trade Cooperation Zone (KITIC) dedicated to manufacturers and investors from China for their Indonesian operations.

Industrial - GIIC - Water Treatment Plant

KIIC

Karawang International Industrial City ("KIIC") is an award-winning green industrial estate located in Karawang, West Java, with direct access at KM 47 along Jakarta–Cikampek toll road. The 1,389 hectares modern industrial estate is a joint venture between Sinarmas Land and Itochu Corporation of Japan. Known for its excellent infrastructure, advanced communication systems, wastewater treatment management and security system, KIIC is home to many domestic and multinational corporations such as Toyota Motor Manufacturing, Indonesia, HM Sampoerna, Yamaha Motor Manufacturing, Indonesia, Astra Daihatsu Motor, Panasonic Semiconductor Indonesia and Sharp Semiconductor Indonesia.

HOSPITALITY & LEISURE

Le Grandeur Mangga Dua / Le Grandeur Balikpapan

The Group owns and operates the Le Grandeur brand hotel in Indonesia that comprises the 346-room Le Grandeur Mangga Dua in Jakarta and 185-room Le Grandeur Balikpapan in Balikpapan. Both Le Grandeur Mangga Dua and Le Grandeur Balikpapan experienced a drop in the average occupancy rate to 34.0% in 2019 (2018: 40.0%) and 28.0% (2018: 42.0%) respectively. The Group's hospitality division shall continue to undertake more marketing initiatives, as well as elevating its service quality level.

Rooms Inc. Hotel

In August 2019, the Group established a joint venture, PT Sinar Artotel Indonesia ("SAI"), with ARTOTEL Group to manage Rooms Inc., a hotel brand created and owned by Sinarmas Land. Through this partnership, SAI strives to develop Rooms Inc. into a hotel network that expands throughout Indonesia. In addition, SAI will manage and expand other hotel brands under Sinarmas Land.

Room Inc.

Located in Semarang Central Java, Rooms Inc. Hotel represents part of an IDR90.0 billion investment initiative by the government into Semarang's retail and hospitality industry that is closely accessible to the city's government buildings, city hall, transportation hubs, Ahmad Yani International Airport and landmarks such as the historic Lawang Sewu building. Built with a smart urban concept to attract young executives and adventurous millennial, this contemporary 3-star hotel offers 162 rooms across 9 different categories. To complement the need of modern tourists, the hotel offers a wide range of facilities including the Verve Bistro & Coffee Bar, a 24-hour deli counter, outdoor terrace with a 100-person capacity, private car park, gym and direct access to the DP Mall in Semarang. Opened in August 2017, Rooms Inc. Hotel recorded an occupancy rate of 77.5% in 2019, improving from 65.0% in 2018.

UNITED KINGDOM

Political uncertainty surrounding Brexit, a slowing Eurozone and trade tension has dampened business sentiments and took a toll on the UK's economy. For 2019, UK's GDP recorded a growth of 1.4%, the lowest since 2012, dragged by all three drivers of growth – services, production and construction. However, a greater degree of clarity has returned to the country after the Conservative Party won the 2019 general election and affirmed that UK will officially leave the EU on 31 January 2020. UK economy is expected to improve post-Brexit but dependent on future trade arrangement and global economic growth.

Despite the ongoing Brexit turmoil and uncertainties, the Central London office market remained resilient with little distress in the market. Owners are willing to hold onto their prized assets in anticipation of greater price appreciation post-Brexit. This resulted in Central London transacting only a total of £12.6 billion in 2019, a decrease of 30.0% year-on-year, and the lowest level since 2011. Nonetheless, there is an increasing amount of interest from investors who remain confident of UK's long-term fundamentals. Prime yields remain stable at 3.5% in the West End and 4.3% in the City. Leasing activities remain robust in 2019 with 11.5 million sq ft being leased mainly by banking & finance and co-working companies. Aided by contracting office supply and stronger leasing market, Central London overall vacancy rates slipped to 4.1%, the lowest level in three years.

Warwick House, 10 Great Pulteney Street

Purchased in 2014, the 47,044 sq ft Warwick House is a freehold commercial building in Soho, just a stone's throw away from London's Oxford Street. Located in an area recognised internationally for its vibrancy and creativity, Soho has developed a reputation for attracting elites in both the entertainment and media industries. Currently, Warwick House is 100% occupied by Creston PLC, a media firm on a triple net lease till September 2029 with a break option in September 2024.

Operations Review

Alphabeta Building

Located in the stylish and innovative hub that is Shoreditch, the iconic Alphabeta Building offers a net leasable area of 247,670 sq ft. Acquired in October 2015 and 100% occupied by multiple tenants on triple net leases, the building offers a distinctive office experience that is mimetic of Shoreditch's own renowned reputation. Examples of Alphabeta Building's unique identity include the basketball court at basement level and Britain's first dedicated cycle ramp that allows cyclists to transition straight from the street into the 250-space bicycle storage area in the basement.

Liverpool Street Station, London's third busiest train station, is just six-minute walk from Alphabeta Building and provides commuters with National Rail Services, access to four London Underground lines and London's new Crossrail services which are expected to be operational in June 2021.

33 Horseferry Road

In June 2017, the Group acquired 33 Horseferry Road, a freehold commercial building in Victoria, London, for a total consideration of £188.6 million. Located less than 300-metres from River Thames, 33 Horseferry Road is positioned in a designated 'Opportunity Area' by the Mayor of London due to its excellent transport links and ability to accommodate commercial and residential growth. Traditionally, Victoria has been a hub for government occupiers with the Houses of Parliament, Downing Street and Whitehall located no more than a 20-minute walk from 33 Horseferry Road. In recent years, Victoria has benefitted from a variety of best-in-class developments resulting in a vibrant office, retail, leisure and residential location.

33 Horseferry Road offers a net leasable area of 180,600 sq ft, of which 163,761 sq ft comprises Grade A office accommodation across lower ground, ground and five upper floors. Divided across ten retail units, the ground floor also offers 16,839 sq ft of retail space along its generous 150-metres frontage to Horseferry Road which includes high-quality tenants such as Moonshine Bars Limited, Pret A Manger and Leon Restaurants Limited. The Grade A office space is let in its entirety to the UK Secretary of State for Transport with a lease expiring in December 2033.

In total, SML's UK property portfolio has close to 500,000 sq ft of strategically located freehold commercial Grade A space and asset-under-management of close to S$1.0 billion in Central London.

UK - 33 Horseferry Road

CHINA

On 18 March 2019, the Group has entered into a joint venture agreement with Rongqiao to develop Taicang Yue Jiang Nan (太仓 · 悦江南) in Taicang City, Jiangsu Province. Located approximately 50km north-west of Shanghai Hongqiao International Airport, this pure residential project has a total development area of 122,344 sqm over a site area of 49,359 sqm. Taicang Yue Jiang Nan will feature 838 residential units, with approximately half sold as bare units and the other half furnished with modern Chinese interior theme. SML's RMB222.3 million investment, which consist a 30.0% equity stake, would further strengthen the Group's property development footprint in China and leverage on Rongqiao's expertise, thereby enhancing the Group's future earnings from China.

China - Chengdu Yue Rong Cheng

Taicang Yue Jiang Nan was the second development that the Group has partnered Rongqiao. In August 2018, the Group invested RMB396.0 million into a definitive cooperation agreement with Rongqiao to develop Chengdu Yue Rong Cheng (成都 · 悦蓉城) with a land area of 56,868 sqm, located in Dafeng Area, Xindu district, Chengdu City. Situated 200-metres away from the newly open Metro Line 5 Huang Hua Yuan Station, this mixed-use project consists of 83,551 sqm of residential area; 52,338 sqm of LOFT condominium; 21,576 sqm of commercial retail units; 12,708 sqm of commercial villas and 1,703 car park lots.

Our previous Chengdu project, Li Shui Jin Du (丽水金都), sits on 4.8 hectares of land located in Xindu district. This high-rise mixed-use project consists of nine blocks of 1,205 residential apartments with a total built-up area of 138,278 sqm; one retail podium with a built-up area of 3,301 sqm; and 499 car park lots. Completed in 2009, the Group has fully sold the residential and retail components. In 2019, the Group sold 53 car park lots with 166 car park lots remaining unsold.

JOHOR, MALAYSIA

Le Grandeur Palm Resort Johor and Palm Resort Golf & Country Club ("Palm Resort")

The Group is the owner-operator of 330-room Le Grandeur Palm Resort Johor and 54-hole Palm Resort Golf & Country Club, one of the few integrated golf and leisure destination in the state of Johor. It is a 30-minute drive from Singapore Tuas Checkpoint and 5-minute from the Senai International Airport.

In 2019, Malaysia reported a GDP growth of 4.3%, 0.4% lower than 2018. Tourist arrivals have increased slightly by 3.7%, mostly for arrivals in Sabah and Sarawak. Johor continue to play host to the Singaporeans, who normally come over during the weekend for short stays and shopping.

With the oversupply of residential apartments in Johor Bahru, owners are renting out their apartments to tourists on Airbnb at low rates, adding more competition to hoteliers in Johor. The opening of a new international chain in Desaru and Nusajaya, namely, Westin, Hardrock Café, Ramada, Frasers Place and Pan Pacific Hotel, also contributed to the decrease in the average occupancies

Malaysia - Le Grandeur Palm Resort Johor

Operations Review

of hotels in Johor. Le Grandeur Palm Resort registered an occupancy rate of 43.9% in 2019, a drop of 3.7 percentage points as compared to the previous year.

However, Palm Resort achieved improvements on the greens. Operating one of the largest golf courses in Johor, golfing rounds have increased from 107,454 rounds in 2018 to 117,187 rounds due to the intense promotional activities and growing contributions from Korean golfers during the winter and summer season. Also, Palm Resort plays host to many golfing events, and for the fourth consecutive year, we were chosen to host the ADT/PGM tournament.

In order to maintain growth amidst the intense competition, management is planning to emphasise more on golf tourism, specifically targeting the overseas golfers from Korea, Japan and Australia. In addition, the resort is working closely with a travel agency to bring in Russian chartered flights to Johor. Other than golf, Palm Resort is extending the service coverage to family vacation stays, corporate teambuilding events and tele-matches for group visitors, given the lush and vast surroundings within the resort supported by various sports and leisure facilities.

BATAM, INDONESIA

Palm Springs Golf & Country Club

Palm Springs Golf & Country Club ("Palm Springs") is regarded as one of the best golf courses in Batam that provides excellent club facilities together with warm hospitality and first-class services. In 2019, Palm Springs recorded a total of 39,102 rounds of golf (2018: 39,353) played on the hallmark 27-hole golf course that integrates slopes and a breath-taking view of the beachfront, on the back of an increasing crowd of visitors and golfers since the launch of our new Nuvasa Bay development.

Malaysia - Ambassador's Cup Golf Tournament 2019

Nuvasa Bay

Within the master planning of the 228 hectares land, the Group dedicated 90 hectares to the residential properties as part of the development project named "Nuvasa Bay" alongside the Nongsa bay at Batam, which is the Indonesian island closest to Singapore with only a 30-minute ferry ride from Singapore's Tanah Merah Ferry Terminal. The development offers views of Singapore from its 1.2km coastline. Located in and amongst a 27-hole international championship golf course and equipped with commercial facilities, hotels and high-end residential property, Nuvasa Bay is designed to provide residents and tourists with a balanced and premier lifestyle.

Batam, Indonesia - Nuvasa Bay KALANI Tower pool side view

Back in 2017, the Group launched Nuvasa Bay's first residential development, The Nove Residence, and was met with overwhelming responses from homebuyers and investors, having transacted more than 95.0% of the launched units. Recently, The Nove won 2 prestigious awards from Indonesia Property Awards 2019 as "Best Condo Development (Greater Indonesia)" and "Best Condo Landscape Architectural Design (Greater Indonesia)". In October 2019, Nuvasa Bay launched The Nove Residence Phase 2 that features resort-style residence. There is a total of 66 units in this launch, with 44 units being townhouses, and the remaining 22 units

Batam, Indonesia - Signing Ceremony with Citramas Group

being semi-detached houses. Also, there will be 30 plots of land available within the development available for sale.

On 25 February 2019, SML announced the signing of a Shareholder Agreement with Citramas Group to jointly develop a digital economy hub in Nongsa, Batam. The strategically located Nongsa district is 30-minute from Singapore by ferry and 15-minute from Batam Hang Nadim International Airport. This hub is envisioned to be a digital bridge between Indonesia and Singapore, to attract startups, local and international companies undertaking digital-related activities to set up in Indonesia. With technology and creative industries being the next key drivers of Indonesia's economy, the digital economy hub in Nongsa will contribute directly in strengthening Indonesia's tech and innovation talent pool and job creation. It also offers Singapore-based companies' opportunities to work with local Indonesian talents and grow their tech businesses, leveraging on complementary strengths.

To kickstart this development, the joint development appointed Surbana Jurong, an Asia-based urban and infrastructure consultancy group, as the master planner. Surbana Jurong's scope of work includes the development of a concept master plan of the hub which covers a total area of 62 hectares, and this includes an Eco Digital Project, the Nuvasa Bay Town Centre, and the Nongsa Digital Park. The consultancy scope covers urban design and architectural conceptualisation.

In December 2019, the Indonesian government announced that Batam Island will transform from a free-trade zone to a special economic zone. Shortly after, Indonesian Coordinating Economy Ministry announced plans to build two special economic zones on the island, namely an aircraft maintenance and repair facility at the Hang Nadim International Airport and a digital hub in Nongsa. These new initiatives from the Indonesian government will bring forth an increased demand for residential and commercial development in the area, hereby benefiting our development in Nuvasa Bay.

AUSTRALIA

On 2 December 2019, SML announced its investment of A$40.0 million into MASCOT. MASCOT owns 10 Grade A office assets that are strategically located at key Australian gateway cities namely - Sydney, Melbourne, Adelaide, Brisbane and Perth - with a portfolio asset value of approximately A$1.4 billion. With a total net lettable area of approximately 160,000 sqm, the portfolio comprises of reputable occupiers from well-diversified industries such as technology, media and telecom, government agencies as well as mining, oil and gas. This investment is in line with the Group's diversification strategy to extend its property investment footprint outside of Indonesia into the commercial office sector in matured markets.

Australia - 111 Pacific Highway, North Sydney

ADVANCING PARTNERSHIPS

Investor Relations

At SML, we aim to provide our shareholders, investors, business partners, analysts and the media with timely, accurate and relevant information needed to make sound judgements about our company, focusing on ensuring that our stakeholders are well-informed of the Group's key operations and business strategies, as well as a balanced account of our financial performance.

Proactive Engagement through Regular Dialogues

SML's management and the investor relations ("IR") team continue to conduct regular dialogues with the investment community to proactively promote interest and raise awareness of the Group through various communication platform and events which include investor conferences, one-on-one and group meetings, local and overseas non-deal roadshows ("NDRs"), quarterly analyst and media briefings, conference calls and site visits to our key projects.

In 2019, the Group has engaged institutional and retail investors, conducted via face-to-face meetings, quarterly financial results briefings and conference calls, as well as participation in investor conferences and NDRs. These proactive engagements promote two-way communication between the investment community and the management.

The Group engage financial analysts and media during our quarterly financial results briefings. During these engagements, attendees pose questions on the Group's financial performance and business strategies, which allows them to better understand the Group's strategic directions. Also, our management will provide operational updates of our latest developments and product launches, as well as the property market outlook of key cities where our developments are located. Through these active dialogues, our management is able to receive feedbacks and suggestions on areas of concerns and improvements.

AGM and Extraordinary General Meetings are important platforms for shareholders to communicate and interact with the Board of Directors and senior management. More than 75 shareholders and proxies attended SML's 2019 AGM which was held on 24 April 2019. These meetings are held at centralised locations for the shareholders' convenience and to facilitate greater participation. At the beginning of the meeting, the Group's CFO will present the Group's operations and financial performance for the financial year. Thereafter, shareholders were provided with opportunities to raise questions and clarify any ongoing concerns.

To promote greater transparency and garner maximum participation from the shareholders, the Company has employed electronic poll voting administered by a reputable polling service provider for all meeting resolutions. Votes cast for and against and the respective percentages on each resolution were instantly displayed on screen. The detailed results showing the total number of votes cast for and against each resolution and the respective percentages were also announced after the meeting via SGXNET.

Quarterly financial results briefing with analysts and media

The Group welcomes enquiries and feedback from shareholders and the investment community. Enquiries can be addressed to the IR team at investor@sinarmasland.com.sg or by post to 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535.

Consistent Disclosures and Governance

SML is committed to ensure clarity, consistency and accuracy in our disclosures. Announcements, material developments, quarterly and full year financial results together with the accompanying presentation slides and press releases are released via SGXNET on a timely basis in compliance to the Listing Manual for continuous disclosure obligations.

The Group remains committed towards upholding high standards of corporate governance. During the 10th Singapore Corporate Governance Week organised by Securities Investors Association Singapore in September 2019, SML demonstrated to all investors and shareholders its commitment by pledging a statement of support towards excellence in corporate governance.

Awards and Accolades

Forbes Indonesia Best of the Best Awards 2019

PT Duta Pertiwi Tbk

Top 50 Listed Company for 2019

BCI Asia Award 2019

Sinar Mas Land

Top 10 Developers 2019, Indonesia

Property Management Service Excellence Award 2019

Sinar Mas Land

Middle-Up Class Landed Residential - BSD City

Property Management Service Excellence Award 2019

Sinar Mas Land

High-End Apartment - The Elements

FIABCI World Prix d'Excellence Awards 2019

Sinar Mas Land

World Silver Winner - Office Category - Green Office Park 9

FIABCI World Prix d'Excellence Awards 2019

Sinar Mas Land

World Silver Winner - Sustainable Development Category - Green Office Park 9

Global Compact Network Indonesia

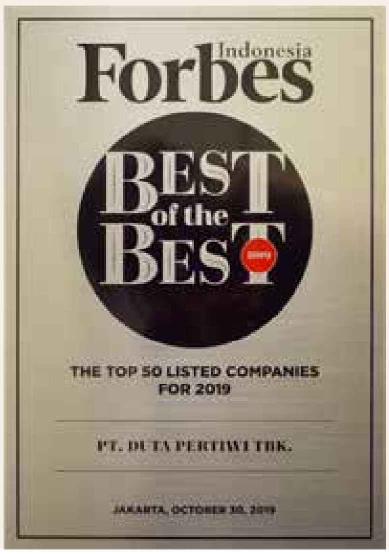
Sinar Mas Land

Most Committed New Member of the Year 2018

ASEAN Energy Award

Sinar Mas Land

1st Runner Up Green Building - Green Office Park 9



CECT Sustainability Awards 2019
PT BSD. Tbk
Overall Sustainability Performance: Property, Real Estate and Building Construction

CECT Sustainability Awards 2019
PT BSD. Tbk
Project-Based CSR & Business Sustainability: Creating Sustainable Living Area

The 11th IICD Corporate Governance Conference and Award
PT BSD. Tbk
Top 50 Big Capitalisation Public Listed Company

Indonesia's PR of the Year 2019
Sinar Mas Land
Corporate Communication Team of the Year (Property and Real Estate Industry)

Golden Property Awards 2019
PT BSD. Tbk
Best Property - Public Listed Company

Property Guru Indonesia Property Awards 2019
Sinar Mas Land
Best Condo Development (Greater Indonesia) - The Nove Apartment Nuvasa Bay

World Branding Awards
Sinar Mas Land
Brand of the Year 2019-2020 (Property Developer Indonesia)
- Alphabeta Building, UK

Golden Property Awards 2019
PT BSD. Tbk
Best Premium Apartment
- Southgate

Golden Property Awards 2019
Sinar Mas Land
Best Social Media and Digital Marketing Strategy

Property Guru Indonesia Property Awards 2019
Sinar Mas Land
Best Condo Landscape Architectural Design (Greater Indonesia) - The Nove Apartment Nuvasa Bay

Green Property Awards 2019
Sinar Mas Land
Green Environment and Infrastructure

Golden Property Awards 2019
Hermawan Wijaya (Director of PT BSD. Tbk)
Most Influential Property Professional

Corporate Social Responsibility

As a leading property developer, SML recognises that our operations have impacts on Mother Nature, our communities, and our stakeholders including tenants, customers, and residents who live and work within or surrounding our developments. We continue to support sustainable development by integrating social and environmental responsibility across our operations and take action as a leader in the real estate development industry in Indonesia. We stay committed to bring positive impact towards the environment and the natural habitats, improve the well-being of our employees and the social communities which we serve.

The four main key focus topics discussed below form our sustainability vision and strategy.

1. Best in Class Real Estate

By providing state-of-the-art facilities and services of the highest quality, we are committed to be the best-in-class in city planning and the development of commercial offices, retail malls, residential properties, as well as public transport infrastructures.

Providing Excellent Facilities & Services
SML strives to provide the best product quality and services to our customers. Starting from the planning stage to after-sales services, each stage is subjected to our stringent selection and quality control. Our customers and tenants can also rest assure that we conduct regular maintenance of building equipment, ensuring their health and safety, and the availability of public facilities such as places of worship, schools, hospitals, etc.

In addition, SML also recognises that our human capital is an important asset in providing the best products and customer experience. By focusing on our employees' well-being and personal growth, we strive to be an Indonesian employer of choice. Our commitment to our employees' well-being is demonstrated through our human resource policies and initiatives which are driven by our Human Capital team. The Human Capital team explore and drive initiatives to build a conducive and inclusive workplace for our employees' development, well-being and satisfaction.

Attention to Customers and Occupational Health and Safety
SML prioritises the occupational health and safety ("OHS") for all our customers, tenants, employees, and contractors. Through various initiatives and engagement programs, we seek to minimise the risk of accidents, injuries or illnesses within our developments. Several OHS initiatives were conducted in 2019 such as annual property hazard risk assessments by our Enterprise Risk Management team, Technical and Safety Audits, Annual OHS equipment certification in compliance with fire safety standards of the Indonesian Fire Department.

SML has developed and implemented OHS guidelines, as well as policies for Crisis Management. Fire drills and emergency simulations are conducted periodically to ensure that emergency procedures are understood and implemented correctly. Overall, these initiatives ensure a strong safety culture within our organisation.

Setting Programs to Achieve Sustainable Development
As one of the leaders and pioneers of green buildings development in Indonesia, we are committed to develop a sustainable city guided by the Smart City theme with the aim to incorporate the "Green" concept into the developments of our products.

This Smart City theme shall integrate digital initiatives such as city information management system, traffic management system, transportation system and customer care and a system that is able to adapt and thrive with constant technological development. These integrated and digitalized infrastructures can lead to an efficient city that provides a high standard of living to our residents.

Of significance is the development of Digital Hub in BSD City. Nestled on a 26 hectares site, Digital Hub was established to serve the business and social activities of technology companies. Together, Digital Hub help businesses and institutions succeed within an environment that fosters collaboration, social interaction, and a sense of community.

Compliance to Regulatory Requirements
We placed a strong emphasis on complying with the regulatory frameworks set up on the national and regional level. These include regulations on land acquisition, operational permits, design and construction, finance and accounting, labour laws, customer protection, and environmental frameworks. In addition, we adopt a zero-tolerance approach towards non-compliance of regulations throughout the organisation.

These activities are aligned with the Sustainable Development Goals number:

2. Climate Change

The Group understand the significant impact of climate change and strive to protect the surrounding environment through policies and existing programs. Such initiatives

BSD City - Renovation of Cisauk Station

include the commitment to increase the percentage of developments built in accordance to internationally recognised 'Green' standards (e.g. BCA Green Mark, LEED, Greenship, etc.), and the development of public transport and logistics facilities to reduce carbon emissions.

Optimising Building Operation to Achieve Clean Environment
SML look to optimise our building operations from development to management stages to create and provide cleaner environment for our residents. An example is "The Breeze BSD City". Named as "The mall with no walls", The Breeze BSD City reduces energy consumption from air-conditioning and lighting by using natural lighting and outdoor common walkways.

Also, we have embarked on a sustainability program with specific responsibilities assigned to staff across all parts of the organisation. As part of this program, we will be able to better calculate and eventually increase the percentage of recycled input materials, reduce the energy required in the construction and operation of our developments, lower our water consumption and carbon emissions, as well as improve our waste management.

Providing and Facilitating Various Type of Public Transportation
Efficient public transportation infrastructure is a key component of a sustainable city. SML aspires to play a significant role in elevating Jakarta to become a model sustainable city by contributing to the development of the city's public transportation infrastructure.

Some of our initiatives in 2019 are as follows:

- BSD Link, which is connected to BSD Intermodal Modern Market, shall expand its operations to cover the entire BSD City areas in the near future;
- Partnering with Grab to provide smart and clean mobility solutions;
- Cooperating with inter-regional public transport providers in Greater Jakarta;
- The revitalisation of the Cisauk Train Station to provide easy access to train passengers from the station to BSD City via BSD Intermodal Modern Market.

Responsible Waste Management Program
We have coordinated with local government to handle waste issues, as well as collaborated with Tzu Chi Foundation in Indonesia to gradually socialise and normalise reduction of plastic usage in BSD City's residential areas. We also appointed certified hazardous waste vendors to collect and manage hazardous waste from buildings managed by the Group.

Providing and Maintaining Green Open Space
SML consistently includes green open space in every development master plan. This practice is in line with our endeavour for sustainable development, as well as to complement our green buildings with green spaces.

In 2019, we conducted green initiatives in communities, educating them to be more environmentally conscious and to create more green spaces. We also continued our CSR tree planting initiatives and encourage communities to plant trees through biopori holes.

These activities are aligned with the Sustainable Development Goals number:

3. Sustainable Community

Our sustained commercial success depends on the well-being of local communities located within our areas of operation. By improving the socio-cultural environment within our operations' communities through various initiatives, we aim to create significant benefits for local communities on the basis of common shared values and coherent understanding.

Engagement Program for All Stakeholders
We seek to forge and improve relationships with stakeholders through active and regular engagements. Examples of stakeholder engagement exercises include:

- Annual Customer Tenant Satisfaction Survey;
- Feedbacks from customer and tenant;
- Focus Group Discussion;
- Green Habit Campaign;
- Media and the investment community.

Corporate Social Responsibility

Le Grandeur Palm Resort - Iftar Perdana

Improving Community Welfare in Surrounding Development Area
We continue to improve the prosperity of local stakeholders with targeted and strategic investments into local infrastructure and community engagement.

In 2019, we undertook several initiatives to provide work opportunities, enhance skills and community outreach program within the communities. Some of our initiatives are as follows:

- Development of modern market in BSD City for local entrepreneurs;
- Improve Tangsel women community's welfare with BSD Knowledge Housecraft Centre;
- Provide computer programming and coding scholarships for students who live around BSD city and linking them to potential employers;
- Conducted a series of training programs partnering pasar Rakyat School at BSD City for Micro, Small & Medium Enterprises ("MSMEs") to enhance their skills

Le Grandeur Palm Resort - Sunset Charity Run4Fund 2019

In Malaysia, our Le Grandeur Palm Resort Johor ("PRB") continue to contribute back to the local community through the following initiatives:

- Together with Kechara Soup Kitchen Society, we brought festive goodies and red packets to underprivileged families during Chinese Lunar New Year period;
- For the fifth consecutive year, PRB worked with Pertubuhan IKRAM Malaysia (IKRAM) to treat 150 orphans and children from underprivileged families to a sumptuous berbuka puasa (break fast) during the Ramadan month;
- As a member of the Malaysian Association of Hotels, PRB contributed 150 packs of non-meat food, as part of its annual 'Feed the Hungry' CSR project, to bring food to the homeless at the back streets of the Johor Bahru's city area.
- Together with TJ Mart Kulai, PRB organised the annual Sunset Charity Run4Fund with a total of 526 participants, raising a total of RM28,000. All proceeds went towards aiding Palliative Care Association Johor Bahru in their mission to help cancer patients requiring hospice care at home.

These activities are aligned with the Sustainable Development Goals (SDG) number:

Le Grandeur Palm Resort - Giving out festive goodies

4. Educational Patronage

At SML, we place a strong emphasis on education, and take a long-term approach to this. A strong education system not only helps our local society, but in the longer-term breeds talent that are essential for the success of our business. Also, a prosperous and skilled population can help to alleviate many social issues, as well as improving local communities' living standards.

Initiating Program to Support Knowledge Enhancement

Education is one of the most important pre-requisites for the sustainable development of society and of our employees. We believe that by enhancing knowledge of the Group's employees and communities, we can lay a promising future for SML's sustainability. Therefore, it is imperative for SML to explore ways to upskill our people and to build the best talent pool in our communities. Hence, we have developed several programs to support our belief:

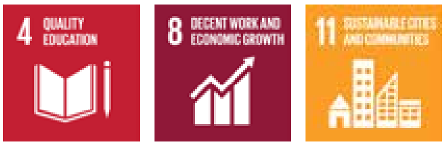
- Scholarship collaboration with International University Liaison Indonesia University;
- Scholarship program for employee's children and family; and
- Scholarship program for the community in Tangerang district and South Tangerang City.

Improving Educational Method and Facility

We are committed to ensure communities have equal opportunities and access to an education system by providing essential educational resources and facilities, and improving on teaching methods. In 2019, we undertook the following initiatives to improve education in communities:

- Introduced Gerakan Sekolah Menyenangkan (GSM) – Fun School Movement to change the mindsets of teachers, students and society to equalise and bridge the gaps between different school classifications;
- Conducted Berantas Buta Quran (Learn How to Read Al Quran) for Muslim teachers and students to read and understand within 3 hours of the training course;
- Renovations for schools and libraries in BSD City and other operation areas

These activities are aligned with the Sustainable Development Goals number:



For more details on our corporate social responsibility, please refer to SML's Sustainability Report 2019 to be published later.

BSD City - Renovation of Schools

Human Capital

Rapid digital technology advancement in the fourth industrial revolution has brought about fundamental changes to how people and businesses interact. As an early adopter of digital transformation, the Group continue to support the transition for its workforce so they might attain their fullest potential to drive our business forward and achieve greater success.

2019 Synergy Day

e-Performance Management System ("e-PMS")

Following the Group's decision to adopt a cloud-based e-PMS back in 2018, the team has made significant progress in the system integration and enhancement. Cross-functional teams continue to work closely with e-PMS consultants to retrieve data from the existing system (e.g. SAP Fico and Project Online) into e-PMS through an automated data-transferring process. As a real estate developer, we prioritise financial and construction project data in the first stage of automation. Through this system, we are able to monitor operational efficiency, and thus appraise the Group's performance.

During the integration process, data uploaded by data custodians need to ensure data integrity as they are crucial to the success and accuracy of e-PMS. To achieve standardisation, numerous discussions with data custodians were held to create templates to ensure consistency in the data feeding mechanism. Through this strenuous initiative, the Group envision faster data collection, higher level of accuracy and details, as well as greater level of efficiency to measure every given metrics. Full integration of e-PMS is on schedule according to the implementation roadmap.

e-Recruitment System

On January 2019, SML launched the e-Recruitment System ("e-RS"), a highly specialised system that is capable of tracking each phase of the hiring progress. This system can be accessed by the hiring manager, human resource recruitment team and candidate to obtain real-time updated information. In addition, the system is also equipped with online assessment capability hereby allowing the candidates to take the assessment at the flexibility of their own time and location.

Since its implementation, e-RS has tremendously improved the entire hiring process. Previously, the Group was only able to process 3,000 applicants and the hiring process takes about 15 days. With e-RS, the processed applications soared to 14,000 and the hiring process is trimmed to 7 days. Also, the Group is able to better assess each candidate hence resulting in a higher quality of new hires.

Going forward, the Group will further enhance e-RS by including interactive features such as video-interview and moving onto the mobile phone application. With video-interview, the hiring manager is able to have a real-time interaction with the candidate independent of their location. Also, by running e-RS on mobile phone platform, it will significantly improve users' flexibility, easy access to candidate's information on the go, increase positive user experience, attract more quality candidates, and enhancing the Group's brand as an early technology adopter.

Talent Management

Succession planning and key talent management are paramount to the Group's long-term growth. As we strive to retain and attract talents in the highly competitive marketplace, the Group has in place a talent database that is able to map talent, record their career aspirations, track individual development plans and identify possible

Health Talk and Medical Corner

transfer/future roles within the organisation. Identified talents will go through training to improve their leadership skill, project management competency and technical speciality. This information will be stored in a centralised system and kept updated on a regular basis. Thereafter, the Group regularly undertake an evaluation of our talent pool composition, competency and appropriateness of the talent selection criteria, so as to better equip SML with the required manpower for the future.

Employee Engagement and Culture

Constant employee engagement lowers the risk of employees' turnover, improvement in productivity and efficiency, boosting employees' morale that results in higher customer satisfaction and the Group's success. In 2019, various engagement events, each carrying a specific theme, were held for different groups of employees.

Of significance is our 2019 Annual Synergy Day. Attended by more than 300 management staff, 2019 Synergy Day carried the theme of "Transformation: People & Technology", emphasising on the importance and urgency of business transformation within the Group. Other than sharing the message on transformation, the Group invited a professor from Massachusetts Institute of Technology ("MIT") to share the experiences on how digital technology and the usage of big data can change people's lives, and their implications in urban areas. During the event, awards were handed out to Top Leaders, Top Managers and Best Employees for their excellent performance in 2019.

To improve our employees' awareness of mind and body wellness, the Group held various talks and events with the theme "Happiness and Wellness" throughout 2019 where employees are provided with free medical screenings and health consultation.

Other notable programs were Kartini Day and Seasonal Day Care. On Kartini Day, female employees celebrate women emancipation with the theme of "Empowered Women, Empower Generations" to educate and empower female employees through financial management, culinary, and beauty class. Seasonal Day Care was launched for working mothers who need to take care of their children during the Eid Al-Fitr festive period where most babysitters are away. This initiative reduces the burden on working mothers who can then concentrate to achieve optimal work performance. For exceptional work performers, SML awards them with free movie screening to promote work-life balance.

Other engagement programs include Independence Day "Semarak Kemerdekaan Indonesia" celebration, Collaborative Workspace design competition, Self-Improvement Workshop, Appreciation Day, and movie screening.

Seasonal Day Care

Plastic Diet Program (#lessplastic)

As part of our environmental initiatives to mitigate the impact of climate change, the Group has encouraged its employees to reduce the usage of single-use plastic. According to a study by the University of Georgia, Indonesia is the world's second-largest ocean plastic polluter, after China, with an estimate of 3.2 million metric tonnes of plastic per annum ending up in the water surrounding the country. Based on 2018 data, the Group has consumed 11,628 cartons of 400 millilitres ("ml") plastic bottled mineral water per year, or an equivalent of 279,072 bottles. As a socially responsible entity that protects the environment and the local communities where we operate, we commenced the #lessplastic initiative since the beginning of 2019 to reduce the usage of single-use plastic, with the first directive targeting the reduction of bottled mineral water. In this program, the Group replaced bottled water with gallon water and encouraged employees to bring their own tumbler. Water dispensers were placed in meeting rooms and pantries to provide easy access within the office premises. As part of changing habits, SML shared educational information and encouragement through its weekly email blast.

Since the implementation of #lessplastic initiative, SML has succeeded in halving the usage of bottled mineral water to 5,446 cartons of 400 ml mineral water, or an equivalent of 130,704 bottles. This 53.2% decrease in the usage of single-use plastic bottles over a one-year period spur the Group to increase the amount of gallon water and dispensers. The next step, the Group will expand its initiative to include guests, vendors, and/or customers by placing recycled paper cups in meeting rooms.

For more details on our human capital initiatives, please refer to SML's Sustainability Report 2019 to be published later.

Network Of Operations

Portfolio Overview

Total Assets (S$)
7,757.5 million

Revenue (S$)
1,172.9 million

Over
47 million sqm
of prime land bank

Across
26 cities

1 Goal
Building for Better Future

We will continue to seek out new investments, particularly in commercial sector in matured key markets around the world.

4
City & Township Properties

16
Hotels, Resort & Golf Courses

1
Convention Centre

21
Retail & Trade Centres

21
Residential Properties

18
Commercial Properties

3
Industrial Properties

INDONESIA

BALI

Pecatu

JAVA

Bekasi

Bogor

Cibubur

Cikarang

Cipanas

Depok

Jakarta

Karawang

Puncak

Sawangan

Semarang

Surabaya

Tangerang

KALIMANTAN

Balikpapan

Samarinda

RIAU ISLANDS

Batam

SULAWESI

Makassar

Manado

SUMATRA

Medan

Palembang

CHINA

SICHUAN

Chengdu

LIAONING

Shenyang

JIANGSU

Taicang

MALAYSIA

JOHOR

Senai

UNITED KINGDOM

LONDON

AUSTRALIA

The Group's diversified property portfolio, comprising integrated townships, residential properties, commercial office buildings, convention hall, industrial estates, retail mall & trade centres, hotels, resorts and golf courses, are owned through our subsidiaries, associates, joint ventures and long-term investments. Our major properties are presented in the next section - Property Portfolio.

Property Portfolio

City & Township

BSD CITY

Serpong, Tangerang,
West Java, Indonesia

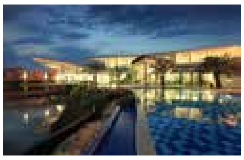
A mixed-use township that includes residential, commercial development, infrastructure, public utilities, facilities and amenities

Project Site Area (sqm)
46,847,800

Remaining Site Area (sqm)
21,243,192

Expected Completion Date
2035

Effective Interest Held (%)
49.1%



Grand Wisata

Bekasi Regency,
West Java, Indonesia

A mixed-use township that includes residential and commercial development, infrastructure, public utilities, facilities and amenities

Project Site Area (sqm)
8,367,445

Remaining Site Area (sqm)
5,075,934

Expected Completion Date
2025

Effective Interest Held (%)
23.3%

Kota Deltamas

Bekasi Regency, West Java, Indonesia

A modern self-sustainable integrated township development that consists of industrial, commercial and residential estates

Project Site Area (sqm)
31,810,000

Remaining Site Area (sqm)
9,270,000

Expected Completion Date
2030

Effective Interest Held (%)
57.3%

Kota Wisata

Cibubur, Greater Jakarta, Indonesia

An iconic residential focused township development located in Cibubur

Project Site Area (sqm)
4,855,373

Remaining Site Area (sqm)
793,913

Expected Completion Date
2025

Effective Interest Held (%)
43.5%

Industrial

Greenland International Industrial Centre

Bekasi Regency, West Java,
Indonesia

GIIC is a modern industrial estate located within Kota Deltamas integrated township development

Project Site Area (sqm)
17,140,000

Remaining Site Area (sqm)
4,660,000

Expected Completion Date
2025

Effective Interest Held (%)
57.3%

Karawang International Industrial City

Karawang, West Java,
Indonesia

KIIC is an award-winning green and modern industrial estate jointly developed by the Group and Itochu Corporation

Project Site Area (sqm)
13,890,000

Remaining Site Area (sqm)
804,000

Expected Completion Date
2021

Effective Interest Held (%)
49.7%

Property Portfolio

Residential

Nuvasa Bay

Nongsa, Batam, Indonesia

Batam's first luxury residential development within Palm Springs Golf & Country Club

Remaining Site Area (sqm)
2,280,000

Expected Completion Date
2032

Effective Interest Held (%)
65.0%

Aerium at Taman Permata Buana

Jl. Kembangan,
West Jakarta,
Indonesia

A prestigious residence consist of two premium apartments and townhouses

Remaining Site Area (sqm)
-

Expected Completion Date
2020

Effective Interest Held (%)
17.7%

Akasa Apartment

Serpong, Tangerang,
West Java,
Indonesia

A high-rise apartment development in BSD City

Remaining Site Area (sqm)
-

Expected Completion Date
2022

Effective Interest Held (%)
27.0%

Banjar Wijaya

Jl. Cipondoh Raya,
Tangerang,
West Java, Indonesia

A residential development offers facilities including 24-hour security, shopping areas, drug stores, health centres, kindergartens and a sports club

Remaining Site Area (sqm)
93,000

Expected Completion Date
2020

Effective Interest Held (%)
43.5%

Chengdu Yue Rong Cheng

Xindu District,
Chengdu, China

A residential and commercial mixed-use development in one of the core residential areas to the north of Chengdu City

Remaining Site Area (sqm)
-

Expected Completion Date
2021

Effective Interest Held (%)
40.0%

Grand City Balikpapan

Balikpapan, Kalimantan,
Indonesia

A residential and commercial project in Balikpapan

Remaining Site Area (sqm)
2,030,977

Expected Completion Date
2029

Effective Interest Held (%)
65.0%

Klaska Residences

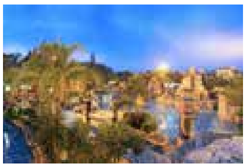
Jl. Jagir Wonokromo, Surabaya, Indonesia

A luxury residential property offers resort-style facilities with a smart home system.

Remaining Site Area (sqm)
11,000

Expected Completion Date
2025

Effective Interest Held (%)
43.5%



Legenda Wisata

Cibubur, Greater Jakarta, Indonesia

A luxury residential project in Cibubur

Remaining Site Area (sqm)
109,000

Expected Completion Date
-

Effective Interest Held (%)
43.5%

Nava Park

BSD City, Indonesia

A premium luxury residential development jointly developed with Hongkong Land

Remaining Site Area (sqm)
506,067

Expected Completion Date
2025

Effective Interest Held (%)
25.0%

Savasa

Bekasi Regency, West Java, Indonesia

A joint venture development with PanaHome

Remaining Site Area (sqm)
5,130,000

Expected Completion Date
2033

Effective Interest Held (%)
28.1%

Southgate

Jl. Raya Tanjung Barat, Indonesia

Exquisite family homes with amenities impeccably designed to complement the 21st century lifestyle in Simatupang

Remaining Site Area (sqm)
-

Expected Completion Date
2021

Effective Interest Held (%)
43.5%

Taicang Yue Jiang Nan

Chengxiang Town, Taicang City, China

A residential developement located approximately 50km north-west of Shanghai Hongqiao International Airport

Remaining Site Area (sqm)
-

Expected Completion Date
2021

Effective Interest Held (%)
30.0%

Taman Permata Buana

Jl. Kambangan, West Jakarta, Indonesia

A classic residential development in West Jakarta

Remaining Site Area (sqm)
7,000

Expected Completion Date
2020

Effective Interest Held (%)
34.8%

The Elements Jakarta

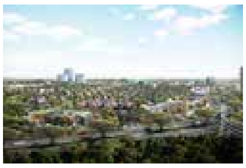
Jl. Epicentrum Utama Raya, Indonesia

A premium high-rise luxury apartment in CBD Kuningan

Remaining Site Area (sqm)
-

Expected Completion Date
-

Effective Interest Held (%)
49.1%



The Zora

BSD City, Indonesia

A luxury residential development jointly developed by BSDE and a group of consortium investors led by Mitsubishi Corporation

Remaining Site Area (sqm)
125,000

Expected Completion Date
2025

Effective Interest Held (%)
19.6%

Upper West

BSD City, Indonesia

A vertical integration development of residential, retail and working spaces as a one-stop solution of living and working environment

Remaining Site Area (sqm)
7,118

Expected Completion Date
2024

Effective Interest Held (%)
27.0%

Property Portfolio

Commercial

Alphabeta Building

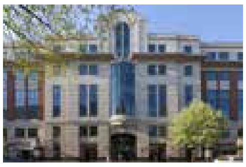
14-18 Finsbury Square, London, United Kingdom

A newly refurbished office building in Shoreditch Area, London

Approximate Net Leasable Area (sqm)
23,018

Effective Interest Held (%)
100.0%

Tenure/Expiry Date:
Freehold



33 Horseferry Road

33 Horseferry Rd, Westminster, London, United Kingdom

An office building with retail frontage in Victoria, London

Approximate Net Leasable Area (sqm)
16,784

Effective Interest Held (%)
100.0%

Tenure/Expiry Date:
Freehold

Bakrie Tower

Jl. H.R. Rasuna Said, Indonesia

A 47-floor Grade A office building in Jakarta CBD, of which the Group owns 13 floors

Approximate Net Leasable Area (sqm)
17,355

Effective Interest Held (%)
49.1%

Tenure (Expiry Date):
Leasehold (March 2026)

Green Office Park 1

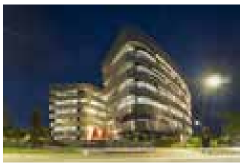
Jl. BSD Green Office Park, BSD City, Indonesia

A 5-storey office building in BSD City

Approximate Net Leasable Area (sqm)
37,360

Effective Interest Held (%)
49.1%

Tenure (Expiry Date):
Leasehold (July 2040)



Green Office Park 9

Jl. BSD Green Office Park, BSD City, Indonesia

A 5-storey office building in BSD City

Approximate Net Leasable Area (sqm)
20,767

Effective Interest Held (%)
49.1%

Tenure (Expiry Date):
Leasehold (July 2034)

Indonesia Convention Exhibition

Jl. BSD Grand Boulevard, BSD City, Indonesia

The largest convention and exhibition centre in Indonesia

Approximate Net Leasable Area (sqm)
220,000

Effective Interest Held (%)
24.1%

Kusuma Sentral Kencana

Rasuna Said, Jakarta, Indonesia

A commercial development in prime Jakarta CBD

Approximate Net Leasable Area (sqm)
10,315

Effective Interest Held (%)
46.4%

MyRepublic Plaza

Jl. BSD Green Office Park, BSD City, Indonesia

A 5-storey office building in BSD City

Approximate Net Leasable Area (sqm)
18,389

Effective Interest Held (%)
49.1%

Tenure (Expiry Date):
Leasehold (July 2034)

Sinar Mas Land Plaza - BSD City

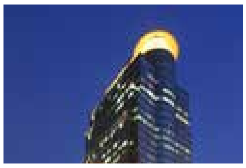
Jl. BSD Green Office Park, BSD City, Indonesia

A 4-storey building in BSD City

Approximate Net Leasable Area (sqm)
21,000

Effective Interest Held (%)
49.1%

Tenure (Expiry Date):
Leasehold (July 2034)



Sinar Mas Land Plaza - Jakarta

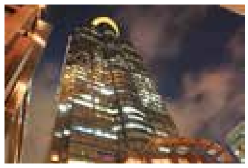
Jl. M.H. Thamrin Kav. 51, Central Jakarta, Indonesia

Tower I - a 12-storey office building, a basement level and a 7-storey carpark building

Approximate Net Leasable Area (sqm)
11,002

Effective Interest Held (%)
57.8%

Tenure (Expiry Date):
Leasehold (January 2039)



Sinar Mas Land Plaza - Jakarta

Jl. M.H. Thamrin Kav. 51, Central Jakarta, Indonesia

Tower II - a 39-storey office building with 3 basement levels
Tower III - a 12-storey office building

Approximate Net Leasable Area (sqm)
84,646

Effective Interest Held (%)
54.1%

Tenure (Expiry Date):
Leasehold (January 2030)

Sinar Mas Land Plaza - Medan

Jl. Diponegoro, North Sumatra, Indonesia

A 10-storey office building and 3 basement levels

Approximate Net Leasable Area (sqm)
27,689

Effective Interest Held (%)
57.8%

Tenure (Expiry Date):
Leasehold (January 2026)

Sinar Mas Land Plaza - Surabaya

Jl. Pemuda, Surabaya, Indonesia

A 20-storey office building, a basement level and 11-storey carpark building

Approximate Net Leasable Area (sqm)
18,573

Effective Interest Held (%)
57.8%

Tenure (Expiry Date):
Leasehold (November 2023)

Sinarmas MSIG Tower

Jl. Jenderal Sudirman, South Jakarta, Indonesia

A 48-storey office building and a basement

Approximate Net Leasable Area (sqm)
72,864

Effective Interest Held (%)
49.1%

Tenure (Expiry Date):
Leasehold (June 2044)

Warwick House

8 to 13 Great Pulteney Street and 13 to 23 (odd) Lexington Street, London, United Kingdom

A quality office building in Soho London

Approximate Net Leasable Area (sqm)
4,371

Effective Interest Held (%)
100.0%

Tenure (Expiry Date):
Freehold

Wisma BCA BSD City

Jl. Kapten Soebianto Djojohadikusumo, BSD City, Indonesia

A 5-storey office building

Approximate Net Leasable Area (sqm)
6,579

Effective Interest Held (%)
49.1%

Tenure (Expiry Date):
Leasehold (July 2027)

Property Portfolio

Retail & Trade Centres

The Breeze BSD City

Serpong, Tangerang, West Java, Indonesia

A multi-award winning retail mall

Approximate Net Leasable Area (sqm)
35,764

Effective Interest Held (%)
49.1%

Tenure (Expiry Date):
Leasehold (July 2034)

AEON Mall BSD City

Jl. BSD Raya Utama, Indonesia

The first AEON Mall in Indonesia owned by our joint venture company, PT AMSL Indonesia

Approximate Net Leasable Area (sqm)
77,000

Effective Interest Held (%)
16.2%

DP Mall Semarang

Jl. Pemuda, Semarang, Central Java, Indonesia

Retail Mall in Semarang

Approximate Net Leasable Area (sqm)
23,564

Effective Interest Held (%)
31.9%

Tenure (Expiry Date):
Leasehold (August 2029)

Epicentrum Walk Mall

Jl. H.R. Rasuna Said, Indonesia

Retail Mall in Central Jakarta

Approximate Net Leasable Area (sqm)
12,030

Effective Interest Held (%)
49.1%

Tenure (Expiry Date):
Leasehold (May 2030)

QBig BSD City

Serpong, Tangerang, West Java, Indonesia

A "Power Centre" concept retail mall

Approximate Net Leasable Area (sqm)
64,893

Effective Interest Held (%)
49.1%

Tenure (Expiry Date):
Leasehold (December 2044)

Mall Balikpapan Baru

Balikpapan, East Kalimantan, Indonesia

A family-oriented retail mall in Balikpapan

Approximate Net Leasable Area (sqm)
10,120

Effective Interest Held (%)
65.0%

Tenure (Expiry Date):
Leasehold (July 2034)

Mixed-Use Properties

Throughout Indonesia

Various ITC Brand Trade Centres

Approximate Net Leasable Area (sqm)
137,117

Effective Interest Held (%)
43.5% - 49.1%

Tenure (Expiry Date):
Leasehold (June 2037)

Property Portfolio

Hotel, Resort & Golf

Palm Resort Golf & Country Club

Senai, Johor Bahru, Malaysia

A 54-hole golf course, one of the largest in the state of Johor, Malaysia

Site Area (sqm)
3,122,720

Effective Interest Held (%)
99.2%

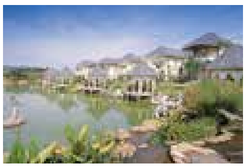
Go! Wet Water Park

Bekasi Regency, West Java, Indonesia

A recreational water theme park in Grand Wisata

Site Area (sqm)
75,000

Effective Interest Held (%)
23.3%



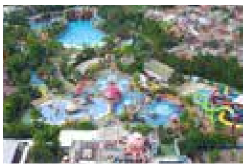
Kota Bunga

Cipanas, Bogor, West Java, Indonesia

Largest green resort in Puncak (Bogor's Summit)

Site Area (sqm)
1,540,000

Effective Interest Held (%)
43.5%



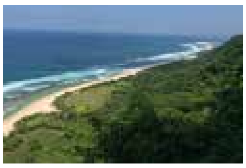
Ocean Park, BSD City

Serpong, Tangerang, West Java, Indonesia

A recreational water theme park in BSD City

Site Area (sqm)
85,000

Effective Interest Held (%)
49.1%



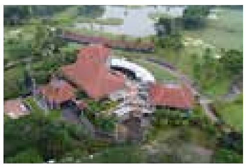
Pecatu

Pecatu Bali, Indonesia

A prime development site for hotel and resort

Site Area (sqm)
803,540

Effective Interest Held (%)
95.3%



Sedana Golf

Karawang, East Jakarta, Indonesia

A 18-hole golf course to the north of KIIC in Karawang

Site Area (sqm)
750,000

Effective Interest Held (%)
84.8%

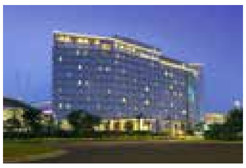
Palm Springs Golf & Country Club

Nongsa, Batam, Indonesia

A 27-hole golf course and beach resort

Site Area (sqm)
2,280,000

Effective Interest Held (%)
65.0%



Hotel Santika Premiere

Jl. BSD Grand Boulevard, BSD City, Indonesia

A 4-star hotel beside Indonesia Convention Exhibition in BSD City

Rooms
285

Effective Interest Held (%)
24.1%

Le Grandeur Balikpapan Hotel

Jl. Jenderal Sudirman, Balikpapan, East Kalimantan, Indonesia

A 4-star hotel overlooking the Makassar Strait

Rooms
185

Effective Interest Held (%)
43.5%

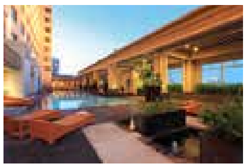
Le Grandeur Palm Resort Johor

Senai, Johor Bahru, Malaysia

A 4-star hotel in one of the most complete resort destinations in Malaysia

Rooms
330

Effective Interest Held (%)
99.2%



Le Grandeur Mangga Dua Hotel

Jl. Mangga Dua Raya, Indonesia

A 4-star hotel in the trading district of Jakarta

Rooms
346

Effective Interest Held (%)
43.5%

Room Inc. Hotel

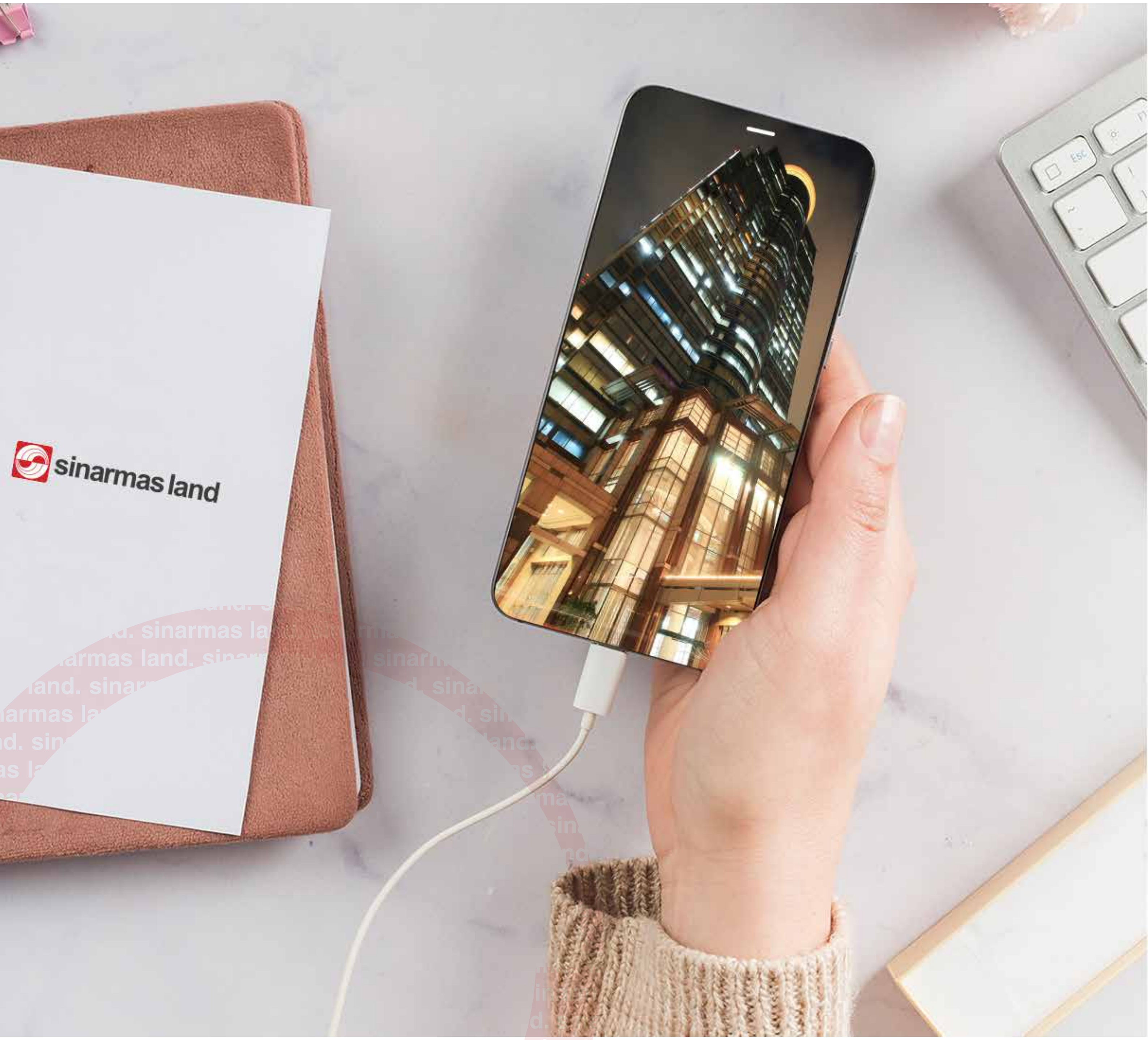
Semarang Tengah, Kota Semarang, Indonesia

A young and dynamic boutique hotel located in the heart of bustling Semarang

Rooms
162

Effective Interest Held (%)
31.9%

Financial and Other Information



DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

The directors are pleased to present their statement to the members together with the audited financial statements of Sinarmas Land Limited ("SML" or the "Company") and its subsidiaries (together, the "Group") for the financial year ended 31 December 2019 and the statement of financial position of the Company as at 31 December 2019.

In the opinion of the directors:

(a) the accompanying statement of financial position of the Company and the consolidated financial statements of the Group set out on pages 97 to 176 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2019, and the financial performance, changes in equity and cash flows of the Group for the financial year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

1 Directors

The directors of the Company in office at the date of this statement are:

Franky Oesman Widjaja
Muktar Widjaja
Margaretha Natalia Widjaja
Ferdinand Sadeli
Robin Ng Cheng Jiet
Hong Pian Tee
Kunihiko Naito
Rodolfo Castillo Balmater
Willy Shee Ping Yah @ Shee Ping Yan
Lew Syn Pau

2 Arrangements to Enable Directors to Acquire Benefits by Means of the Acquisition of Shares and Debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

3 Directors' Interest in Shares and Debentures

The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Companies Act, Chapter 50 (the "Companies Act"), except as follows:

	Shareholdings registered in the name of directors or their spouse		Shareholdings in which directors are deemed to have an interest	
Name of directors in which interests are held	At the beginning of the year or date of appointment if later	At the end of the year	At the beginning of the year or date of appointment if later	At the end of the year
Sinarmas Land Limited	Ordinary shares			
Hong Pian Tee	1,787,000	1,787,000	-	-
Related Corporations				
PT Bumi Serpong Damai Tbk		Shares of IDR100 each		
Franky Oesman Widjaja	63,150,000	63,150,000	44,686,140*	44,686,140*
Muktar Widjaja	71,942,400	63,150,000	44,686,140*	44,686,140*
PT Duta Pertiwi Tbk		Shares of IDR500 each		
Franky Oesman Widjaja	-	-	6,307,000*	6,307,000*
Muktar Widjaja	-	-	6,307,000*	6,307,000*
PT Paraga Artamida		Shares of IDR1,000 each		
Franky Oesman Widjaja	-	-	139,000,000*	139,000,000*
Muktar Widjaja	-	-	139,000,000*	139,000,000*
PT Bhineka Karya Pratama		Shares of IDR1,000 each		
Franky Oesman Widjaja	-	-	675,000*	675,000*
Muktar Widjaja	-	-	675,000*	675,000*
PT Simas Tunggal Center		Shares of IDR1,000 each		
Franky Oesman Widjaja	-	-	1,000,000*	1,000,000*
Muktar Widjaja	-	-	1,000,000*	1,000,000*
PT Ekacentra Usahamaju		Shares of IDR1,000 each		
Franky Oesman Widjaja	-	-	1*	1*
Muktar Widjaja	-	-	1*	1*
PT Sinar Mas Teladan		Shares of IDR1,000 each		
Franky Oesman Widjaja	-	-	555,000*	555,000*
Muktar Widjaja	-	-	555,000*	555,000*
PT Masagi Propertindo		Shares of IDR1,000 each		
Franky Oesman Widjaja	-	-	277,000*	277,000*
Muktar Widjaja	-	-	277,000*	277,000*
PT Inti Tekno Sukses Bersama		Shares of IDR1,000,000 each		
Franky Oesman Widjaja	-	-	1*	1*
Muktar Widjaja	-	-	1*	1*
PT Wijaya Pratama Raya		Shares of IDR1,000 each		
Franky Oesman Widjaja	-	-	47,468,904	47,468,904*
Muktar Widjaja	-	-	47,468,904	47,468,904*

* Held by corporations in which the director has an interest by virtue of Section 7 of the Companies Act.

DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

3 Directors' Interest in Shares and Debentures (cont'd)

There was no change in any of the above-mentioned interests between the end of the financial year and 21 January 2020.

4 Warrants and Share Options of the Company

There were no options granted during the financial year to subscribe for unissued shares of the Company and its subsidiaries.

No shares have been issued during the financial year by virtue of the exercise of an option to take up unissued shares of the Company and its subsidiaries.

There were no unissued shares under option at the end of the financial year in respect of shares of the Company and its subsidiaries.

5 Share Options of Subsidiaries

Details and terms of the options granted by the subsidiaries under certain Zero Percent Convertible Bonds are disclosed in Note 30 to the financial statements.

6 Audit Committee

At the date of this statement, the Audit Committee ("AC") comprises the following 3 directors, all of whom, including the AC chairman, are non-executive independent directors:

Hong Pian Tee (AC Chairman)
Rodolfo Castillo Balmater
Kunihiko Naito

The AC has the explicit authority to investigate any matter within its terms of reference. In addition to its statutory functions, the AC considers and reviews any other matters as may be agreed to by the AC and the board of directors ("Board"). In particular, the duties of the AC include:

(a) Reviewing significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance.

(b) Reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls and risk management systems.

(c) Reviewing the adequacy, effectiveness, independence, scope and results of the Group's internal audit function.

(d) Reviewing the scope and results of the external audit, and the independence and objectivity of the external auditors.

(e) Making recommendations to the Board on the proposals to the shareholders on appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors. In this regard, the AC is primarily responsible for proposing the appointment and removal of the external auditors.

(f) Reviewing the assurance from the Chief Executive Officer and the Chief Financial Officer on the financial results and financial statements of the Group.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

6 Audit Committee (cont'd)

The AC has been delegated to assist the Board in the oversight of sustainability practice.

The AC reviews with Management, and where relevant, with the internal and external auditors, the results announcements, annual reports and financial statements, interested person transactions and corporate governance, before submission to the Board for approval or adoption.

In performing its functions, the AC meets with the internal and external auditors, and reviews the audit plans and overall scope of both internal and external audits, and the co-operation and assistance given by Management to the respective auditors. Where necessary, the AC also meets separately with the internal and external auditors whereby any issues may be raised directly to the AC, without the presence of Management. The internal and external auditors have unfettered access to the AC.

The AC has recommended to the Board that Moore Stephens LLP, Public Accountants and Chartered Accountants, be nominated for re-appointment at the forthcoming annual general meeting.

7 Independent Auditors

The independent auditors, Moore Stephens LLP, Public Accountants and Chartered Accountants, have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors,

MUKTAR WIDJAJA
Director

FERDINAND SADELI
Director

17 March 2020

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SINARMAS LAND LIMITED
Company Registration No. 199400619R
(Incorporated in Singapore)

Opinion

We have audited the financial statements of Sinarmas Land Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2019, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2019 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT (cont'd)

TO THE MEMBERS OF SINARMAS LAND LIMITED
Company Registration No. 199400619R
(Incorporated in Singapore)

Key Audit Matters	**How our audit addressed the key audit matters**
Revenue recognition We refer to Note 3(y) and Note 5 to the financial statements. For the year ended 31 December 2019, the Group has recorded revenue from sale of development properties and other sources amounting to $946,476,000 (2018: $654,260,000) and $226,395,000 (2018: $209,874,000) respectively (Note 5). Revenue from the sale of development properties is recognised at a point in time when the development property is delivered to the customer. The timing of revenue recognition requires judgement on whether the Group has transferred significant risks and rewards of ownership in the properties to the customers and whether the Group has a substantial continuing involvement with the properties.	Our audit response: We assessed the overall sales process and the relevant systems and the design of controls over the capture and recording of revenue transactions. We have tested the effectiveness of key controls on the processes related to revenue recognition and performed test of details of samples of sales transactions. We read the sales contracts and applied our understanding of these contracts in assessing the completeness and accuracy of revenue. In particular, our understanding also enabled us to evaluate the judgements used in determining the timing of the revenue recognition. We tested the journal entries made to revenue, including the adjustments recorded upon the adoption of SFRS (I) 15 *Revenue from Contracts with Customers*. Our audit findings: We found the revenue recognition policy on the sale of development properties (Note 3(y)) has been appropriately applied by the management and in accordance with SFRS (I) 15.
Valuation and classification of development properties We refer to Note 17 and Note 22 to the financial statements. As at 31 December 2019, the Group's total development properties amounted to $3.1 billion (2018: $2.9 billion) which are mainly located in its core market – Indonesia. These properties are stated at cost less any impairment losses. The properties held for sale of $1,328,584,000 (2018: $1,224,017,000) and properties under development for sale of $1,764,906,000 (2018: $1,664,855,000) were classified as current and non-current respectively. We focused on this area because the determination of estimated net realisable value of these development properties is critically dependent upon the Group's expectations of future selling prices mainly in Indonesia. Fluctuations in property prices and changes in demand for residential and commercial properties in Indonesia could lead to a significant decline in the net realisable value. In addition, the classification of the development properties requires management's judgement.	Our audit response: We reviewed management's assessment of whether there is any indication that these development properties have suffered an impairment loss. We conducted a detailed discussion with the Group's key management and considered their views on possible impairment in light of the current economic environment. We focused our work on development properties with slower sales and compared the selling prices to recently transacted prices of comparable properties located in the same vicinity as the Group's projects. We have obtained an understanding of the Group's policy and evaluated the process of identifying the development properties that are classified as current and non-current. Our audit findings: We found that the management's assessment of the net realisable value and classification of development properties to be appropriate based on our audit procedures.

INDEPENDENT AUDITOR'S REPORT (cont'd)

TO THE MEMBERS OF SINARMAS LAND LIMITED
Company Registration No. 199400619R
(Incorporated in Singapore)

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITOR'S REPORT (cont'd)

TO THE MEMBERS OF SINARMAS LAND LIMITED
Company Registration No. 199400619R
(Incorporated in Singapore)

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditor have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Christopher Bruce Johnson.

Moore Stephens LLP
Public Accountants and
Chartered Accountants

Singapore

17 March 2020

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 S$'000	2018 S$'000
Revenue	5	1,172,871	864,134
Cost of sales		(419,261)	(266,028)
Gross profit		753,610	598,106
Operating expenses			
Selling expenses		(100,941)	(100,954)
General and administrative expenses		(168,641)	(164,205)
Total operating expenses		(269,582)	(265,159)
Operating profit		484,028	332,947
Other income/(expenses)			
Finance income	6	69,946	51,038
Finance costs	7	(173,840)	(151,316)
Foreign exchange (loss)/gain		(12,010)	5,655
Share of results of associated companies	19	6,099	11,297
Share of results of joint ventures	20	8,891	(3,735)
Other operating income	8	11,431	23,359
Other expenses, net		(89,483)	(63,702)
Exceptional items			
Gain on equity interest	43(a)	3,360	-
Negative goodwill	43(a)	2,101	-
Effect of restructuring of an associated company	19	368,240	-
Exceptional items, net		373,701	-
Profit before income tax	9	768,246	269,245
Income tax	10	(43,862)	(40,123)
Total profit for the year		724,384	229,122
Attributable to:			
Owners of the Company		387,516	119,028
Non-controlling interests		336,868	110,094
		724,384	229,122
Earnings per share (cents)			
Basic and diluted	11(a)	9.11	2.80

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 S$'000	2018 S$'000
Total profit for the year		724,384	229,122
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss:			
Actuarial (loss)/gain on post-employment benefits	12	(1,995)	4,942
Changes in fair value of equity instruments at fair value through other comprehensive income		-	6,486
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences		296,501	(414,556)
Share of other comprehensive (loss)/income of:			
- associated companies		(365)	657
- joint ventures		(261)	47
Other comprehensive income/(loss), net of tax		293,880	(402,424)
Total comprehensive income/(loss) for the year		1,018,264	(173,302)
Total comprehensive income/(loss) attributable to:			
Owners of the Company		532,274	(82,732)
Non-controlling interests		485,990	(90,570)
		1,018,264	(173,302)

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	Group 2019 S$'000	Group 2018 S$'000	Company 2019 S$'000	Company 2018 S$'000
Assets					
Current Assets					
Cash and cash equivalents	13	1,090,335	984,135	15,931	2,062
Short-term investments	14	257,497	47,028	-	-
Trade receivables	15	117,616	26,049	-	-
Other current assets	16	349,373	249,262	53,218	35,285
Inventories, at cost		919	1,253	-	-
Properties held for sale	17	1,328,584	1,224,017	-	-
		3,144,324	2,531,744	69,149	37,347
Non-Current Assets					
Subsidiaries	18	-	-	2,304,330	2,354,974
Associated companies	19	561,091	247,149	-	-
Joint ventures	20	126,436	142,262	-	-
Long-term investments	21	89,275	129,555	-	-
Properties under development for sale	22	1,764,906	1,664,855	-	-
Investment properties	23	1,711,750	1,613,038	-	-
Property, plant and equipment	24	149,209	147,461	1,685	309
Long-term receivables and assets	25	48,044	82,354	-	-
Deferred tax assets	26	293	332	-	-
Intangible assets	27	162,215	1,784	-	-
		4,613,219	4,028,790	2,306,015	2,355,283
Total Assets		7,757,543	6,560,534	2,375,164	2,392,630

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION (cont'd)
AS AT 31 DECEMBER 2019

	Note	Group 2019 S$'000	Group 2018 S$'000	Company 2019 S$'000	Company 2018 S$'000
Liabilities and Equity					
Current Liabilities					
Trade payables	28	48,786	41,977	-	-
Other payables and liabilities	29	709,781	628,779	347,152	364,176
Bonds and notes payable	30	-	39,200	-	-
Obligations under finance lease	31	-	357	-	40
Lease liabilities	32	811	-	203	-
Borrowings	33	63,174	35,870	-	-
Income taxes payable		10,093	4,177	-	-
		832,645	750,360	347,355	364,216
Non-Current Liabilities					
Bonds and notes payable	30	815,866	864,556	-	-
Obligations under finance lease	31	-	57	-	57
Lease liabilities	32	2,031	-	1,434	-
Borrowings	33	1,173,138	912,182	-	-
Long-term liabilities	34	235,180	250,060	-	-
Deferred tax liabilities	26	12	12	-	-
		2,226,227	2,026,867	1,434	57
Total Liabilities		3,058,872	2,777,227	348,789	364,273
Equity attributable to Owners of the Company					
Issued capital	36	2,057,844	2,057,844	2,057,844	2,057,844
Treasury shares	36	(170,460)	(170,460)	(170,460)	(170,460)
Foreign currency translation deficit		(1,364,330)	(1,514,239)	-	-
Other reserves		(22,322)	(15,167)	-	-
Fair value reserve		3,256	3,256	-	-
Retained earnings		2,055,526	1,676,598	138,991	140,973
		2,559,514	2,037,832	2,026,375	2,028,357
Non-controlling interests		2,139,157	1,745,475	-	-
Total Equity		4,698,671	3,783,307	2,026,375	2,028,357
Total Liabilities and Equity		7,757,543	6,560,534	2,375,164	2,392,630

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2019

	Attributable to Owners of the Company								
Group	Issued capital S$'000	Treasury shares S$'000	Foreign currency translation deficit S$'000	Other reserves S$'000	Fair value reserve S$'000	Retained earnings S$'000	Total S$'000	**Non-Controlling Interests** S$'000	**Total Equity** S$'000
Balance at 31.12.2018	2,057,844	(170,460)	(1,514,239)	(15,167)	3,256	1,676,598	2,037,832	1,745,475	3,783,307
Effect of adoption of SFRS(I) 16	-	-	-	-	-	(76)	(76)	(39)	(115)
Balance at 1.1.2019	2,057,844	(170,460)	(1,514,239)	(15,167)	3,256	1,676,522	2,037,756	1,745,436	3,783,192
Profit for the year	-	-	-	-	-	387,516	387,516	336,868	724,384
Foreign currency translation differences	-	-	146,053	-	-	-	146,053	150,448	296,501
Other comprehensive loss	-	-	-	(1,295)	-	-	(1,295)	(1,326)	(2,621)
Total comprehensive income/(loss) for the year	-	-	146,053	(1,295)	-	387,516	532,274	485,990	1,018,264
Dividends (Note 37)	-	-	-	-	-	(8,512)	(8,512)	-	(8,512)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	(91,858)	(91,858)
Capital subscribed by non-controlling shareholders	-	-	-	-	-	-	-	793	793
Changes in interest in subsidiaries (Note 43(c))	-	-	-	658	-	-	658	(710)	(52)
Effect of restructuring of an associated company (Note 19)	-	-	3,856	(6,518)	-	-	(2,662)	(494)	(3,156)
Balance at 31.12.2019	2,057,844	(170,460)	(1,364,330)	(22,322)	3,256	2,055,526	2,559,514	2,139,157	4,698,671

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2019

	Attributable to Owners of the Company								
Group	Issued capital S$'000	Treasury shares S$'000	Foreign currency translation deficit S$'000	Other reserves S$'000	Fair value reserve S$'000	Retained earnings S$'000	Total S$'000	**Non-Controlling Interests** S$'000	**Total Equity** S$'000
Balance at 1.1.2018	2,057,844	(170,460)	(1,306,515)	(21,959)	93	1,587,361	2,146,364	1,881,813	4,028,177
Profit for the year	-	-	-	-	-	119,028	119,028	110,094	229,122
Foreign currency translation differences	-	-	(207,724)	-	-	-	(207,724)	(206,832)	(414,556)
Other comprehensive income	-	-	-	2,801	3,163	-	5,964	6,168	12,132
Total comprehensive (loss)/income for the year	-	-	(207,724)	2,801	3,163	119,028	(82,732)	(90,570)	(173,302)
Dividends (Note 37)	-	-	-	-	-	(29,791)	(29,791)	-	(29,791)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	(16,236)	(16,236)
Capital subscribed by non-controlling shareholders	-	-	-	-	-	-	-	829	829
Changes in interest in subsidiaries (Note 43(d))	-	-	-	3,991	-	-	3,991	(30,361)	(26,370)
Balance at 31.12.2018	2,057,844	(170,460)	(1,514,239)	(15,167)	3,256	1,676,598	2,037,832	1,745,475	3,783,307

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 S$'000	2018 S$'000
Cash flows from operating activities			
Profit before income tax		768,246	269,245
Adjustments for:			
Depreciation of investment properties	23	36,390	35,047
Depreciation of property, plant and equipment	24	14,201	17,769
Interest expense	7	173,840	151,316
Gain on disposal of investment properties	8	-	(1,416)
Gain on disposal of property, plant and equipment	8	(53)	(148)
Gain on disposal of an associated company	8	(1)	-
Loss on disposal of a subsidiary	43(b)	-	9
Gain on equity interest	43(a)	(3,360)	-
Negative goodwill	43(a)	(2,101)	-
Effect of restructuring of an associated company	19	(368,240)	-
Fair value gain on derivative payables	8	-	(781)
Fair value gain on financial assets at fair value through profit or loss	8	(5,641)	(12,550)
Share of results of associated companies	19	(6,099)	(11,297)
Share of results of joint ventures	20	(8,891)	3,735
Allowance for/(Write-back of) impairment loss on:			
Trade and non-trade receivables	8	7,670	1,392
Completed properties held for sale	9	(304)	(450)
Completed properties held for sale written off	8	366	-
Finance lease receivable written off	8	-	13,802
Unrealised net foreign exchange loss/(gain)		6,751	(10,542)
Interest income	6	(69,946)	(51,038)
Operating cash flows before working capital changes		542,828	404,093
Changes in working capital:			
Trade receivables		(91,627)	6,241
Other current assets and receivables		(35,020)	6,658
Inventories		334	85
Trade payables		6,809	(354)
Other payables and liabilities		74,452	(80,912)
Cash generated from operations		497,776	335,811
Interest paid		(121,299)	(96,927)
Interest received		57,966	47,999
Tax paid		(23,798)	(7,443)
Net cash generated from operating activities		410,645	279,440

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 S$'000	2018 S$'000
Cash flows from investing activities			
Acquisition of a subsidiary, net of cash acquired	43(a)	(1,802)	-
Acquisition of associated companies	19	(28,745)	(1,530)
Acquisition of joint ventures		(10,388)	-
Acquisition of additional interest in a joint venture		-	(4,900)
Net cash flows from disposal of a subsidiary	43(b)	-	(9)
Payment for investment in financial assets, net		(158,674)	(134,984)
Increase in long-term receivables and assets		(45,104)	(70,967)
Proceeds from disposal of an associated company	46(5)	3	-
Net cash flow arising from restructuring of an associated company	19	44,128	-
Proceeds from disposal of property, plant and equipment		80	179
Proceeds from disposal of investment properties		-	2,327
Acquisition of and capital expenditure on investment properties		(43,043)	(85,784)
Capital expenditure on property, plant and equipment		(6,681)	(6,113)
Capital expenditure on properties under development and held for sale		(99,700)	(202,766)
Dividends from associated companies	19	82,849	5,828
Dividends from joint ventures	20	19,571	5,652
Payment for intangible assets	27	(147,238)	-
Net cash used in investing activities		(394,744)	(493,067)
Cash flows from financing activities			
Proceeds from borrowings	35	297,348	282,212
Proceeds from issuance of bonds and notes	35	-	390,987
Capital subscribed by non-controlling shareholders		793	829
Decrease/(Increase) in time deposits pledged		10,803	(4,973)
Acquisition of additional interest in subsidiaries		(52)	(450)
Payments of borrowings	35	(45,081)	(98,368)
Payments of bonds and notes	35	(132,611)	(157,500)
Payments of dividends		(100,370)	(46,027)
Payments of obligations under finance lease	35	-	(4,181)
Principal payments of lease liabilities	35	(1,093)	-
Payment for subsidiary's share buy-back	43(d)	-	(25,920)
Payments of deferred bond charges		-	(6,907)
Net cash generated from financing activities		29,737	329,702
Net increase in cash and cash equivalents		45,638	116,075
Cash and cash equivalents at the beginning of the year		914,452	865,577
Effect of exchange rate changes on cash and cash equivalents		71,365	(67,200)
Cash and cash equivalents at the end of the year	13	1,031,455	914,452

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

These notes form an integral part of and should be read in conjunction with the accompanying financial statements:

1 General

Sinarmas Land Limited (the “Company”) is incorporated and domiciled in Singapore and is listed on the Singapore Exchange (SGX). The Company’s registered office and principal place of business is at 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535.

The Company is principally an investment holding company. The Company and its subsidiaries (collectively, the “Group”) are involved in the property business, through its investments in Indonesia, China, Malaysia, Singapore and United Kingdom.

The subsidiaries, associated companies and joint ventures, including their principal activities, countries of incorporation, and the extent of the Company’s equity interests in those subsidiaries, associated companies and joint ventures are set out in Notes 45, 46 and 20 to the financial statements respectively.

The statement of financial position of the Company and the consolidated financial statements of the Group as at and for the year ended 31 December 2019 were authorised for issue by the Board of Directors on 17 March 2020.

2 New and Revised Singapore Financial Reporting Standards (International) (“SFRS(I)s”)

(a) Adoption of New and Revised SFRS(I)s and Interpretations to SFRS(I)

The accounting policies adopted are consistent with those of the previous financial year except that in the current year, the Group has adopted all the new and revised SFRS(I)s issued that are relevant to its operations and effective for annual periods beginning on 1 January 2019. Except for the adoption of SFRS(I) 16, *Leases*, the effect of which disclosed below, the adoption of the new and revised SFRS(I)s has had no material financial impact on the financial performance and financial position of the Group and the Company.

SFRS(I) 16, *Leases*

SFRS(I) 16 sets out a revised framework for the recognition, measurement, presentation and disclosure of leases, and replaces existing lease accounting guidance. SFRS(I) 16 requires lessees to recognise right-of-use (“ROU”) assets and lease liabilities for all leases with a term of more than 12 months, except where the underlying asset is of low value. The ROU asset is depreciated and interest expense is recognised on the lease liability. ROU assets are tested for impairment in accordance with SFRS(I) 1-36, *Impairment of Assets*. The accounting requirements for lessors have not been changed substantially, and continue to be based on classification as operating and finance leases. Disclosure requirements have been enhanced for both lessors and lessees.

On 1 January 2019, the Group and the Company have applied a modified retrospective approach that does not restate comparative information, but recognises the cumulative effect of initially applying SFRS(I) 16 as an adjustment to the opening balance of retained earnings on 1 January 2019. The Group and the Company elected an expedient offered by SFRS(I) 16, exempting the Group and the Company from having to reassess whether pre-existing contracts contain a lease.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

2 New and Revised Singapore Financial Reporting Standards (International) ("SFRS(I)s") (cont'd)

(a) Adoption of New and Revised SFRS(I)s and Interpretations to SFRS(I) (cont'd)

SFRS(I) 16, *Leases* (cont'd)

The Group and the Company have, on a lease-by-lease basis:

- applied a single discount rate to a portfolio of leases with reasonable similar characteristics;
- relied on previous assessments on whether leases are onerous as an alternative to performing an impairment review;
- excluded initial direct costs in the measurement of ROU asset at the date of initial application; and
- used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group and the Company have also elected not to recognise ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group and the Company recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

There are no significant changes to the accounting by the Group and the Company as lessors.

For leases previously classified as operating leases, the Group and the Company chose to measure its ROU assets at a carrying amount as if SFRS(I) 16 had been applied since the commencement of the lease but discounted using the incremental borrowing rate at 1 January 2019. The Group and the Company recognised lease liabilities by discounting the remaining lease payments as at 1 January 2019 using the incremental borrowing rate for each individual lease or, if applicable, the incremental borrowing rate for each portfolio of leases with reasonable similar characteristics. The difference between the carrying amounts of the ROU assets and lease liabilities as at 1 January 2019 is adjusted directly to opening retained earnings. Comparative information is not restated.

On 1 January 2019, the Group:

(i) recognised ROU assets of $2,292,000, lease liabilities of $2,395,000 and a decrease in investment in joint ventures of $12,000, recognising the difference of $76,000 and $39,000 in retained earnings and non-controlling interests respectively.
(ii) reclassified net carrying amount of $884,000 of property, plant and equipment acquired under finance lease arrangements to ROU assets.
(iii) included in lease liabilities recognised under SFRS(I) 16, $414,000 of obligations under finance lease that were recorded as at 31 December 2018.

On 1 January 2019, the Company:

(i) recognised ROU assets of $1,692,000 and lease liabilities of $1,734,000, recognising the difference of $42,000 in retained earnings.
(ii) reclassified net carrying amount of $212,000 of property, plant and equipment acquired under finance lease arrangements to ROU assets.
(iii) included in lease liabilities recognised under SFRS(I) 16, $97,000 of obligations under finance lease that were recorded as at 31 December 2018.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

2 **New and Revised Singapore Financial Reporting Standards (International) ("SFRS(I)s")** (cont'd)

(a) Adoption of New and Revised SFRS(I)s and Interpretations to SFRS(I) (cont'd)

SFRS(I) 16, *Leases* (cont'd)

When measuring lease liabilities, the Group and the Company discounted lease payments using its incremental borrowing rate at 1 January 2019. The weighted-average rates applied ranged from 2.7% to 10.4% per annum.

The differences between the operating lease commitments disclosed applying SFRS(I) 1-17 in the financial statements as at 31 December 2018 and the lease liabilities recognised in the statement of financial position as at 1 January 2019 are presented below:

	Group	Company
	S$'000	S$'000
Operating lease commitment disclosed as at 31 December 2018	439	273
Discounted using the incremental borrowing rate at 1 January 2019	(89)	(89)
Lease of low-value assets and short-term leases	(135)	(30)
Obligation under finance lease recognised as at 31 December 2018	414	97
Extension options which are reasonably certain to be exercised	2,180	1,580
Lease liabilities recognised at 1 January 2019	2,809	1,831

(b) New and revised SFRS(I)s issued but not yet effective

As at the date of these financial statements, the Group has not adopted the following amendments to standards that have been issued but are not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 1-1 and SFRS(I) 1-8, *Definition of Material*	1 January 2020
Amendments to SFRS(I) 3, *Definition of a Business*	1 January 2020

The directors of the Company expect the adoption of the amendments above will have no material impact on the consolidated financial statements in the period of initial application.

3 **Summary of Significant Accounting Policies**

(a) Basis of Preparation

The financial statements, are prepared on the historical cost basis, except as discussed in the accounting policies below. The consolidated financial statements of the Group and the statement of financial position of the Company have been prepared in accordance with the provisions of the Singapore Companies Act, Chapter 50 and SFRS(I)s as issued by Accounting Standards Council.

The preparation of financial statements requires the use of accounting estimates and judgements that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses as well as the disclosures of contingent assets and contingent liabilities. Although these estimates are based on management's best knowledge of current events and actions, actual results may actually differ from these estimates. Critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving a higher degree of judgement or complexity, are disclosed in Note 4 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

3 Summary of Significant Accounting Policies (cont'd)

(b) Functional and Presentation Currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Singapore dollar, which is the Company's functional currency that reflects the primary economic environment in which the Company operates. All financial information presented in Singapore dollars have been rounded to the nearest thousand ($'000) unless otherwise indicated.

(c) Foreign Currency Transactions and Translation

Foreign currency transactions are translated into the respective functional currencies of the entities in the Group using the exchange rates prevailing at the dates of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and arising from the translation of foreign currency denominated monetary assets and liabilities at the exchange rates prevailing at the end of the reporting period are recognised in the income statement.

Non-monetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rates prevailing at the date of transactions. Non-monetary items that are measured at fair value in foreign currency are translated using the exchange rate at the date that the fair value was determined.

Currency translation differences on financial assets at fair value through profit or loss are recognised as part of the fair value gain or loss in the income statement while the translation differences on financial assets at fair value through other comprehensive income are recognised in other comprehensive income.

In the preparation of the consolidated financial statements, the financial statements of those subsidiaries whose functional currency is not Singapore dollar (i.e. foreign entities) are translated into Singapore dollar, as follows:

- assets and liabilities are translated at the closing rate at the end of the reporting period;
- share capital and reserves are translated at historical exchange rates; and
- revenue and expenses are translated at average exchange rates for the period which approximate the exchange rates prevailing on the transactions dates (unless the average rate is not a reasonable approximation of the cumulative effect of rates prevailing on the transactions dates, in which case, revenue and expenses are translated using the exchange rate at the dates of the transactions).

Exchange differences arising from the above translations are recognised in other comprehensive income and these are accumulated in foreign currency translation reserve on the statement of financial position. On consolidation, exchange differences arising from the translation of net investments in foreign entities (including monetary items that in substance form part of the net investment in foreign entities) are recognised in other comprehensive income. On disposal, the accumulated translation differences are reclassified to the income statement as part of the gain or loss on disposal in the period in which the foreign entity is disposed of.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

3 **Summary of Significant Accounting Policies** (cont'd)

(d) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries made up to 31 December, after elimination of material balances, transactions and any unrealised profit or loss on transactions between the Group entities. Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control ceases. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The acquisition method of accounting is used to account for the acquisition of subsidiaries. The consideration transferred in a business combination is measured at fair value at the date of acquisition, which is the sum of the fair values of the assets transferred, the liabilities incurred by the acquirer to former owners of the acquiree, and the equity interests issued by the acquirer. Acquisition related costs are to be expensed through the income statement as incurred. Identifiable assets acquired and liabilities assumed in a business combination are measured at their fair values. Any non-controlling interest at the date of acquisition in the acquiree is measured at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's consolidated statement of comprehensive income, statement of financial position and consolidated statement of changes in equity. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling interests' share of changes in equity since the date of the combination.

Changes in the Group's interest in a subsidiary that do not result in loss of control are accounted for as transactions with equity owners of the Company. Any difference between the change in carrying amounts of the non-controlling interest and the value of consideration paid or received is recognised in other reserves on the statement of financial position, within equity attributable to the owners of the Company.

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in the income statement. The fair value is the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the income statement.

(e) Subsidiaries

Subsidiaries are entities over which any of the Group companies have control. The Group companies control an entity if and only if they have power over the entity and when they are exposed to, or have rights to variable returns from their involvement with the entity, and have the ability to use their power over the entity to affect those returns. The Group will re-assess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

3 Summary of Significant Accounting Policies (cont'd)

(e) Subsidiaries (cont'd)

When the Group has less than a majority of the voting rights on an entity, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the entity unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not its voting rights in an entity are sufficient to give power, including:

- the size of the Group's holding of the voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual agreement; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Investment in subsidiaries in the financial statements of the Company are stated at cost, less any impairment losses.

Intercompany loan to subsidiaries for which settlement is neither planned nor likely to occur in the foreseeable future and are in substance, a part of the Company's net investment in those subsidiaries are stated at cost less any accumulated impairment loss. Such balances are eliminated in full in the consolidated financial statements.

(f) Associated Companies and Joint Ventures

Associated companies are entities in which the Group has significant influence but not control, which generally occurs when the Group holds, directly or indirectly, 20% or more of the voting power of the investee, or is in a position to exercise significant influence on the financial and operating policy decisions.

Joint ventures are entities over which the Group has contractual arrangements to jointly share the control over the economic activity of the entities with one or more parties and have rights to the net assets of the arrangements.

The Group accounts for its investment in associated companies and joint ventures using the equity method from the date on which it becomes an associated company or joint venture. When applying the equity method, the Group elects to retain the fair value measurement applied by the associated company which meet the definition of an investment entity.

On acquisition of the investment, the cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Any excess of the cost of investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is included in the carrying amount of the investments. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment, the Group will reassess whether it has correctly identified all of the assets acquired and liabilities assumed, and any excess thereafter is included as income in the determination of the entity's share of the associate or joint venture's profit or loss in the period in which the investment is acquired.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

3 **Summary of Significant Accounting Policies** (cont'd)

(f) Associated Companies and Joint Ventures (cont'd)

Under the equity method, the investment in associated companies or joint ventures are carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associated companies or joint ventures. The Group's share of post-acquisition profit or losses are recognised in the income statement and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. These post-acquisition movements and distributions received from the associated companies or joint ventures are adjusted against the carrying amount of the investments. Unrealised gains on transactions between the Group and its associated companies or joint ventures are eliminated to the extent of the Group's interest in the associated companies or joint ventures. Unrealised losses are also eliminated unless transactions provide evidence of impairment of the assets transferred.

When the Group's share of losses in an associated company or joint venture equals to or exceeds its interest in the associated company or joint venture, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations to make or has made payments on behalf of the associated companies and joint venture.

The financial statements of the associated companies and joint ventures are prepared as the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

(g) Goodwill

The excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value at the date of acquisition of any previous equity interest in the acquiree, over the fair value of the net identifiable assets acquired is initially recognised as "Goodwill" in the consolidated financial statements. Subsequently, goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or when circumstances change, indicating that goodwill might be impaired. If the Group's interest in the net fair value of the identifiable assets and liabilities exceeds the consideration transferred and the non-controlling interest in the acquiree, the Group will reassess whether it has correctly identified all of the assets acquired and liabilities assumed, and any excess thereafter is recognised as an income immediately.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units. If the recoverable amount of a cash-generating unit is estimated to be less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

(h) Service Concession Arrangement

The Group recognises an intangible asset arising from a service concession arrangement when the Group's construction activities create or enhance an asset under the grantors' control and it has a right to charge for use of the concession infrastructure. An intangible asset received as consideration for providing construction services in a service concession arrangement is measured at fair value on initial recognition with reference to the fair value of the services provided. Cost of land acquisition, which will be handed over to the grantor at the end of the concession period is capitalised as part of the cost of the intangible assets. Subsequent to initial recognition, the intangible assets are measured at cost, which includes capitalised borrowing costs, less accumulated amortisation and any impairment. The cost is amortised over the remaining concession period on a straight-line basis once the operation phase has begun.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

3 Summary of Significant Accounting Policies (cont'd)

(i) Investment Properties

Investment properties are properties held either to earn rental income or for long-term capital appreciation or for currently indeterminate use. Investment properties comprise directly acquired properties, and completed properties or properties that are being constructed or developed for future use as investment properties. Investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any impairment losses where the recoverable amount of the asset is estimated to be lower than its carrying amount. Except for freehold land which is not depreciated, depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful lives of 20 to 60 years, or where shorter, the terms of the relevant leases.

The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of retirement or disposal. Transfers are made to or from investment properties when there is a change in use.

The residual values and useful lives of investment properties are reviewed, and adjusted as appropriate, at the end of each reporting period.

(j) Property, Plant and Equipment

Property, plant and equipment are carried at cost, less accumulated depreciation and any impairment losses where the recoverable amount of the asset is estimated to be lower than its carrying amount.

Depreciation is charged so as to write off the depreciable amount of assets, other than freehold land which is not depreciated, using the straight-line method, over the following estimated useful lives:

		No. of years
Freehold buildings	-	10 to 50
Leasehold land, buildings and improvements	-	2 to 30
Plant, machinery and equipment	-	2 to 20
Motor vehicles, furniture and fixtures	-	3 to 10

The residual values and estimated useful lives of property, plant and equipment are reviewed, and adjusted as appropriate, at the end of each reporting period.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The cost of maintenance and repairs is charged to the income statement as incurred; significant renewals and improvements are capitalised. When assets are retired or otherwise disposed of, their carrying amounts are derecognised and any resulting gains or losses are recognised in the income statement.

The cost of construction in progress represents all costs (including borrowing costs on such borrowings) attributable to bringing the constructed asset to its working condition and getting it ready for its intended use. The accumulated costs will be reclassified to the appropriate asset class when the construction is completed. No depreciation charge is provided for construction in progress until the assets are transferred and used in operations.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

3 **Summary of Significant Accounting Policies** (cont'd)

(k) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and time deposits which are short-term, highly liquid assets that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of time deposits pledged as security.

(l) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale. Consumables are stated at cost using the FIFO (first-in first-out) method.

(m) Properties under Development for Sale and Held for Sale

Properties under development for sale consist of land and properties which are held with the intention of development and sale in the ordinary course of business. They are stated at cost less any impairment losses when the recoverable amount of the property is estimated to be lower than its carrying amount.

Land held for development consists of land acquired which will be developed over more than one year. Upon commencement of development, the cost of land held for development will be transferred to properties under development.

Each property under development is accounted for as a separate project. The cost of properties under development include land cost, direct development and construction costs, capitalised interest and other indirect costs incurred during the period of development. The cost is determined and/or allocated using the specific identification method. Allowances are recognised in the income statement for any foreseeable losses. Cost estimated and allocation are reviewed and adjusted as appropriate, at the end of each reporting period. Properties held for sale under current assets will be reclassified as investment properties under non-current assets upon the commencement of an operating lease to another party.

Properties held for sale are stated at the lower of cost and/or net realisable value. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

(n) Impairment of Non-Financial Assets excluding Goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets excluding goodwill to determine whether there is any indication that those assets have suffered an impairment loss or whether there is any indication that an impairment loss previously recognised for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An asset's recoverable amount is calculated as the higher of the asset's value in use and its fair value less cost of disposal.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

3 **Summary of Significant Accounting Policies** (cont'd)

(n) Impairment of Non-Financial Assets excluding Goodwill (cont'd)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that it does not restate the asset to a carrying amount in excess of what would have been determined (net of any depreciation) had no impairment loss been recognised for the asset (or cash-generating unit) in prior years.

(o) Financial Assets

The Group recognises a financial asset when, and only when the Group becomes party to the contractual provisions of the instruments. All regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

- Classification of financial assets

The Group classifies its non-derivative financial assets in the following measurement categories: at amortised cost, at fair value either through other comprehensive income ("FVOCI") or through profit or loss ("FVPL"). The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in the income statement. Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a signifiicant financing component at initial recognition.

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in the income statement. Any gain or loss on derecognition is recognised in the income statement.

On initial recognition of an equity investment that is not held-for-trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. These assets are subsequently measured at fair value. Dividends are recognised as income in the income statement unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to the income statement.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVPL. Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at FVPL. These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income and any gain or loss on deregconition, are recognised in the income statement.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

3 Summary of Significant Accounting Policies (cont'd)

(o) Financial Assets (cont'd)

- Impairment of financial assets

The Group recognises loss allowances from expected credit losses ("ECLs") on financial assets measured at amortised costs. Loss allowances of the Group are measured on either 12-months ECLs or lifetime ECLs basis. 12-month ECLs represents ECLs that result from possible default events within the 12 months after the reporting date (or for a shorter period if the expected life of the instruments less than 12 months). While lifetime ECLs represents the ECLs that result from all possible default events over the expected life of a financial instrument. The impairment basis applied depends on whether there has been a significant increase in credit risk.

The Group applies the simplified approach to provide ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs. The Group applies the general approach to provide for ECLs on all other financial assets. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition. At each reporting date, the Group assesses whether the credit risk of a financial asset has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience, informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial assets improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls, which is the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive.

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counter party has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal service where appropriate. Any recoveries are recognised in the income statement.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes significant financial difficulty of a debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amounts of these assets.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

3 Summary of Significant Accounting Policies (cont'd)

(p) Financial Liabilities and Equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. Debt instruments issued which carry a right to convert to equity that is dependent on the outcome of uncertainties beyond the control of both the Group and the holder are classified as liabilities.

Significant financial liabilities include lease liabilities, interest-bearing borrowings, bonds and notes payable and trade and other payables. The accounting policies adopted for convertible bonds and lease liabilities are outlined in Note 3(q) and Note 3(r) respectively.

Interest-bearing borrowings and bonds and notes payable are recorded at the proceeds received, net of direct issue costs. Direct issue costs are amortised over the period of the bonds. Finance charges, including premiums payable on settlement or redemption, are accounted for on an accrual basis and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Interest-bearing borrowings and bonds and notes payable are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. Financial liabilities are derecognised when, and only when, the obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and consideration paid and payable is recognised in the income statements.

Trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received. Interest-bearing trade and other payables are recognised initially at cost less attributable transaction costs and subsequently stated at amortised cost using the effective interest method.

Ordinary shares are classified as equity. Equity is recorded at the proceeds received, net of direct issue costs. The Company's own ordinary shares, which are re-acquired by the Company and held as treasury shares, are recognised at cost and deducted from equity. No gain or loss is recognised in the income statement on the purchase, sale, re-issuance or cancellation of equity shares. Any difference between the carrying amount of treasury shares and the consideration received, if re-issued, is recognised directly in equity as gain or loss on re-issuance of treasury shares.

(q) Convertible Financial Instruments

Convertible financial instruments are regarded as compound instruments, consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt. The difference between the proceeds of issue of the convertible financial instruments and the fair value assigned to the liability component, representing the embedded option to convert the liability into equity of the Group, is included in capital reserves (equity) if the option is converted into a fixed number of equity shares or as a financial liability if the option is converted into a variable number of equity shares based on an exercise price of a prescribed percentage of the net tangible assets at the exercise date. Correspondingly, a discount on the financial instruments is recorded and amortised over the period of the financial instruments. Gains and losses arising from changes in fair value of the embedded option (financial liability) are included in the income statement.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

3 **Summary of Significant Accounting Policies** (cont'd)

(r) Leases

Accounting policy applicable from 1 January 2019

- *When the Group is the lessee*

At the inception of the contract, the Group and the Company assess if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

The Group and the Company recognise right-of-use ("ROU") assets and lease liabilities at the date which the underlying assets become available for use. ROU assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for re-measurement of lease liabilities. The cost of ROU assets includes the initial measurement of lease liabilities adjusted for any lease payment made at or before the commencement dates, plus any initial direct costs incurred less any lease incentives received. Any initial cost that would not have been incurred if the lease had not been obtained are added to the carrying amount of the ROU assets. ROU asset is depreciated using the straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The Group and the Company have elected not to recognise ROU assets and lease liabilities for short-term leases that have lease term of 12 months or less and leases of low-value assets. Lease payments relating to these leases are expensed to the income statement on a straight-line basis over the lease term.

ROU assets (except for those which meets the definition of an investment property) are presented within "Property, plant and equipment" in the statement of financial position. ROU assets which meet the definition of an investment property are presented as "Investment properties" and accounted for in accordance with Note 3(i).

The initial measurement of lease liabilities is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If the rate cannot be readily determined, the Group uses its incremental borrowing rate. Lease payments included in the measurement of the lease liabilities comprise fixed payments (including in substance fixed payment), less any lease incentive receivables. Lease liabilities are subsequently measured at amortised cost, and are remeasured when there is a change in the Group's assessment of whether it will exercise lease extension and termination option, or there is a modification to the lease terms. Where lease liabilities are remeasured, corresponding adjustments are made against the ROU assets. If the carrying amount of the ROU assets have been reduced to zero, the adjustments are recorded in the income statement.

- *When the Group is the lessor*

Lessor – Finance leases

Leases where the Group has transferred substantially all risks and rewards incidental to ownership of the leased assets to the lessees, are classified as finance leases. The leased asset is derecognised and the present value of the lease receivable (net of initial direct costs for negotiating and arranging the lease) is recognised on the statement of financial position. The difference between the gross receivable and the present value of the lease receivable is recognised as unearned finance income. Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both the principal and the unearned finance income. The finance income is recognised in the income statement on an effective yield basis. Initial direct costs incurred by the Group in negotiating and arranging finance leases are added to finance lease receivables and recognised as an expense in the income statement over the lease term on the same basis as the lease income.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

3 Summary of Significant Accounting Policies (cont'd)

(r) Leases (cont'd)

Accounting policy applicable from 1 January 2019 (cont'd)

- *When the Group is the lessor* (cont'd)

Lessor – Operating leases

Leases of investment properties where the Group retains substantively all risks and rewards incidental to ownership are classified as operating lease. The accounting policy for rental income is outlined in Note 3(y).

Contingent rents are recognised as income in the income statement when earned. When a lease is terminated before the lease period expires, any payment received by the Group as penalty is recognised as an income when termination takes place.

Accounting policy applicable before 1 January 2019

- *When the Group is the lessee*

Lessee – Finance leases

Leases where the Group assumes substantially all risks and rewards incidental to ownership of the leased assets are classified as finance leases. The leased assets and the corresponding lease liabilities (net of finance charges) under finance leases are recognised on the statement of financial position as property, plant and equipment and obligations under finance lease respectively, at the inception of the leases based on the lower of the fair value of the leased assets and the present value of the minimum lease payments. Each lease payment is apportioned between the finance expense and the reduction of the outstanding lease liability. The finance expense is recognised in the income statement on an effective yield basis.

Lessee – Operating leases

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in the income statement on a straight-line basis over the period of the lease. Contingent rents are recognised as an expense in the income statement when incurred.

- *When the Group is the lessor*

The Group's accounting policies as a lessor under SFRS(I) 1-17, *Leases* are similar to SFRS(I) 16 as described above.

(s) Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event and it is probable that it will result in an outflow of economic benefits that can be reasonably estimated.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

3 **Summary of Significant Accounting Policies** (cont'd)

(t) Income Tax

Current income tax for current and prior years is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantially enacted by the end of each reporting period in the countries where the Group operates and generates income. The Group periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amount expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is recognised in the income statement, except when it relates to items recognised in other comprehensive income or directly to equity, in which case the deferred income tax is also dealt with in other comprehensive income or directly in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same tax authority. The amount of deferred income tax is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of each reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associated companies except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

(u) Borrowing Costs

Interest expense and similar charges are expensed in the income statement in the period in which they are incurred, except to the extent they are capitalised as being directly attributable to the acquisition and construction of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

(v) Post-Employment Benefits

Certain subsidiaries have unfunded defined benefit retirement plans covering substantially all of their eligible permanent employees in accordance with the Indonesian Labor Law No. 13/2003 dated 25 March 2003 (Law 13/2003). The obligation for Law 13/2003 has been accounted for using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Current service costs, interest costs and effects of curtailments and settlements (if any) are recognised directly in the current year's income statement. Actuarial gains or losses is reflected immediately in the statement of financial position with a charge or credit recognised immediately in other comprehensive income as part of other reserves on the statement of financial position in the period in which they occur and past service costs are recognised immediately in the income statements when incurred.

The retirement plan obligations recognised in the statement of financial position represents the present value of the defined benefit obligation. Any asset resulting from this calculation is limited the present value of available refunds and reductions in the future contributions to the plan.

Fixed contributions paid to state-managed post-employment benefits schemes, such as the Central Provident Fund, on a mandatory, contractual or voluntary basis are recognised as an expense in the income statement in the period in which services are rendered by employees. The Group has no further payment obligation once the contributions have been paid.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

3 **Summary of Significant Accounting Policies** (cont'd)

(w) Dividend Distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved for payment.

(x) Related Parties

A related party is a person or entity that is related to the reporting entity. A person is considered to be related if that person has the ability to control or jointly control the reporting entity, exercise significant influence over the reporting entity in making financial and operating decisions, or is a member of the key management personnel of the reporting entity or its parent. An entity is related to the reporting entity if they are members of the same group, an associate, a joint venture or provides key management personnel services to the reporting entity or to the parent of the reporting entity. An entity is also considered to be related if it is controlled or jointly controlled by the same person who has significant influence over the reporting entity or is a member of the key management personnel of the reporting entity.

(y) Revenue Recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. At contract inception, the Group assesses whether the Group transfers control of the development property to the customer over time or at a point in time, by determining if (a) its performance does not create an asset with an alternative use to the Group; and (b) the Group has an enforceable right to payment for performance completed to date. Revenue is recognised at a point in time if the Group does not have an enforceable right to payment by the customer for development work completed to date. Revenue is recognised over time when the Group's construction activities create or enhance an asset under the customer's control.

- Revenue from the sale of development properties is recognised at a point in time when the Group has satisfied its performance obligation and transfers control of each property to the customer. Control is transferred when the Group has a present right to payment for the property, the customer has accepted the property, physical possession, and significant risks and rewards of the property have transferred to the customer. This generally coincides with the point in time when the development property is delivered to the customer.

  However, if the period between the transfer of promised goods or services to customer and full settlement by customer exceeds one year, or if cash received in advance from the buyers for the sale of development properties prior to the handing over of units and the availability of various instalment plan repayment schemes offered to its customers, a financing component is deemed to be present in the contracts. In determining the transaction price, the Group adjusts the promised consideration for the effects of the significant financing component using a discount rate that would be reflected in a separate financing transaction between the Group and its customer at contract inception, such that it reflects the credit characteristics of the party receiving financing in the contract.

- Revenue arising from sale of other goods is recognised when control of the products are transferred to the customers upon delivery.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

3 **Summary of Significant Accounting Policies** (cont'd)

(y) Revenue Recognition (cont'd)

- Revenue from rental of investment properties under operating leases is recognised on a straight-line basis over the terms of the lease contracts.

- Revenue related to construction services under a service concession arrangement is recognised over time on a cost-to-cost method, i.e. based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. This input method is considered an appropriate measure of the progress towards complete satisfaction of these performance obligations under SFRS(I) 15.

- Hotel room revenue is recognised based on room occupancy while other hotel revenues are recognised when the goods are delivered or the services are rendered to the customers.

- Golf club membership revenue is recognised over the term of the membership period.

- Service income as well as management and consultancy fees (including those relating to property and estate management, and lease management and co-ordination) are recognised in the period in which the services are rendered.

- Interest income is accrued on a time-proportion basis, by reference to the principal outstanding and at the effective interest rate applicable.

- Dividend income from investments is recognised on the date the dividends are declared payable by the investees.

(z) Segment Reporting

The chief operating decision maker has been identified as the Executive Committee of the Group, which consists of the Executive Chairman, the Chief Executive Officer and Executive Directors. This committee reviews the Group's internal reporting in order to assess performance and allocate resources. Operating segments are reported in a manner consistent with the internal reporting.

(aa) Financial Guarantees

The Company has issued corporate guarantees to creditors for borrowings of its subsidiaries. These guarantees are financial guarantee contracts as they require the Company to reimburse the creditors if the borrowers fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantees issued are initially measured at fair value and the initial fair value is amortised over the life of the guarantees. Subsequent to initial measurement, the financial guarantees are measured at the higher of the amortised amount and the amount of loss allowance.

ECLs are a probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Company expects to recover.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

4 Critical Accounting Estimates, Assumptions and Judgements

The Group makes estimates and assumptions concerning the future. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical Accounting Estimates and Assumptions

Revenue from Contracts with Customers

The Group offers customers the options to settle the contract sum by various instalment schemes. If the period between the transfer of development properties to customers and the settlement by customer exceeds one year, or if the Group received in advance from the customers prior to handing over of development properties, a financing component is deemed to be present in the contract. The Group adjusted the contract sum for the effect of financing component using discount rate based on weighted average borrowing rate. While the Group believes that the assumptions are reasonable, significant change in assumption may materially affect the adjusted contract sum and financing component recognised.

For the year ended 31 December 2019, the Group recognised finance income and finance costs from contracts with customer amounting to $143,000 (2018: $730,000) and $52,170,000 (2018: $49,437,000) respectively.

Income Taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the capital allowances, deductibility of certain expenses and taxability of certain income during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax expense and income tax payable in the period in which such determination is made.

As at 31 December 2019, the Group's income taxes payable and income tax expense amounted to $10,093,000 (2018: $4,177,000) and $43,862,000 (2018: $40,123,000) respectively.

(b) Critical Judgements in Applying Accounting Policies

Revenue Recognition

Revenue from the sale of development properties is recognised at a point in time when the development property is delivered to the customer. The timing of revenue recognition requires judgement on whether the Group has satisfied its performance obligation and transfers control of each property to the customer. Control is transferred when the Group has a present right to payment for the property, the customer has accepted the property, physical possession, and significant risks and rewards of the property have transferred to the customer.

For the year ended 31 December 2019, the Group has recorded revenue from sale of development properties and other sources amounting to $946,476,000 (2018: $654,260,000) and $226,395,000 (2018: $209,874,000) respectively.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

4 Critical Accounting Estimates, Assumptions and Judgements (cont'd)

(b) Critical Judgements in Applying Accounting Policies (cont'd)

Classification of Properties Held for Sale and Properties under Development for Sale

The Group classifies its properties held for sale as current when it expects to realise the assets in its normal operating cycle or expects to realise the assets within 12 months after the reporting period. All other development properties are classified as non-current.

As at 31 December 2019, the carrying amount of the Group's development properties that are classified as current assets and non-current assets was $1,328,584,000 (2018: $1,224,017,000) and $1,764,906,000 (2018: $1,664,855,000) respectively.

5 Revenue

	Group	
	2019	2018
	S$'000	S$'000
Revenue from sale of development properties	946,476	654,260
Rental and related income	139,704	136,672
Revenue from hotel and golf operations	26,786	26,850
Revenue from service concession arrangements	11,645	-
Others	48,260	46,352
	1,172,871	864,134

Revenue from sale of development properties included sale of land parcels to associated companies and joint venture of $45,198,000 (2018: Nil) and $23,160,000 (2018: $8,000) respectively, on terms agreed between the parties. The Group has not recognised the gain arising from the sale transactions that is attributable to its interests in accordance with Note 3(f) to the financial statements. The unrealised gain of $12,614,000 (2018: Nil) and $6,643,000 (2018: $2,000) was therefore adjusted against the share of results in associated companies and joint ventures respectively in the Group's income statements.

6 Finance Income

	Group	
	2019	2018
	S$'000	S$'000
Interest income from:		
Cash and cash equivalents	50,652	37,050
Finance lease	45	1,364
Financial assets at amortised cost	12,221	9,757
Financial assets at fair value through profit or loss	7,028	2,867
	69,946	51,038

The Group has interest income from cash and cash equivalents amounting to $5,593,000 (2018: $8,105,000) which has been netted against interest expense as the Group has the legal rights to set-off the deposits against the borrowings.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

7 Finance Costs

	Group	
	2019	2018
	S$'000	S$'000
Interest expense on:		
Borrowings	52,949	40,347
Advance received on development properties	52,170	49,437
Lease liabilities/Obligations under finance lease	222	258
Bonds and notes payable		
- interest	64,046	56,988
- amortisation of discount on bonds (Note 30)	160	158
- amortisation of deferred bond charges (Note 30)	4,293	4,128
Finance Costs	173,840	151,316

The Group has interest expense on borrowings amounting to $5,593,000 (2018: $8,105,000) which has been netted against interest income as the Group has the legal rights to set-off the borrowings against the deposits.

8 Other Operating Income

The net other operating income includes the following income/(expenses):

	Group	
	2019	2018
	S$'000	S$'000
Property and estate management income, net	8,665	10,525
Management and lease co-ordination fees	4,980	5,993
Lease cancellation fees and penalty	4,024	2,657
Fair value gain on derivative payables	-	781
Gain on disposal of investment properties	-	1,416
Gain on disposal of property, plant and equipment	53	148
Gain on disposal of an associated company (Note 46(5))	1	-
Allowance for impairment loss on trade and non-trade receivables	(7,670)	(1,392)
Completed properties held for sale written off	(366)	-
Finance lease receivable written off (Note 16)	-	(13,802)
Fair value gain on financial assets at fair value through profit or loss	5,641	12,550

9 Profit Before Income Tax

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, this balance includes the following charges:

	Group	
	2019	2018
	S$'000	S$'000
Audit fees paid/payable to:		
Auditors of the Company	265	259
Auditors of the subsidiaries	648	656
Non-audit fees paid/payable to:		
Auditors of the Company	-	-
Write-back of impairment loss on completed properties held for sale	(304)	(450)
Cost of inventories recognised as an expense in cost of sales	2,047	2,388

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

10 Income Tax

	Group	
	2019	2018
	S$'000	S$'000
Tax expense is made up of:		
Current income tax		
- current year	43,285	39,596
- under-provision in respect of prior years	508	477
	43,793	40,073
Deferred income tax (Note 26)	69	50
	43,862	40,123

Substantially all the Group's operations are located in Indonesia. Accordingly, the Indonesia statutory tax rate of 25% (2018: 25%) is used in the reconciliation of the tax expense and the product of accounting profit multiplied by the applicable tax rate.

The income tax expense on the results for the financial year varies from the amount of income tax determined by applying the Indonesian statutory rate of income tax to profit before income tax due to the following factors:

	Group	
	2019	2018
	S$'000	S$'000
Profit before income tax	768,246	269,245
Adjustments for:		
Share of results of associated companies	(6,099)	(11,297)
Share of results of joint ventures	(8,891)	3,735
	753,256	261,683
Tax calculated at a tax rate of 25% (2018: 25%)	188,314	65,421
Non-deductible items	15,820	23,355
Non-taxable items	(104,554)	(18,675)
Effect of different tax rate categories	(60,125)	(34,859)
Utilisation of previously unrecognised deferred tax assets	(1,310)	(1,262)
Unrecognised deferred tax assets	4,866	5,611
Witholding tax on dividend distributed by a subsidiary	271	-
Under-provision in prior years' income tax	508	477
Others	72	55
	43,862	40,123

As at 31 December 2019, the amount of unutilised tax losses and capital allowances available for offsetting against future taxable profits are as follows:

	Group	
	2019	2018
	S$'000	S$'000
Unutilised tax losses	180,622	165,619
Unabsorbed capital allowances	56,058	56,395
	236,680	222,014

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

10 Income Tax (cont'd)

The breakdown of unutilised tax losses and capital allowances are as follows:

	Group	
	2019	2018
	S$'000	S$'000
Expiry dates:		
31 December 2019	-	36
31 December 2020	133	1,493
31 December 2021	4,805	3,418
31 December 2022	8,981	8,178
31 December 2023	10,725	-
Thereafter	156,029	21,055
No expiry dates subject to terms and conditions	56,007	187,834
	236,680	222,014

The availability of the unrecognised tax losses and capital allowances for set-off against future taxable profits is subject to the tax regulations of the respective countries in which the Group companies are incorporated. In Indonesia, the unutilised tax losses are available for set off against taxable profit immediately within a period of 5 years after such tax losses were incurred. As at 31 December 2019, the deferred tax benefit arising from the above unutilised tax losses and unabsorbed capital allowances has not been recognised in the financial statements. Deferred tax liabilities of $90,647,000 (2018: $81,483,000) have not been recognised for taxes that would be payable on the remittance to Singapore of unremitted retained earnings of $906,468,000 (2018: $814,830,000) of certain subsidiaries, associated companies and joint ventures as the timing of the reversal of the temporary differences arising from such amounts can be controlled and such temporary differences are not expected to reverse in the foreseeable future.

11 Earnings Per Share and Net Asset Value Per Share

(a) Earnings Per Share

Earnings per share is calculated by dividing the net profit attributable to owners of the Company by the weighted average number of ordinary shares in issue (excluding treasury shares) during the financial year of 4,255,862,496 (2018: 4,255,862,496).

There is no dilution as the Company did not have any potential ordinary shares outstanding as at 31 December 2019 and 2018.

(b) Net Asset Value Per Share

As at 31 December 2019, the net asset value per ordinary share based on the total equity and the existing issued share capital of 4,255,862,496 (2018: 4,255,862,496) ordinary shares (excluding treasury shares) is $1.10 (2018: $0.89).

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

12 Staff Costs and Retirement Benefit Obligations

	Group 2019 S$'000	Group 2018 S$'000
Staff costs:		
Wages and salary	57,901	57,131
Employer's contribution to defined contribution plans	1,094	1,123
Retirement benefit expenses	7,146	6,523
	66,141	64,777

Retirement Benefit Obligations

Certain subsidiaries in Indonesia recorded liabilities for unfunded defined benefit retirement plans in order to meet the minimum benefits required to be paid to qualified employees as required under the Indonesian Labor Law 13/2003. The amount of such obligations was determined based on actuarial valuations prepared by independent actuaries, PT Padma Radya Aktuaria and PT Katsir Imam Sapto Sejahtera Aktuaria.

The principal actuarial assumptions used by the actuaries were as follows:

	Group 2019 %	Group 2018 %
Discount rate	7.2 – 7.8	8.1 – 8.3
Salary growth rate	7.0 – 10.0	7.0 – 10.0

The components of the retirement benefit expenses recognised in the Group's income statement are as follows:

	Group 2019 S$'000	Group 2018 S$'000
Current service costs	4,042	3,737
Past service costs	(68)	(615)
Interest costs	3,172	3,401
Retirement benefit expenses recognised in the income statement	7,146	6,523

The components of the retirement benefit (expenses)/income recognised in other comprehensive income are as follows:

	Group 2019 S$'000	Group 2018 S$'000
Actuarial (loss)/gain arising from changes in financial assumptions	(488)	3,144
Actuarial (loss)/gain arising from experience adjustment	(1,558)	1,171
Actuarial gain arising from demographic assumptions	51	627
Net retirement benefit (expenses)/income recognised in other comprehensive income	(1,995)	4,942

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

12 Staff Costs and Retirement Benefit Obligations (cont'd)

Movements in the retirement benefits obligations are as follows:

	Group	
	2019	2018
	S$'000	S$'000
At the beginning of the year	39,766	46,771
Acquisition of a subsidiary (Note 43(a))	8	-
Retirement benefit expenses/(income) for the year recognised in:		
- income statement	7,146	6,523
- other comprehensive income	1,995	(4,942)
Payments made during the year	(2,211)	(3,431)
Currency realignment	2,642	(5,155)
At the end of the year	49,346	39,766
Less: Current portion classified as current liabilities (Note 29)	(1,078)	(839)
Non-current portion (Note 34)	48,268	38,927

13 Cash and Cash Equivalents

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Cash on hand	654	609	2	1
Cash in banks	142,457	347,679	15,929	2,061
Time deposits	947,224	635,847	-	-
Cash and cash equivalents in the statements of financial position	1,090,335	984,135	15,931	2,062
Time deposits pledged as security for credit facilities granted to the subsidiaries (Note 33)	(58,880)	(69,683)	-	-
Cash and cash equivalents in the statement of cash flows	1,031,455	914,452	15,931	2,062

Cash and cash equivalents include balances with a related party of $4,953,000 (2018: $8,787,000). As at 31 December 2019, the Group has time deposits amounting to $76,295,000 (2018: $91,865,000) which have been netted against borrowings as the Group has the legal rights and intention to set-off the deposits against the borrowings.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

13 Cash and Cash Equivalents (cont'd)

Cash and cash equivalents are denominated in the following currencies:

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Indonesian Rupiah	973,680	650,914	-	-
United States Dollar	81,032	305,926	13,708	293
British Pound	25,708	18,187	1,952	1,442
Chinese Renminbi	5,282	5,563	34	35
Malaysian Ringgit	2,852	2,374	-	-
Singapore Dollar	1,417	1,094	237	292
Others	364	77	-	-
	1,090,335	984,135	15,931	2,062

The above time deposits earn interest at the following rates per annum:

	Group		Company	
	2019	2018	2019	2018
	%	%	%	%
Indonesian Rupiah	3.5 – 9.3	3.8 – 9.0	-	-
United States Dollar	0.5 – 3.3	0.5 – 3.3	-	-
Chinese Renminbi	3.2 – 3.8	3.2 – 3.8	-	-
British Pound	0.7 – 0.8	0.5 – 0.8	-	-

14 Short-Term Investments

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Financial assets at fair value through profit or loss:				
Mutual funds held for trading	51,060	24,670	-	-
Unquoted funds held for trading	24,890	22,358	-	-
Unquoted debt instruments held for trading	181,547	-	-	-
	257,497	47,028	-	-

Short-term investments are denominated in the following currencies:

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Indonesian Rupiah	46,010	1,278	-	-
United States Dollar	211,487	45,750	-	-
	257,497	47,028	-	-

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

15 Trade Receivables

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Third parties	118,591	28,879	-	-
Related parties	1,288	1,494	-	-
Associated companies	546	-	-	-
	120,425	30,373	-	-
Less: Loss allowance	(2,809)	(4,324)	-	-
	117,616	26,049	-	-

The Group's credit risk exposure in relation to trade receivables from contracts with customers is presented below:

	2019		2018	
Group	Gross	Loss allowance	Gross	Loss allowance
	S$'000	S$'000	S$'000	S$'000
Not past due	103,299	-	8,355	-
Past due 0 – 3 months	7,942	(84)	12,398	-
Past due more than 3 months	9,184	(2,725)	9,620	(4,324)
	120,425	(2,809)	30,373	(4,324)

The Group's provision for loss allowance is based on past due as the Group's historical credit loss exposure does not show significantly different loss pattern for different customer segments. Movements in the credit loss allowance for trade receivables during the year are as follows:

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
At the beginning of the year	4,324	13,941	-	-
Allowance for impairment loss	97	359	-	-
Write-back of impairment loss	(180)	-	-	-
Receivables written off against allowance	(1,405)	(9,961)	-	-
Currency realignment	(27)	(15)	-	-
At the end of the year	2,809	4,324	-	-

Trade receivables are denominated in the following currencies:

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Indonesian Rupiah	116,467	21,182	-	-
British Pound	793	4,359	-	-
Others	356	508	-	-
	117,616	26,049	-	-

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

16 Other Current Assets

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Non-trade receivable from:				
Subsidiaries	-	-	54,152	36,152
Joint ventures	23,474	13,109	-	-
Associated companies	28,532	1,530	-	-
Related parties	81	99	-	-
Third parties	180,670	82,035	-	-
Finance lease receivable	-	7,986	-	-
	232,757	104,759	54,152	36,152
Less: Loss allowance	(10,414)	(2,871)	(989)	(918)
	222,343	101,888	53,163	35,234
Prepayments	55,501	72,133	12	9
Purchase advances	71,017	74,559	-	-
Others	512	682	43	42
	349,373	249,262	53,218	35,285

Saved for the amounts receivable disclosed below, the amounts receivable from subsidiaries, joint ventures, associated companies and related parties are advances in nature which are unsecured, interest-free and repayable on demand.

As at 31 December 2019, the amounts receivable from joint ventures of $20,978,000 (2018: $11,705,000) bear interest at a rate of 8.5% (2018: 8.5% to 10.0%) per annum and are repayable within twelve months.

As at 31 December 2019, the amounts receivable from associated companies of $27,433,000 (2018: $1,530,000) bear interest at rates ranging from 4.75% to 9.0% (2018: 9.0%) per annum and are repayable on demand.

As at 31 December 2019, the amounts receivable from third parties of $89,908,000 (2018: $19,800,000) bear interest at rates ranging from 10.0% to 20.0% (2018: 20.0%) per annum and are repayable within twelve months.

As at 31 December 2019, the amounts receivable from subsidiaries of $10,408,000 (2018: $7,492,000) bear interest at a rate of 4.0% (2018: 4.0%) per annum.

During the current financial year, the Group has recognised credit loss allowances for ECLs against non-trade receivables based on historical experience, informed credit assessment and includes forward-looking information. There has been no change in the estimation techniques or significant assumptions made during the current financial year. Movements in the credit loss allowance for non-trade receivables during the year are as follows:

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
At the beginning of the year	2,871	1,917	918	20,247
Allowance for impairment loss	7,792	1,033	71	73
Write-back of impairment loss	(39)	-	-	(19,402)
Receivables written off against allowance	(103)	(20)	-	-
Currency realignment	(107)	(59)	-	-
At the end of the year	10,414	2,871	989	918

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

16 Other Current Assets (cont'd)

The remaining non-trade receivables are considered to have low credit risk as they are not due for payment at the end of the financial year and there has been no significant increase in the risk of default on the receivables since initial recognition.

As at 31 December 2018, the finance lease receivable related to a building leased to a third party under finance lease arrangement. During the previous financial year, the Group entered into Termination Agreement of Land and Building leases and Sale and Purchase of Building Agreement with the lessee. Pursuant to the terms of these agreements, the Group agreed to terminate the finance lease arrangement and then sell the building to the lessee. The Group wrote off finance lease receivables of $13,802,000 during the financial year 2018 (Note 8).

Other current assets are denominated in the following currencies:

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Indonesian Rupiah	163,277	174,513	-	-
Chinese Renminbi	130,400	26,434	2,767	-
British Pound	55,594	48,224	18,024	6,317
Singapore Dollar	62	-	2,232	2,238
United States Dollar	7	-	29,752	26,033
Others	33	91	443	697
	349,373	249,262	53,218	35,285

17 Properties Held for Sale

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Properties held for sale	1,328,584	1,224,017	-	-

The properties held for sale shown above is net of allowance for impairment loss of $755,000 (2018: $1,059,000).

As at 31 December 2019, properties held for sale of the Group amounting to $8,438,000 (2018: $11,929,000) have been pledged as security for bonds issued by a subsidiary and credit facilities granted by banks to subsidiaries (Notes 30 and 33).

18 Subsidiaries

	Company	
	2019	2018
	S$'000	S$'000
Unquoted equity shares, at cost	1,290,695	1,272,227
Less: Impairment loss	(100,000)	(100,000)
	1,190,695	1,172,227
Interest-free loans receivables	1,113,635	1,182,747
	2,304,330	2,354,974

Particulars of the subsidiaries are disclosed in Note 45 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

18 **Subsidiaries** (cont'd)

The accumulated impairment loss of $100,000,000 was recognised in respect of the Company's investment in a subsidiary as a result of losses incurred by the subsidiary. The recoverable amount of the relevant subsidiary is based on fair value less cost of disposal which is principally determined by the current market value of non-financial assets held by the subsidiary. The loan receivable from subsidiaries form part of the Company's net investment in the subsidiaries. These loans are unsecured and settlement is neither planned nor likely to occur in the next 12 months.

19 **Associated Companies**

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Interests in:				
Quoted associated company at:				
- fair value	400,191	-	-	-
- cost	-	200,881	-	-
Unquoted associated companies at cost	160,900	46,268	-	-
	561,091	247,149	-	-

As at 31 December 2019, the fair value of the Group's interest in the quoted associated company was determined by reference to the valuation report prepared by independent professional valuer and is classified under Level 2 of the fair value hierarchy (Note 42).

As at 31 December 2018, the fair value of the Group's interest in the quoted associated company was $368,374,000 and was classified under Level 1 of the fair value hierarchy (Note 42).

Movements in the net carrying amount in interests in associated companies are as follows:

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
At the beginning of the year	247,149	266,378	-	-
Effect of restructuring of an associated company:				
- Derecognition of carrying amount	(143,228)	-	-	-
- Recognition of investment in associated companies	464,184	-	-	-
Acquisition of associated companies	28,745	1,530	-	-
Disposal during the year (Note 46(5))	(2)	-	-	-
Reclassification (Note 46(6))	18,000	-	-	-
Share of profit for the year	6,099	11,297	-	-
Share of other comprehensive (loss)/income for the year	(365)	657	-	-
Dividends received	(82,849)	(5,828)	-	-
Currency realignment	23,358	(26,885)	-	-
At the end of the year	561,091	247,149	-	-

As at 31 December 2019, the accumulated loss not recognised for an associated company amounted to $10,819,000 (2018: $12,808,000) as such loss is in excess of the Group's interest in this associated company. Particulars of the associated companies are disclosed in Note 46 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

19 Associated Companies (cont'd)

In June 2019, the Group, through its subsidiary, PT Bumi Serpong Damai Tbk ("BSDE") completed a restructuring exercise relating to its shareholding interests in PT Plaza Indonesia Realty Tbk ("PLIN"), an associated company of the Group. Pursuant to this restructuring exercise, the Group disposed all its shareholdings in PLIN to PT Plaza Indonesia Investama ("PII"), and acquired participation units in Dana Investasi Real Estat Simas Plaza Indonesia ("DIRE") and shares in PT Plaza Indonesia Mandiri ("PIM"). Subsequent to this restructuring exercise, (i) BSDE owns 38.83% of the units in DIRE, (ii) DIRE owns 100% of the shares in PII, which in turn owns 95.75% of the shares in PLIN; and (iii) BSDE owns 48.48% of the shares in PIM. Consequently, DIRE and PIM became associated companies of the Group. The effect of this restructuring exercise is as follows:

	Group
	2019
	S$'000
Carrying amount derecognised upon disposal	143,228
Add/(Less):	
Reclassification of other reserves upon disposal	(6,518)
Reclassification of foreign currency translation reserve upon disposal	3,856
Reclassification of non-controlling interests upon disposal	(494)
Gain arising from restructuring of an associated company	368,240
Proceeds from disposal of PLIN	508,312
Investment in associated companies	(464,184)
Net cash flow arising from restructuring of an associated company	44,128

Summarised financial information in respect of DIRE and PLIN, material associated companies for the financial years ended 2019 and 2018 respectively, and aggregate financial information of other associated companies which are individually not material, which is not adjusted for the percentage of ownership held by the Group, are set out below:

	Others	DIRE
	2019	2019
	S$'000	S$'000
Real estate investment portfolio		1,031,692
Current liabilities		(1,030)
Total profit for the year	27,755	20,693
Other comprehensive (loss)/income	(529)	128
Total comprehensive income for the year	27,226	20,821

	Others	PLIN
	2018	2018
	S$'000	S$'000
Current assets		127,105
Non-current assets		326,849
Current liabilities		(101,576)
Non-current liabilities		(241,484)
Total (loss)/profit for the year	(13,844)	19,190
Other comprehensive income	327	1,062
Total comprehensive (loss)/income for the year	(13,517)	20,252

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

20 Joint Ventures

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
At the beginning of the year	142,262	143,289	-	-
Effect of adoption of SFRS(I) 16	(12)	-	-	-
	142,250	143,289	-	-
Acquisition of/Additional investment in joint ventures	10,866	22,900	-	-
Reclassification (Note 46(6))	(18,000)	-	-	-
Derecognition of carrying amount in a joint venture (Note 43(a))	(7,452)	-	-	-
Share of profit/(loss) for the year	8,891	(3,735)	-	-
Share of other comprehensive (loss)/income for the year	(261)	47	-	-
Dividends received	(19,571)	(5,652)	-	-
Currency realignment	9,713	(14,587)	-	-
	126,436	142,262	-	-

During the current financial year, the Group through its subsidiary established a 49% joint venture, PT Syandana Berkat Usaha. The capital of IDR4.9 billion (equivalent to $478,000) has not been paid up as at the end of the reporting period (Note 29).

The details of the Group's joint ventures are as follows:

Name of company and country of incorporation	Principal activities	Effective percentage of equity held by the Group 2019 %	2018 %
Badan Kerja Sama, Pasar Pagi – ITC Mangga Dua Indonesia	Manage and operate shopping centre	17.39	17.39
BKS Binamaju Multikarsa Indonesia	Housing development	41.21	41.21
PT BSD Diamond Development Indonesia	Real estate development	19.63	19.63
PT Bumi Parama Wisesa Indonesia	Real estate development	25.03	25.03
PT Citra Sinar Global Indonesia	Property development	32.50	-
PT Duti Diamond Development Indonesia	Project management	13.04	-
PT Indonesia International Expo Indonesia	Property development	24.05	24.05
PT Itomas Kembangan Perdana Indonesia	Property management	17.74	17.74
PT Panahome Deltamas Indonesia Indonesia	Real estate development	28.07	28.07

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

20 Joint Ventures (cont'd)

Name of company and country of incorporation	Principal activities	Effective percentage of equity held by the Group 2019 %	2018 %
PT Sahabat Kota Wisata (Note 46(6)) Indonesia	Property development	-	17.39
PT Sinar Artotel Indonesia Indonesia	Hotel and/or hotel management	19.63	-
PT Syandana Berkat Usaha Indonesia	Real estate development	24.05	-
PT Trans Bumi Serbaraja (Note 43(a)) Indonesia	Development and operation of toll roads	-	24.54

Summarised aggregated financial information in respect of the Group's joint ventures, which is not adjusted for the percentage of ownership held by the Group, is set out below:

	2019 S$'000	2018 S$'000
Total profit/(loss) for the year	18,487	(11,873)
Other comprehensive (loss)/income	(401)	54
Total comprehensive income/(loss) for the year	18,086	(11,819)

21 Long-Term Investments

	Group		Company	
	2019 S$'000	2018 S$'000	2019 S$'000	2018 S$'000
Financial assets at FVPL:				
Unquoted funds	80,576	39,474	-	-
Unquoted debt securities	-	82,013	-	-
Unquoted investments	-	6	-	-
Financial assets at FVOCI:				
Unquoted equity shares	8,699	8,062	-	-
	89,275	129,555	-	-

Long-term investments are denominated in the following currencies:

	Group		Company	
	2019 S$'000	2018 S$'000	2019 S$'000	2018 S$'000
United States Dollar	42,816	121,487	-	-
Australian Dollar	37,760	-	-	-
Indonesian Rupiah	8,699	8,062	-	-
Singapore Dollar	-	6	-	-
	89,275	129,555	-	-

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

22 Properties under Development for Sale

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Land held for development	1,764,906	1,664,855	-	-

As at 31 December 2019, certain land held for development of the Group amounting to $105,516,000 (2018: $113,509,000) have been pledged as security for bonds issued by a subsidiary and credit facilities granted by banks to the subsidiaries (Notes 30 and 33).

23 Investment Properties

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Cost:				
At the beginning of the year	1,749,011	1,769,919	-	-
Additions	47,537	91,784	-	-
Disposal	-	(1,307)	-	-
Transfer from property, plant and equipment	5,474	5,411	-	-
Transfer from properties under development for sale and held for sale	5,878	3,348	-	-
Currency realignment	85,603	(120,144)	-	-
At the end of the year	1,893,503	1,749,011	-	-
Accumulated depreciation:				
At the beginning of the year	135,973	113,354	-	-
Depreciation	36,390	35,047	-	-
Disposal	-	(396)	-	-
Currency realignment	9,390	(12,032)	-	-
At the end of the year	181,753	135,973	-	-
Net carrying amount	1,711,750	1,613,038	-	-

As at 31 December 2019, certain investment properties of the Group amounting to $949,323,000 (2018: $927,467,000) have been pledged as security for bonds issued by a subsidiary and credit facilities granted by banks to the subsidiaries (Notes 30 and 33).

During the current financial year, borrowing costs of $4,494,000 (2018: $6,000,000) were capitalised into investment properties at a capitalisation rate of 10.06% (2018: 10.53%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

23 Investment Properties (cont'd)

Investment properties are held mainly for use by tenants under operating leases. The following amounts are recognised in the Group's income statement:

	Group	
	2019	2018
	S$'000	S$'000
Rental income	124,323	126,394
Direct operating expenses arising from investment properties that generated rental income	27,979	28,063
Property tax and other operating expenses arising from investment properties that did not generate rental income	2,078	1,566
Fair value of investment properties located in:		
Indonesia	1,607,609	1,433,910
United Kingdom	941,984	947,664
Singapore	5,200	5,100
China	1,023	950
Fair value classified under level 2 of fair value hierarchy (Note 42)	2,555,816	2,387,624

As at 31 December 2019, the aggregate fair values of investment properties located in Indonesia was based on external valuation reports prepared by the independent appraiser with appropriate qualifications and experience in the valuation of properties in the relevant locations, KJPP Rengganis, Hamid & Partners and KJPP Jimmy Prasetyo & Rekan based on market data approach and income approach. Under the market data approach, the valuation was arrived at by reference to market evidence of transaction prices for similar properties. The most significant input in this valuation approach is the selling price per unit of floor area. Under the income approach, the valuation was arrived at by reference to market rental rate for similar properties in the nearby vicinity.

The aggregate fair value of investment properties located in United Kingdom was based on external valuation reports prepared by the independent professional valuer with appropriate qualifications and experience in the valuation of properties in the relevant locations, Montagu Evans LLP and Cushman & Wakefield based on open market value approach and income approach. Under the open market value approach, the valuation was arrived at by reference to recent transaction prices of similar properties. Under the income approach, the valuation was arrived at by reference to market rental rate for similar properties in the nearby vicinity.

The fair values of investment properties located in Singapore was based on external valuation reports prepared by an independent professional valuer with appropriate qualifications and experience in the valuation of properties in the relevant locations, Colliers International Consultancy & Valuation (Singapore) Pte Ltd based on open market value approach whereby the basis of comparable transaction is from direct comparison with transaction prices of similar properties.

The fair values of investment properties located in China was based on external valuation reports prepared by an independent professional valuer with appropriate qualifications and experience in the valuation of properties in the relevant locations, Shanghai Orient Appraisal Co. Ltd. based on open market value approach whereby the basis of comparable transaction is from direct comparison with transaction prices of similar properties.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

24 Property, Plant and Equipment

Group	Freehold land	Freehold buildings	Leasehold land and buildings	Plant, machinery and equipment	Motor vehicles, furniture and fixtures	Construction in progress	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Cost:							
At 1 January 2018	32,807	123,378	61,230	45,375	83,651	5,970	352,411
Additions	-	845	7	714	2,425	2,122	6,113
Disposals	-	-	-	-	(698)	-	(698)
Reclassification to investment properties	(2,942)	(2,636)	-	-	-	-	(5,578)
Reclassification	-	(6,803)	10,625	-	89	(3,911)	-
Currency realignment	(1,553)	(10,279)	(5,012)	(3,885)	(7,830)	(574)	(29,133)
At 31 December 2018	28,312	104,505	66,850	42,204	77,637	3,607	323,115
Effect of adoption of SFRS(I) 16	-	-	1,955	388	-	-	2,343
At 1 January 2019	28,312	104,505	68,805	42,592	77,637	3,607	325,458
Additions	-	310	1,544	1,788	1,938	2,227	7,807
Disposals	-	-	-	(33)	(377)	-	(410)
Acquisition of a subsidiary (Note 43(a))	-	-	-	-	7	-	7
Reclassification (to)/from:							
- Investment properties	(280)	-	-	(3,487)	(10)	(3,397)	(7,174)
- Properties under development and held for sale	1,679	1,519	(699)	-	-	-	2,499
Reclassification	-	287	82	192	-	(561)	-
Currency realignment	787	6,487	4,503	3,687	4,696	263	20,423
At 31 December 2019	30,498	113,108	74,235	44,739	83,891	2,139	348,610
Accumulated depreciation:							
At 1 January 2018	-	51,792	48,526	17,905	56,091	-	174,314
Depreciation	-	4,103	1,184	3,070	9,412	-	17,769
Disposals	-	-	-	-	(667)	-	(667)
Reclassification to investment properties	-	(167)	-	-	-	-	(167)
Currency realignment	-	(4,594)	(3,393)	(1,364)	(6,244)	-	(15,595)
At 31 December 2018	-	51,134	46,317	19,611	58,592	-	175,654
Effect of adoption of SFRS(I) 16	-	-	36	15	-	-	51
At 1 January 2019	-	51,134	46,353	19,626	58,592	-	175,705
Depreciation	-	3,897	1,579	3,575	5,150	-	14,201
Disposals	-	-	-	(33)	(350)	-	(383)
Reclassification to:							
- Investment properties	-	-	-	(1,700)	-	-	(1,700)
- Properties under development and held for sale	-	-	(109)	-	-	-	(109)
Currency realignment	-	3,200	2,886	1,030	4,571	-	11,687
At 31 December 2019	-	58,231	50,709	22,498	67,963	-	199,401
Net book value:							
At 31 December 2019	30,498	54,877	23,526	22,241	15,928	2,139	149,209
At 31 December 2018	28,312	53,371	20,533	22,593	19,045	3,607	147,461

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

24 Property, Plant and Equipment (cont'd)

As at 31 December 2019, certain property, plant and equipment of the Group amounting to $7,814,000 (2018: $7,563,000) has been pledged as security for credit facilities granted by banks to the subsidiaries (Note 33).

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. During the current financial year, the additions to property, plant and equipment included $1,126,000 acquired under leasing arrangements.

Company	Leasehold improvements S$'000	Plant and equipment S$'000	Motor vehicles, furniture and fixtures S$'000	Total S$'000
Cost:				
At 1 January 2018	144	357	1,065	1,566
Addition	-	2	-	2
At 31 December 2018	144	359	1,065	1,568
Effect of adoption of SFRS(I) 16	1,880	-	-	1,880
At 1 January 2019 and 31 December 2019	2,024	359	1,065	3,448
Accumulated depreciation:				
At 1 January 2018	144	357	631	1,132
Depreciation	-	-	127	127
At 31 December 2018	144	357	758	1,259
Effect of adoption of SFRS(I) 16	188	-	-	188
At 1 January 2019	332	357	758	1,447
Depreciation	188	1	127	316
At 31 December 2019	520	358	885	1,763
Net book value:				
At 31 December 2019	1,504	1	180	1,685
At 31 December 2018	-	2	307	309

25 Long-Term Receivables and Assets

	Group 2019 S$'000	Group 2018 S$'000	Company 2019 S$'000	Company 2018 S$'000
Loans receivable from a third party	43,865	81,057	-	-
Loans receivable from a joint venture	1,803	1,297	-	-
	45,668	82,354	-	-
Other long-term assets	2,376	-	-	-
	48,044	82,354	-	-

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

25 Long-Term Receivables and Assets (cont'd)

Long-term receivables and assets are denominated in the following currencies:

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Chinese Renminbi	43,865	81,057	-	-
Indonesian Rupiah	4,179	1,297	-	-
	48,044	82,354	-	-

As at 31 December 2019, the loans receivable from a joint venture are unsecured, interest-free and with maturity dates ranging from 2022 to 2023.

As at 31 December 2019, the loans receivable from a third party are unsecured, bear interest at rate of 4.75% per annum and with a maturity date in 2021.

As at 31 December 2018, the loans receivable from a third party of $81,057,000 were unsecured, bore interest at rate of 10.0% per annum and with a maturity date in 2020. During the current financial year, the loans had been reclassified to current receivables.

The expected credit loss associated with the above loans receivables is not significant.

26 Deferred Income Tax

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Deferred tax assets	293	332	-	-
Deferred tax liabilities	(12)	(12)	-	-
Net	281	320	-	-

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on different entities which intend to settle on a net basis, or realise the assets and liabilities simultaneously in the future.

Realisation of deferred tax assets is dependent on the generation of sufficient taxable income prior to expiration of the tax losses carry-forward. Although realisation is not assured, the directors of the Company believe it is more likely than not that the deferred tax assets, net of the valuation allowance, will be realised. The amount of the deferred tax assets considered realisable could be reduced or increased if estimates of future taxable income during the carry-forward period are reduced or increased.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

26 Deferred Income Tax (cont'd)

The following amounts, determined after appropriate offsetting, are shown in the statement of financial position.

Group	Retirement benefit obligations	Accelerated tax depreciation	Others	Total
	S$'000	S$'000	S$'000	S$'000
Deferred tax assets/(liabilities)				
At 1 January 2019	366	(34)	(12)	320
(Charged)/Credited to income statement (Note 10)	(77)	8	-	(69)
Currency realignment	33	(3)	-	30
At 31 December 2019	322	(29)	(12)	281
At 1 January 2018	507	(43)	(14)	450
(Charged)/Credited to income statement (Note 10)	(57)	5	2	(50)
Currency realignment	(84)	4	-	(80)
At 31 December 2018	366	(34)	(12)	320

27 Intangible Assets

Group	Goodwill	Service concession arrangement	Total
	S$'000	S$'000	S$'000
Cost			
At 31 December 2018 and 1 January 2019	1,784	-	1,784
Acquisition of a subsidiary (Note 43(a))	-	13,039	13,039
Additions	-	147,238	147,238
Currency realignment	-	154	154
At 31 December 2019	1,784	160,431	162,215
Accumulated amortisation			
At 31 December 2018 and 31 December 2019	-	-	-
Net carrying amount			
At 31 December 2019	1,784	160,431	162,215
At 31 December 2018	1,784	-	1,784

In April 2016, PT Trans Bumi Serbaraja ("TBS"), a joint venture of the Group at that time, entered into a service concession agreement with the local government authority in Indonesia ("the grantor") to construct a toll road. On 1 April 2019, TBS became a subsidiary of the Group (Note 43(a)). In July 2019, TBS received the Command Letter to start the work to construct the toll road. Under the terms of the agreement, the Group will construct, operate and make the toll road available to the public and it has a right to charge users a fee for using the toll road. The concession period for the arrangement is 40 years and at the end of the concession period, the toll road becomes the property of the grantor and the Group will have no further involvement in its operation or maintenance requirements. As at the end of the reporting period, the construction of the toll road was still in progress. During the current financial year, the Group recognised revenue of $11,645,000 in relation to construction in 2019 which represents the fair value of its construction service provided in constructing the toll road as disclosed in Note 3(y).

Goodwill of the Group is allocated to the Indonesia property segment. No impairment loss was recognised during the current financial year.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

28 Trade Payables

Trade payables to third parties are denominated in the following currencies:

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Indonesian Rupiah	45,574	39,327	-	-
British Pound	1,637	932	-	-
Malaysian Ringgit	843	907	-	-
Others	732	811	-	-
	48,786	41,977	-	-

29 Other Payables and Liabilities

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Payables to:				
Third parties	47,939	37,994	-	-
Related parties	4,206	53,050	23	23
Joint ventures	478	18,000	-	-
Subsidiaries	-	-	346,299	363,417
Derivative payables	9,494	766	-	-
Interest payable	17,442	17,030	-	-
Other taxes payable	10,888	13,465	-	-
	90,447	140,305	346,322	363,440
Advances and deposits received on:				
- Development properties (Note 34)	506,746	382,399	-	-
- Rental and others	76,495	78,407	-	-
Estimated liabilities for improvements	6,455	7,038	-	-
Provision for claims	1,500	1,432	-	-
Accruals	26,143	17,627	722	642
Retirement benefit obligations (Note 12)	1,078	839	-	-
Others	917	732	108	94
	709,781	628,779	347,152	364,176

The non-trade payables to subsidiaries, related parties and a joint venture are unsecured, interest-free and will be repayable within the next twelve months. The derivative payables relate to the fair value of the embedded option to convert the zero percent convertible bonds issued by certain subsidiaries into their equity (Note 30).

Other payables are denominated in the following currencies:

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Indonesian Rupiah	664,578	597,585	54,376	-
British Pound	18,454	16,133	3,480	3,512
Singapore Dollar	13,161	10,537	50,619	50,483
United States Dollar	10,684	2,117	225,835	297,007
Chinese Renminbi	972	-	12,842	13,174
Others	1,932	2,407	-	-
	709,781	628,779	347,152	364,176

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

29 Other Payables and Liabilities (cont'd)

Estimated liabilities for improvements represent the estimated cost which will be incurred by the Group for improvement on the land and properties sold. Movements in estimated liabilities for improvements during the financial year are as follows:

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
At the beginning of the year	7,038	11,269	-	-
Amount incurred	(1,151)	(3,104)	-	-
Currency realignment	568	(1,127)	-	-
At the end of the year	6,455	7,038	-	-

30 Bonds and Notes Payable

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Zero Percent Convertible Bonds:				
IDR Bonds, due 2023	2,085	1,932	-	-
Less: Unamortised discount	(564)	(671)	-	-
	1,521	1,261	-	-
IDR Bonds and Notes:				
9% p.a. fixed rate, due 2021	60,688	56,250	-	-
9.25% p.a. fixed rate, due 2023	2,428	2,250	-	-
9.5% p.a. fixed rate, due 2019	-	39,240	-	-
USD Notes:				
6.75% p.a. fixed rate, due 2020	-	102,418	-	-
5.5% p.a. fixed rate, due 2023	355,846	325,627	-	-
7.25% p.a. fixed rate, due 2021	404,936	390,987	-	-
	825,419	918,033	-	-
Less: Deferred bond charges	(9,553)	(14,277)	-	-
Total bonds and notes payable	815,866	903,756	-	-
Less: Current portion classified as current liabilities	-	(39,200)	-	-
Non-current portion	815,866	864,556	-	-

Movements in unamortised discount on bonds are as follows:

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
At the beginning of the year	671	81	-	-
Additions	-	746	-	-
Amortisation during the year	(160)	(158)	-	-
Currency realignment	53	2	-	-
At the end of the year	564	671	-	-

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

30 Bonds and Notes Payable (cont'd)

Movements in deferred bond charges are as follows:

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
At the beginning of the year	14,277	11,482	-	-
Additions	-	6,907	-	-
Amortisation during the year	(4,293)	(4,128)	-	-
Expensed off during the year	(1,011)	-	-	-
Currency realignment	580	16	-	-
At the end of the year	9,553	14,277	-	-
Less: Current portion	-	(40)	-	-
Non-current portion	9,553	14,237	-	-

The above Zero Percent Convertible Bonds are convertible at the option of the bondholders from 54 months after the date of the renewal to 10 business days prior to the fifth anniversary of the date of the renewal into new ordinary shares of PT Paraga Artamida ("PAM"), a subsidiary of the Group at an exercise price based on 70% of the net tangible asset value of PAM at the exercise date. As at the end of the financial year, there was no conversion of bonds into equity shares of PAM.

The Group issues various bonds and notes under its issuance programs. Saved for the secured bonds below, the bonds and notes issued were unsecured. As at 31 December 2019, the secured bonds amounting to $63,116,000 (2018: $97,740,000) were secured by certain properties held for sale, land under development for sale and investment properties of the Group (Notes 17, 22 and 23). As at end of the financial year, there is no breach of bond covenants.

31 Obligations under Finance Lease

	Group	Company
	2018	2018
	S$'000	S$'000
Minimum lease payments		
Amount payable under finance leases:		
Within one year	377	45
Between one year to five years	65	65
	442	110
Less: Future finance charges	(28)	(13)
Present value of lease obligations	414	97
Present value of minimum lease payments		
Amount payable under finance leases:		
Within one year	357	40
Between one year to five years	57	57
	414	97
Less: Amount due for settlement within 12 months	(357)	(40)
Amount due for settlement after 12 months	57	57
Net book value of assets under finance leases	884	212
Interest rate per annum for finance leases (%)	2.7 – 4.3	2.7

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

31 **Obligations under Finance Lease** (cont'd)

The obligations under finance lease were reclassified to lease liabilities on 1 January 2019 arising from the adoption of SFRS(I) 16 (Notes 2(a) and 32).

The obligations under finance lease were denominated in the following currencies:

	Group 2018 S$'000	Company 2018 S$'000
United States Dollar	313	-
Singapore Dollar	97	97
Malaysian Ringgit	4	-
	414	97

32 **Lease Liabilities**

Nature of leasing activities and carrying amount of ROU assets

- Leasehold land and buildings

The Group has made periodic lease payments for buildings for the purpose of office usage. These buildings are recognised within property, plant and equipment (Note 24).

The Group has also made upfront payments to secure the right-of-use of leasehold land, which the Group constructed buildings on it and used them in the Group's hotel and golf course operations. These leasehold land and buildings are classified within property, plant and equipment (Note 24).

- Plant, machinery and equipment

The Group leases plant, machinery and equipment for the purpose of office usage.

- Motor vehicles, furniture and fixtures

The Group entered into leases of motor vehicles under finance lease arrangement. On 1 January 2019, the obligations under finance leases were reclassified to lease liabilities arising from the adoption of SFRS(I) 16.

The carrying amounts of ROU assets classified within property, plant and equipment are as follows:

	Group		Company	
	31 December 2019 S$'000	1 January 2019 S$'000	31 December 2019 S$'000	1 January 2019 S$'000
Leasehold land and buildings/improvement	23,526	22,452	1,504	1,692
Plant, machinery and equipment	1,080	373	-	-
Motor vehicles, furniture and fixtures	179	884	124	212
	24,785	23,709	1,628	1,904

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

32 Lease Liabilities (cont'd)

Nature of leasing activities and carrying amount of ROU assets (cont'd)

The additions of ROU assets classified within property, plant and equipment for the Group during the current financial year was $2,670,000. There were no additions to ROU assets during the current financial year for the Company.

Depreciation charges on ROU assets classified within property, plant and equipment during the current financial year are as follows:

	Group S$'000	Company S$'000
Leasehold land and buildings/improvement	1,579	188
Plant, machinery and equipment	446	-
Motor vehicles, furniture and fixtures	753	88
	2,778	276

Amounts recognised in the consolidated income statement and statement of cash flows are as follows:

	Group 2019 S$'000
Interest expense on lease liabilities (Note 7)	222
Expenses relating to low-value assets	36
Total cash outflows for leases	1,315

Lease liabilities	Group 2019 S$'000	Company 2019 S$'000
Lease liabilities denominated in:		
Indonesian Rupiah	1,125	-
Singapore Dollar	1,684	1,637
Malaysian Ringgit	33	-
Total lease liabilities (Note 35)	2,842	1,637
Less: Current portion of lease liabilities	(811)	(203)
Non-current portion	2,031	1,434

The above lease liabilities of the Group and the Company include balances with a related party of $1,637,000.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

33 Borrowings

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Secured borrowings denominated in:				
British Pound	566,604	554,882	-	-
Singapore Dollar	2,500	2,500	-	-
Indonesian Rupiah	478,891	327,178	-	-
	1,047,995	884,560	-	-
Unsecured borrowings denominated in:				
United States Dollar	125,798	63,492	-	-
Chinese Renminbi	43,819	-	-	-
Australian Dollar	18,700	-	-	-
	1,236,312	948,052	-	-
Less: Current portion classified as current liabilities	(63,174)	(35,870)	-	-
Non-current portion	1,173,138	912,182	-	-

As at 31 December 2019, the Group has borrowings amounting to $76,306,000 (2018: $91,775,000) which have been netted against deposits as the Group has the legal rights to set-off the borrowings against the deposits.

The interest rates per annum for the above borrowings are as follows:

	Group		Company	
	2019	2018	2019	2018
	%	%	%	%
British Pound	2.2 – 3.1	2.2 – 3.2	-	-
Indonesian Rupiah	8.7 – 9.6	6.6 – 9.8	-	-
Singapore Dollar	3.2	2.7	-	-
Australian Dollar	4.5	-	-	-
Chinese Renminbi	4.8	-	-	-
United States Dollar	3.0 – 7.6	3.1	-	-

The scheduled maturities of the Group's borrowings are as follows:

	Original Loan Currency						Singapore Dollar Equivalent
Year	IDR'million	GBP'000	S$'000	USD'000	RMB'000	AUD'000	$'000
As at 31 December 2019							
Borrowings repayable in:							
2020	640,664	547	-	-	-	-	63,174
2021	810,468	33,564	-	10,904	227,039	19,809	215,178
2022	2,155,811	157,525	-	34,500	-	-	533,987
2023	1,050,000	-	-	-	-	-	101,956
2024	275,000	129,204	2,500	47,988	-	-	322,017
Total	4,931,943	320,840	2,500	93,392	227,039	19,809	1,236,312
Current portion	(640,664)	(547)	-	-	-	-	(63,174)
Non-current portion	4,291,279	320,293	2,500	93,392	227,039	19,809	1,173,138

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

33 Borrowings (cont'd)

Year	IDR'million	GBP'000	S$'000	USD'000	Singapore Dollar Equivalent $'000
	Original Loan Currency				
As at 31 December 2018					
Borrowings repayable in:					
2019	388,029	547	-	-	35,870
2020	262,500	547	-	-	24,572
2021	421,580	33,564	-	-	96,075
2022	1,668,750	157,174	-	-	422,413
2023	525,000	-	-	-	47,250
Thereafter	369,443	128,539	2,500	46,548	321,872
Total	3,635,302	320,371	2,500	46,548	948,052
Current portion	(388,029)	(547)	-	-	(35,870)
Non-current portion	3,247,273	319,824	2,500	46,548	912,182

Certain of the Group's time deposits, properties held for sale, properties under development for sale, investment properties and property, plant and equipment have been pledged to banks to obtain the above secured borrowings (Notes 13, 17, 22, 23 and 24).

The bank loan agreements generally include covenants that require the maintenance of certain financial ratios, limit or require written notification of the amount of additional borrowings that may be incurred, and limit the transfer or disposal of pledged assets and acting as guarantor to other parties. Any non-compliance with these covenants will result in these loans becoming repayable immediately upon service of a notice of default by the lenders. In addition, the bank loan agreements contain cross default clauses whereby non-compliance with covenants for other financial indebtedness would result in acceleration of repayment of the outstanding loan balances. As at the end of the financial year, there is no breach of loan covenants.

34 Long-Term Liabilities

	Group 2019 S$'000	Group 2018 S$'000	Company 2019 S$'000	Company 2018 S$'000
Advances and deposits received on development properties	631,780	528,846	-	-
Less: Current portion classified as current liabilities (Note 29)	(506,746)	(382,399)	-	-
Non-current liabilities	125,034	146,447	-	-
Retirement benefit obligations (Note 12)	48,268	38,927	-	-
Security deposits	9,732	12,460	-	-
Advances and deposits received on rental and others	52,146	52,226	-	-
	235,180	250,060	-	-

Long-term liabilities are denominated in the following currencies:

	Group 2019 S$'000	Group 2018 S$'000	Company 2019 S$'000	Company 2018 S$'000
Indonesian Rupiah	229,899	244,788	-	-
United States Dollar	5,281	5,272	-	-
	235,180	250,060	-	-

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

34 Long-Term Liabilities (cont'd)

Advances and deposits received on development properties represent the contract liabilities relate to the Group's obligation to transfer goods or services to customer for which the Group has received considerations from customers for construction of development properties. Advances and deposits received are generally received when the sales contract is signed. Contract liabilities are recognised as revenue when the Group has satisfied its performance obligation to complete the development and deliver the property to the customer.

Significant changes in the contract liabilities balances during the financial years are disclosed as follows:

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Revenue recognised during the year	880,506	638,771	-	-
Increase due to cash received, excluding amounts recognised as revenue during the year	945,624	647,215	-	-

As at 31 December 2019, the aggregate amount of transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations is $1,416,391,000 (2018: $1,075,034,000). The Group expects the above amounts to be recognised as revenue over the next one to seven years (2018: one to seven years).

35 Changes in Liabilities arising from Financing Activities

The reconciliation of movements of liabilities to cash flows arising from financing activities during the current financial year is as follows:

	Bonds and notes payable	Borrowings	Lease liabilities	Obligations under finance lease
	S$'000	S$'000	S$'000	S$'000
At 31 December 2018	903,756	948,052	-	414
Reclassification of obligations previously classified as finance lease	-	-	414	(414)
Recognition of lease liabilities on adoption of SFRS(I) 16	-	-	2,395	-
At 1 January 2019	903,756	948,052	2,809	-
Additions	-	297,348	-	-
Repayments	(132,611)	(45,081)	(1,093)	-
Non-cash changes:				
Amortisation of discount on bonds	160	-	-	-
Amortisation of deferred bond charges	4,293	-	-	-
Deferred bond charges expensed off	1,011	-	-	-
New leases	-	-	1,126	-
Foreign exchange movement	39,257	35,993	-	-
At 31 December 2019	815,866	1,236,312	2,842	-

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

35 Changes in Liabilities arising from Financing Activities (cont'd)

	Bonds and notes payable	Borrowings	Obligations under finance lease
	S$'000	S$'000	S$'000
At 1 January 2018	719,078	801,031	4,844
Additions	390,987	282,212	-
Repayments	(157,500)	(98,368)	(4,181)
Payment of deferred bond charges	(6,907)	-	-
Non-cash changes:			
Amortisation of discount on bonds	158	-	-
Amortisation of deferred bond charges	4,128	-	-
Other movements in discount on bonds	(746)	-	-
Foreign exchange movement	(45,442)	(36,823)	(249)
At 31 December 2018	903,756	948,052	414

36 Issued Capital and Treasury Shares

Group and Company	No. of ordinary shares		Amount	
	Issued capital	Treasury shares	Issued capital	Treasury shares
	'000	'000	S$'000	S$'000
Balance at beginning and end of the year	4,549,319	(293,457)	2,057,844	(170,460)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. The holders of ordinary shares, except for treasury shares, are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders meetings. All shares, except for treasury shares, rank equally with regards to the Company's residual assets.

37 Dividends

	Group and Company	
	2019	2018
	S$'000	S$'000
Final dividends paid in respect of the previous year of $0.002 (2018: $0.007) per share	8,512	29,791

At the annual general meeting to be held on 27 April 2020, a first and final tax exempted (one tier) dividend of $0.0038 per share, amounting to $16,172,277.48 will be recommended. These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained earnings for the financial year ending 31 December 2020.

38 Holding Company

The directors of the Company regard Flambo International Limited, a company incorporated in the British Virgin Islands as the ultimate holding company. The controlling shareholders of the Company comprise certain members of the Widjaja family.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

39 Related Party Transactions

(a) In addition to the related party information disclosed elsewhere in the financial statements, significant transactions with related parties, on terms agreed between parties, were as follows:

		Group		Company	
		2019	2018	2019	2018
		S$'000	S$'000	S$'000	S$'000
i)	Interest income from:				
	Subsidiaries	-	-	2,518	1,498
	Associated companies	1,057	-	-	-
	Joint venture	1,278	970	-	-
	Related parties	160	1,373	-	-
ii)	Dividend income from a subsidiary	-	-	2,712	-
iii)	Sales of goods and services				
	Management fee from:				
	Subsidiaries	-	-	3,018	3,388
	Associated companies and joint ventures	2,901	2,239	-	-
	Rental income from:				
	Associated companies and joint ventures	1,029	1,188	-	-
	Related parties	39,903	40,882	22	22
iv)	Purchase of goods and services				
	Insurance premium to a related party	3,512	3,486	-	-
	Rental expense to:				
	Subsidiaries	-	-	120	125
	Related parties	-	243	-	243

(b) The remuneration of key management personnel who are also directors are as follows:

	Group	
	2019	2018
	S$'000	S$'000
Directors' remuneration:		
Directors of the Company	12,679	10,674
Other key management personnel	5,256	4,673

Included in the above remuneration are post-employment benefits (represents the contributions to defined contribution plans) of $55,061 (2018: $52,236).

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

40 Financial Risk Management

(a) Capital Risk Management

The Group manages its capital to safeguard the Group's ability to continue as a going concern in order to maximise return to shareholders and benefits for other stakeholders through the optimisation of the debts and equity balance. The Group's overall strategy remains unchanged since 2018.

The directors of the Company review the capital structure on a semi-annual basis and make adjustment to it, in light of changes in economic conditions. As a part of the review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Accordingly, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-back. Capital includes all capital and reserves of the Group (total equity). Neither the Group nor the Company is subject to any externally imposed capital requirements.

The directors of the Company also review the gearing ratio on a semi-annual basis. The gearing ratio, net debt and total equity of the Group as at 31 December 2019 and 2018 are as follows:

	2019	2018
	S$'000	S$'000
Borrowings (Note 33)	1,236,312	948,052
Bonds and notes payable (Note 30)	815,866	903,756
Lease liabilities (Note 32)	2,842	-
Obligations under finance lease (Note 31)	-	414
Total debt	2,055,020	1,852,222
Cash and cash equivalents (Note 13)	(1,090,335)	(984,135)
Net debt	964,685	868,087
Total equity	4,698,671	3,783,307
Gearing ratio	21%	23%

(b) Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risks (including interest rate risk, foreign currency risk and price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance. The Group may use relevant financial instruments to manage certain risks. Such financial instruments are not held for trade or speculative purposes.

(i) Interest Rate Risk

The Group is exposed to interest rate risk primarily on its existing interest-bearing financial instruments. Financial instruments issued at variable rates expose the Group to cash flow interest rate risk. Financial instruments issued at fixed rates expose the Group to fair value interest rate risk. The interest rate that the Group will be able to obtain on its financial instruments will depend on market conditions at that time, and may differ from the rates the Group has secured currently.

As at the end of the current reporting period, if interest rates on net financial liabilities at variable rate had been 0.5% lower/higher with all other variables held constant, profit before income tax for the year and total equity would have been $213,000 and $328,000 higher/lower respectively, mainly as a result of lower/higher interest expenses on net financial liabilities at variable rate, net of applicable income taxes. This analysis is prepared assuming the amount of net financial liabilities outstanding at the end of the reporting period was outstanding for the whole year.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

40 Financial Risk Management (cont'd)

(b) Financial Risk Management (cont'd)

(i) Interest Rate Risk (cont'd)

As at the end of the previous reporting period, if interest rates on all net financial assets at variable rate had been 0.5% lower/higher with all other variables held constant, profit before income tax for the year and total equity would have been $544,000 and $241,000 lower/higher respectively, mainly as a result of lower/higher interest income on net financial assets at variable rate, net of applicable income taxes. This analysis is prepared assuming the amount of net financial assets outstanding at the end of the reporting period was outstanding for the whole year.

The interest rates and repayment terms of interest-bearing financial instruments are disclosed in the respective notes to the financial statements. The interest rate profile of the Group's financial instruments as at the end of the reporting period was as follows:

	2019 S$'000	2018 S$'000
Financial assets		
Fixed rate	364,051	122,458
Variable rate	1,084,817	1,056,798
Non-interest bearing	373,866	191,753
	1,822,734	1,371,009
Financial liabilities		
Fixed rate	926,178	902,909
Variable rate	1,127,321	948,052
Non-interest bearing	140,754	183,543
	2,194,253	2,034,504

(ii) Foreign Currency Risk

The Group operates in several countries. Entities within the Group may transact in currencies other than their respective functional currency ("foreign currency") such as the United States Dollar ("USD"), the Indonesian Rupiah ("IDR"), the Malaysian Ringgit ("RM"), the British Pound ("GBP"), the Hong Kong Dollar ("HKD") and the Singapore Dollar ("SGD") which is also the Company's presentation currency.

The Group faces foreign exchange risk as its borrowings and cost of certain key purchases are either denominated in foreign currencies or whose price is influenced by their benchmark price movements in foreign currencies (especially USD) as quoted on international markets. The Group does not have any formal hedging policy for its foreign exchange exposure and did not actively engage in activities to hedge its foreign currency exposures during the financial year. The Group seeks to manage the foreign currency risk by constructing natural hedges where it matches revenue and expenses in any single currency. The Group is also exposed to currency translation risks arising from its net investments in foreign operations. These net investments are not hedged as currency positions as these foreign operations are considered long-term in nature.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

40 Financial Risk Management (cont'd)

(b) Financial Risk Management (cont'd)

(ii) Foreign Currency Risk (cont'd)

The entities within the Group have different functional currencies depending on the currency of their primary economic environment. A 5% strengthening of the functional currency of these entities against the following currencies at the reporting date would increase/(decrease) the Group's profit before income tax by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant:

	Group	
	2019	2018
	S$'000	S$'000
SGD against functional currencies of USD and HKD	16,329	15,199
USD against functional currencies of SGD, RM and IDR	9,926	3,062
GBP against functional currencies of SGD and USD	3,627	2,980

(iii) Price Risk

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices. The Group is exposed to equity securities price risk arising from its investments held that are classified as fair value through other comprehensive income and fair value through profit or loss. The Group monitors the market closely to ensure that the risk exposure to the volatility of the investments is kept to a minimum. As at the end of the reporting period, the Group has no significant exposure to price risk.

(iv) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counter-party to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and cash and cash equivalents.

Trade debtors comprise mainly the Group's customers who bought properties and tenants of investment properties. The tenants of investment properties and purchasers of development properties may default on their obligations to pay the amount owing to the Group. The Group manages credit risks by requiring the customers/tenants to furnish cash deposits, and/or bankers' guarantees. The Group also performs regular credit evaluations of its customers' financial conditions and only entered into contracts with customers with an appropriate credit history.

For sales of development properties, the Group generally has certain recourse, which include forfeiture of deposit and/or installments paid and re-sale of the re-possessed properties. The fair value of such collaterals is generally higher than the carrying amount of the trade receivables from the Group's customers.

Cash and cash equivalents mainly comprise deposits with banks and financial institutions which are regulated.

Concentrations of credit risk exist when changes in economic, industry or geographical factors similarly affect counter-parties whose aggregate credit exposure is significant in relation to the Group's total credit exposure. The Group has no significant concentration of credit risks with exposure spread over a large number of counter-parties and customers.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

40 **Financial Risk Management** (cont'd)

(b) Financial Risk Management (cont'd)

(iv) Credit Risk (cont'd)

The maximum exposure to credit risk in the event that the counter parties fail to perform their obligations as at the end of the reporting period in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statements of financial position, except as follows:

	Company	
	2019	2018
	S$'000	S$'000
Corporate guarantees provided to financial institutions on borrowings of subsidiaries:		
- Total facilities	591,852	565,971
- Total outstanding	583,791	557,382

(v) Liquidity Risk

To manage liquidity risk, the Group and Company maintain a level of cash and cash equivalents and funding facilities deemed adequate by management to finance its operations. In assessing the adequacy of the facilities, management reviews its working capital requirements. The table below analyses the maturity profile of the Group's and the Company's financial liabilities based on the contractual undiscounted cash flows (inclusive of principals and estimated interest until maturity).

Group	Less than 1 year	1 to 5 years	Over 5 years	Total
	S$'000	S$'000	S$'000	S$'000
At 31 December 2019				
Bonds and notes payable	54,615	889,964	-	944,579
Borrowings	124,775	1,274,655	-	1,399,430
Lease liabilities	870	1,441	672	2,983
Other financial liabilities	139,233	-	-	139,233
Total financial liabilities	319,493	2,166,060	672	2,486,225
At 31 December 2018				
Bonds and notes payable	99,544	991,669	-	1,091,213
Borrowings	77,945	704,529	327,755	1,110,229
Obligations under finance lease	377	65	-	442
Other financial liabilities	182,282	-	-	182,282
Total financial liabilities	360,148	1,696,263	327,755	2,384,166
Company				
At 31 December 2019				
Other financial liabilities	346,322	-	-	346,322
Lease liabilities	208	764	672	1,644
Financial guarantee contracts	966	582,825	-	583,791
	347,496	583,589	672	931,757
At 31 December 2018				
Other financial liabilities	363,440	-	-	363,440
Obligations under finance lease	45	65	-	110
Financial guarantee contracts	947	331,305	225,130	557,382
	364,432	331,370	225,130	920,932

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

41 Commitments

(a) The Group as a lessor

The Group leased out its investment properties to third parties. These leases have varying terms, escalation clauses and renewal rights. Rental income from investment properties are disclosed in Note 23 to the financial statements. At the end of the reporting period, the total committed rental income in respect of these operating leases are as follows:

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Future minimum lease receivable:				
Within one year	58,499	71,951	-	-
Between one year to five years	171,514	164,934	-	-
After five years	167,506	196,215	-	-

(b) Estimated expenditure committed but not provided for in the financial statements are as follows:

	Group		Company	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Property development	179,073	163,933	-	-
Capital expenditure	9,062	17,970	-	-

42 Financial Instruments

Fair Value of Financial Instruments

The carrying amounts of financial assets and liabilities with a maturity of less than one year, which include cash and cash equivalents, short-term investments, trade and other receivables, trade and other payables, short-term bonds and notes payable, short-term borrowings, short-term lease liabilities and short-term obligations under finance lease are assumed to approximate their fair values due to their short-term maturities.

The fair values of long-term receivables and long-term borrowings (which include lease liabilities, obligations under finance lease, bonds and notes payable and borrowings) are calculated based on discounted expected future principal and interest cash flows. The discount rates used are based on market rates for similar instruments at the end of the reporting period. As at 31 December 2019 and 2018, the carrying amounts of the long-term receivables and long-term borrowings approximate their fair values.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

42 Financial Instruments (cont'd)

Fair Value Hierarchy

The table below presents financial assets carried at fair value and classified by level of the following fair value measurement hierarchy:

(a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
(b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is as prices) or indirectly (i.e. derived from prices); and
(c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Group	Level 1 S$'000	Level 2 S$'000	Level 3 S$'000	Total S$'000
At 31 December 2019				
Financial assets at fair value through other comprehensive income	-	-	8,699	8,699
Financial assets at fair value through profit or loss	51,060	129,976	157,037	338,073
Total	51,060	129,976	165,736	346,772
At 31 December 2018				
Financial assets at fair value through other comprehensive income	-	-	8,062	8,062
Financial assets at fair value through profit or loss	24,670	121,487	22,364	168,521
Total	24,670	121,487	30,426	176,583

Methods and Assumptions Used to Determine Fair Values

The methods and assumptions used by management to determine fair values of assets and liabilities are as follows:

(a) Level 1 fair value measurements

The fair value of securities traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current bid price.

(b) Level 2 fair value measurements

The fair value of unquoted fund and debt securities is determined by reference to fund statements provided by non-related fund manager and price of recent transaction.

(c) Level 3 fair value measurements

The fair values of financial assets at financial assets at fair value through profit or loss ("FVPL") were determined by reference to price of recent transaction and valuation report prepared by independent professional valuer.

The fair value of financial assets at financial assets at fair value through other comprehensive income ("FVOCI") were determined by reference to valuation reports provided by external valuers.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

42 Financial Instruments (cont'd)

Methods and Assumptions Used to Determine Fair Values (cont'd)

Details of valuation techniques are as follows:

- Price of recent transaction

As at 31 December 2019, the fair value of financial asset amounting to $134,979,000 was made with reference to price of recent transaction. No quantitative information has been presented as the transacted price without adjustment is used to approximate the fair value of this investment. Subject to meeting certain conditions, the Group is entitled to profit-sharing on the disposal of certain investment assets held by this investment. When the projected profits from sale of the investment assets increase, the estimated fair value increases.

- Valuation reports

As at 31 December 2019, the fair value of financial assets amounting to $30,757,000 was made with reference to valuations using the market approach and discounted cash flow method. Key unobservable inputs used in the valuation models are as follows:

Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Ratio of projected gross booking volume ("GBV") growth to invested capital multiple ranging from 5.83 to 6.91.	The estimated fair value increases as the ratio of projected GBV growth to invested capital multiple increases.
Discount rate per annum of 11.07%	The estimated fair value increases as the estimated discount rate per annum decreases.

Reconciliation of Level 3 fair value movements during the current financial year are as follows:

	2019		2018	
Group	FVOCI	FVPL	FVOCI	FVPL
	S$'000	S$'000	S$'000	S$'000
At the beginning of the year	8,062	22,364	2,176	6
Net additions during the year	-	134,973	-	22,358
Changes in fair value recognised in:				
- other comprehensive income	-	-	6,634	-
- income statement	-	(22)	-	-
Currency realignment	637	(278)	(748)	-
At the end of the year	8,699	157,037	8,062	22,364

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

43 Acquisition and Disposal of Subsidiaries and Transactions with Non-controlling Interests

(a) Acquisition of a subsidiary during the financial year 2019

On 1 April 2019, the Group through its subsidiary, acquired the remaining 75,000 shares in a joint venture, PT Trans Bumi Serbaraja ("TBS") for an aggregate consideration of IDR90.9 million (equivalent to $8,711,000). Following the acquisition, TBS became a subsidiary of the Group. The Group recognised a gain of $3,360,000 as a result of re-measuring previously held equity interest in TBS before the business combination and a negative goodwill of $2,101,000 which are included as exceptional items in the consolidated income statement. Accordingly, the Group's effective interest in TBS increased from 24.54% to 49.08%.

From the date of acquisition, it contributed revenue of $11,645,000 and loss before tax of $1,006,000 to the Group's results. If the acquisition had occurred on 1 January 2019, management estimated that there would have been no significant changes to the Group's result.

The fair values of the identifiable assets acquired and liabilities assumed at the acquisition date, after taking into account the fair value adjustment based on an independent valuation report, were as follows:

Net assets acquired:	Previous carrying amount S$'000	Fair value adjustment S$'000	Fair value recognised on acquisition S$'000
Cash and cash equivalents	6,909	-	6,909
Property, plant and equipment	7	-	7
Intangible assets	6,319	6,720	13,039
Long-term receivables	1,702	-	1,702
Other payables and liabilities	(24)	-	(24)
Income taxes payable	(1)	-	(1)
Long-term liabilities	(8)	-	(8)
Total identifiable net assets	14,904	6,720	21,624
Less: Transfer from investment in a joint venture			(7,452)
Less: Gain on equity interest			(3,360)
Less: Negative goodwill			(2,101)
Total purchase consideration			8,711
Less: Cash and cash equivalents acquired			(6,909)
Net cash outflow on acquisition of a subsidiary			1,802

(b) Disposal of a subsidiary during the financial year 2018

On 9 February 2018, the Group through its subsidiary disposed its entire shareholdings in PT Duta Virtual Dotkom ("DVD") for a cash consideration of IDR74 million (equivalent to $8,000). Compared to the net assets disposed off of $17,000, the Group recorded a loss on disposal of $9,000. Aggregate of cash outflow arising from disposal of a subsidiary is as follow:

	DVD S$'000
Cash consideration from disposal of subsidiary	8
Less: Cash and cash equivalents from disposed subsidiary	(17)
Net cash outflow on disposal of a subsidiary	(9)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

43 Acquisition and Disposal of Subsidiaries and Transactions with Non-controlling Interests (cont'd)

(c) Change in ownership interest in subsidiaries during the financial year 2019

(i) On 13 February 2019, the Group through its subsidiary, acquired the remaining 542,500 shares in PT Pembangunan Deltamas ("PDM") from its non-controlling shareholders for a cash consideration of IDR542.5 million (equivalent to $52,000). Following the transaction, the Group's effective interest in PDM increased from 57.28% to 57.30%. The Group recognised an increase in other reserves of $32,000 and a decrease in non-controlling interests of $84,000.

(ii) On 18 December 2019, the Group through its subsidiary, subscribed for additional 20,000,000 new shares in PT Wijaya Pratama Raya ("WPR") for an aggregate consideration of IDR20.0 billion (equivalent to $1,942,000). Following this capital subscription, the Group's effective interest in WPR increased from 30.49% to 31.94%. The Group recognised an increase in other reserves and a decrease in non-controlling interests of $626,000.

(d) Change in ownership interest in subsidiaries during the financial year 2018

(i) On 2 February 2018, the Group through its subsidiary, subscribed for additional 24,000,000 new shares in WPR for an aggregate consideration of IDR24.0 billion (equivalent to $2,400,000). Following these capital subscriptions, the Group's effective interest in WPR increased from 27.80% to 30.07%. The Group recognised an increase in other reserves and a decrease in non-controlling interests of $1,004,000.

(ii) On 13 February 2018, the Group through its subsidiary, acquired additional 2,328 shares in PT Mustika Candraguna ("MCG") from its non-controlling shareholders for a cash consideration of IDR4.5 billion (equivalent to $450,000). Subsequently on 25 June 2018, there was a return of capital by MCG totalling IDR35.0 billion (equivalent to $3,150,000). Following these transactions, the Group's effective interest in MCG increased from 53.88% to 57.32%. The Group recognised an increase in other reserves and a decrease in non-controlling interests of $197,000 and $647,000, respectively.

(iii) During the financial year 2018, PT Bumi Serpong Damai Tbk ("BSD"), a subsidiary of the Group, bought back its own shares aggregating 257,970,700 shares for an aggregate consideration of IDR288.0 billion (equivalent to $25,920,000). Following these shares buy-back, the Group's effective interest in BSD increased from 48.41% to 49.08%. The Group recognised an increase in other reserves and a decrease in non-controlling interests of $2,790,000 and $28,710,000 respectively.

44 Segments Information

The Executive Committee ("Exco") is the Group's chief operating decision-maker and it comprises the Chief Executive Officer, the Executive Directors, the Chief Financial Officer, and the head of each primary geographic segment. Management has determined the operating segments based on the reports reviewed by the Exco that are used to make strategic decisions, allocate resources and assess performance.

Management manages and monitors the business in the two primary areas, namely, Indonesia (excluding Batam) and International (excluding Indonesia). Indonesia Property engages in and derives revenue from investment and development of commercial, industrial and residential properties and ownership and management of hotels and resorts in Indonesia (excluding Batam).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

44 Segments Information (cont'd)

International Property engages in and derives revenue from investment and development of commercial and residential properties and ownership and management of hotels and resorts in Malaysia, select mixed development in China and ownership and leasing of investment property in Singapore. Although the United Kingdom Property which derives revenue from leasing of investment property was managed and monitored together with the International Property, it has been separately reported as it meets the quantitative thresholds required by SFRS(I) 8 for reportable segments.

Others operations include the investment holding and corporate office. The Group's reportable segments have been aggregated based on similar economic growth rates. Segment information about these businesses is presented below.

Group	Indonesia Property	International Property	United Kingdom Property	Others/ Eliminations	Total
	S$'000	S$'000	S$'000	S$'000	S$'000
2019					
Total revenue	1,120,500	16,947	35,636	-	1,173,083
Inter-segment revenue	(92)	(120)	-	-	(212)
Revenue from external customers	1,120,408	16,827	35,636	-	1,172,871
EBITDA	594,622	794	26,173	(5,593)	615,996
Other Information					
Additions to investment properties and property, plant and equipment	54,653	691	-	-	55,344
Depreciation expenses	(39,105)	(1,712)	(9,458)	(316)	(50,591)
Interest income	59,375	11,044	47	(520)	69,946
Interest expenses	(150,800)	(15,246)	(15,383)	7,589	(173,840)
(Allowance for)/ Write-back of impairment loss on trade and non-trade receivables	39	(7,822)	113	-	(7,670)
Gain on disposal of property, plant and equipment	55	(2)	-	-	53
Effect of restructuring of an associated company	368,240	-	-	-	368,240
Gain on equity interest	3,360	-	-	-	3,360
Negative goodwill	2,101	-	-	-	2,101
Share of profit/(loss) of:					
Associated companies	6,675	(576)	-	-	6,099
Joint ventures	8,898	(7)	-	-	8,891
Assets					
Segment assets	6,034,876	362,039	955,574	(282,473)	7,070,016
Investment in:					
Associated companies	543,505	17,586	-	-	561,091
Joint ventures	125,715	721	-	-	126,436
Total assets	6,704,096	380,346	955,574	(282,473)	7,757,543
Liabilities					
Segment liabilities	2,709,337	359,051	614,727	(624,243)	3,058,872

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

44 Segments Information (cont'd)

Group	Indonesia Property	International Property	United Kingdom Property	Others/ Eliminations	Total
	S$'000	S$'000	S$'000	S$'000	S$'000
2018					
Total revenue	814,713	17,563	40,745	-	873,021
Inter-segment revenue	(8,762)	(125)	-	-	(8,887)
Revenue from external customers	805,951	17,438	40,745	-	864,134
EBITDA	426,876	6,629	29,479	(2,824)	460,160
Other Information					
Additions to investment properties and property, plant and equipment	96,984	677	234	2	97,897
Depreciation expenses	(40,911)	(2,269)	(9,509)	(127)	(52,816)
Interest income	43,877	7,915	36	(790)	51,038
Interest expenses	(135,628)	(9,774)	(13,968)	8,054	(151,316)
Loss allowance on trade and non-trade receivables	(982)	(192)	(192)	(26)	(1,392)
Finance lease receivables written off	(13,802)	-	-	-	(13,802)
Gain on disposal of property, plant and equipment	142	6	-	-	148
Gain on disposal of investment properties	-	1,416	-	-	1,416
Share of profit/(loss) of:					
Associated companies	11,297	-	-	-	11,297
Joint ventures	(3,735)	-	-	-	(3,735)
Assets					
Segment assets	5,614,665	320,077	922,952	(686,571)	6,171,123
Investment in:					
Associated companies	247,149	-	-	-	247,149
Joint ventures	142,262	-	-	-	142,262
Total assets	6,004,076	320,077	922,952	(686,571)	6,560,534
Liabilities					
Segment liabilities	2,865,845	278,331	589,607	(956,556)	2,777,227

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

44 Segments Information (cont'd)

The Exco assesses the performance of the operating segments based on a measure of earnings before income tax, non-controlling interests, interest on borrowings, foreign exchange loss, depreciation, exceptional item, share of results of associated companies and joint ventures ("EBITDA"). All inter segment sales and transfers are accounted for as if the sales or transfers were to a third party, i.e. at current market prices. A reconciliation of total EBITDA to total profit before income tax is as follows:

	2019 S$'000	2018 S$'000
EBITDA for reportable segments	621,589	462,984
Other EBITDA	(5,593)	(2,824)
Depreciation expenses	(50,591)	(52,816)
Foreign exchange (loss)/gain	(12,010)	5,655
Interest expenses	(173,840)	(151,316)
Exceptional items	373,701	-
Share of results of associated companies	6,099	11,297
Share of results of joint ventures	8,891	(3,735)
Profit before income tax	768,246	269,245

The following table provides an analysis of the Group's revenue from business by geographical market, irrespective of the origin of the goods/services.

	2019 S$'000	2018 S$'000
Indonesia	1,126,790	810,769
United Kingdom	35,636	40,745
Malaysia	9,907	10,856
China	538	1,764
Consolidated revenue	1,172,871	864,134

The following tables present an analysis of the carrying amount of non-current non-financial assets and additions to investment properties and property, plant and equipment, analysed by the geographical area in which the assets are located:

	2019 S$'000	2018 S$'000
Indonesia	2,880,282	2,525,062
United Kingdom	860,791	853,624
Malaysia	45,695	46,108
Singapore	3,475	2,131
China	213	213
Total carrying amount of non-current non-financial assets	3,790,456	3,427,138
Indonesia	54,864	97,371
Malaysia	454	286
United Kingdom	-	234
Singapore	17	2
China	9	4
Total additions to investment properties and property, plant and equipment	55,344	97,897

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

45 Subsidiaries

The details of the subsidiaries are as follows:

Name of company and country of incorporation	Principal activities	Effective percentage of equity held by the Group 2019 %	2018 %
AFP International Finance Limited (1) Mauritius	Provision of management and consultancy services	100.00	100.00
AFP International Finance(2) Ltd (1) Mauritius	Financing activities	100.00	100.00
AFP International Finance (3) Ltd (2) British Virgin Islands	Investment holding	100.00	100.00
Asia Management Services Ltd (1) Mauritius	Provision of management and consultancy services	100.00	100.00
Bali Indowisata Pte. Ltd. Singapore	Investment holding	100.00	100.00
Ever Forward Asia Limited (1) Hong Kong	Dormant	100.00	100.00
Golden Ray Development Pte. Ltd. Singapore	Collective portfolio investment funds with rental income	100.00	100.00
Prime Glory Capital Limited (1),(7) Mauritius	Property investment	-	100.00
Sinarmas Land Overseas Holding Pte. Ltd. Singapore	Investment holding	100.00	100.00
PT Indowisata Makmur (1) Indonesia	Property development	95.28	95.28
United Kingdom Property Division			
Agamemnon S.a r.l (4g) Luxembourg	Investment holding	100.00	100.00
Alphabeta Limited Partnership (4g) England and Wales	Property investment and development	100.00	100.00
Horseferry Property Limited (4g) Guernsey	Property investment	100.00	100.00
GMN No 2 Limited (3),(7) England and Wales	Dormant	-	100.00
SML Alpha S.a r.l (4g) Luxembourg	Property investment holding	100.00	100.00
SML Brook England (HK) Limited (4e) Hong Kong	Investment holding	100.00	100.00

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

45 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	Effective percentage of equity held by the Group 2019 %	2018 %
SML Brook Partners Pte Limited (3),(7) Jersey	Investment holding	-	100.00
SML Chancery Pte Limited (3),(7) Jersey	Property investment	-	100.00
SML Great Pte Limited (4g) Jersey	Property investment and development	100.00	100.00
SML Jersey Brook Pte Limited (3),(7) Jersey	Investment holding	-	100.00
SML Jersey Properties Pte Limited (3),(7) Jersey	Investment holding	-	100.00
SML Victoria Limited (4g) Guernsey	Investment holding	100.00	100.00
Triton Court GP Ltd (4g) England and Wales	General partner	100.00	100.00
Triton Court Nominee (Newco) Limited (4g) England and Wales	Nominee Company	100.00	100.00
Indonesia Property Division			
ACF Solutions Holding Ltd (1) Mauritius	Investment holding	100.00	100.00
AFP International Capital Pte. Ltd. Singapore	Investment holding	100.00	100.00
Global Prime Capital Pte. Ltd. Singapore	Investment holding	49.08 [5]	49.08 [5]
Global Prime Treasury Pte. Ltd. Singapore	Treasury management and related services	49.08 [5]	49.08 [5]
Jermina Limited (4d) Hong Kong	Investment holding	100.00	100.00
Linsville Limited (2) Cayman Islands	Investment holding	100.00	100.00
PT Aneka Karya Amarta (1) Indonesia	Investment holding	84.37	84.37
PT Anekagriya Buminusa (1) Indonesia	Real estate development	43.47 [5]	43.47 [5]
PT Bhineka Karya Pratama (1) Indonesia	Investment holding	72.12	72.12

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

45 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	Effective percentage of equity held by the Group 2019 %	2018 %
PT Binamaju Grahamitra (1) Indonesia	Real estate development	84.37	84.37
PT Binamaju Mitra Sejati (1) Indonesia	Real estate development	54.96	54.96
PT Binasarana Muliajaya (4f) Indonesia	Provision of management and consultancy services	100.00	100.00
PT Bumi Indah Asri (1) Indonesia	Real estate development and investment holding	49.08 [5]	49.08 [5]
PT Bumi Karawang Damai (1) Indonesia	Real estate development	49.43 [5]	49.79 [5]
PT Bumi Megah Graha Asri (1) Indonesia	Real estate and property development	26.99 [5]	26.99 [5]
PT Bumi Megah Graha Utama (1) Indonesia	Real estate development	26.99 [5]	26.99 [5]
PT Bumi Paramudita Mas (1) Indonesia	Real estate development	49.08 [5]	49.08 [5]
PT Bumi Samarinda Damai (1) Indonesia	Real estate development	42.22 [5]	42.22 [5]
PT Bumi Sentra Selaras (1) Indonesia	Real estate development	49.08 [5]	49.08 [5]
PT Bumi Serpong Damai Tbk ("BSD") (1) Indonesia	Investment holding and development of houses and buildings	49.08 [5]	49.08 [5]
PT Bumi Tirta Mas (1) Indonesia	Real estate development	49.08 [5]	49.08 [5]
PT Bumi Wisesa Jaya (1) Indonesia	Real estate development	49.08 [5]	49.08 [5]
PT Duta Cakra Pesona (1) Indonesia	Real estate development	49.08 [5]	49.08 [5]
PT Duta Dharma Sinarmas (1) Indonesia	Real estate development	25.03 [5]	25.03 [5]
PT Duta Mitra Mas (1) Indonesia	Real estate development	49.08 [5]	49.08 [5]
PT Duta Pertiwi Tbk (1) Indonesia	Property development and investment holding	43.47 [5]	43.47 [5]
PT Duta Semesta Mas (1) Indonesia	Property development	43.47 [5]	43.47 [5]

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

45 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	Effective percentage of equity held by the Group 2019 %	2018 %
PT Duta Usaha Sentosa (1) Indonesia	Real estate development	84.37	84.37
PT Ekacentra Usahamaju (1) Indonesia	Investment holding	84.36	84.36
PT Garwita Sentra Utama (1) Indonesia	Real estate development	49.08 [5]	49.08 [5]
PT Grahadipta Wisesa (1) Indonesia	Real estate development	64.96	64.96
PT Inter Sarana Prabawa (1) Indonesia	Real estate development	84.37	84.37
PT Inti Tekno Sukses Bersama (4f) Indonesia	Educational and property development	100.00	100.00
PT Inti Tekno Sains Bandung (4f) Indonesia	Property management	100.00	100.00
PT Kanaka Grahaasri (1) Indonesia	Real estate development	43.47 [5]	43.47 [5]
PT Karawang Bukit Golf (1) Indonesia	Residential estate and country club and golf club development	84.77	84.77
PT Karawang Tatabina Industrial Estate (1) Indonesia	Industrial estate development	49.67 [5]	49.67 [5]
PT Karya Dutamas Cemerlang (1) Indonesia	Industrial estate development	84.36	84.36
PT Kembangan Permai Development (1) Indonesia	Real estate development	34.78 [5]	34.78 [5]
PT Kurnia Subur Permai (1) Indonesia	Real estate development	43.47 [5]	43.47 [5]
PT Kusumasentral Kencana (1) Indonesia	Property development	46.40 [5]	46.40 [5]
PT Laksya Prima Lestari (1) Indonesia	Real estate development	49.08 [5]	49.08 [5]
PT Masagi Propertindo (1) Indonesia	Property development	84.14	84.14
PT Mekanusa Cipta (1) Indonesia	Real estate development	43.47 [5]	43.47 [5]

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

45 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	Effective percentage of equity held by the Group 2019 %	2018 %
PT Metropolitan Transcities Indonesia (1) Indonesia	Investment holding	84.37	84.37
PT Misaya Properindo (1) Indonesia	Real estate development	43.47 [5]	43.47 [5]
PT Mitrakarya Multiguna (1) Indonesia	Real estate development	35.65 [5]	35.65 [5]
PT Mustika Candraguna (1) Indonesia	Property development	57.81	57.81
PT Mustika Karya Sejati (1) Indonesia	Real estate development	43.47 [5]	43.47 [5]
PT Pangeran Plaza Utama (1) Indonesia	Real estate development	43.47 [5]	43.47 [5]
PT Paraga Artamida (1) Indonesia	Investment holding and provision of consultancy services	84.37	84.37
PT Pastika Candra Pertiwi (1) Indonesia	Real estate development	49.08 [5]	49.08 [5]
PT Pembangunan Deltamas (1) Indonesia (Note 43(c)(i))	Property and real estate development	57.30	57.28
PT Permata Kirana Lestari (4f) Indonesia	Property development	84.37	84.37
PT Perwita Margasakti (1) Indonesia	Property development	43.47 [5]	43.47 [5]
PT Phinisi Multi Properti (1) Indonesia	Real estate development	33.37 [5]	33.37 [5]
PT Phinisindo Zamrud Nusantara (1) Indonesia	Property development	33.68 [5]	33.68 [5]
PT Praba Selaras Pratama (1) Indonesia	Real estate development and investment holding	49.08 [5]	49.08 [5]
PT Prestasi Mahkota Utama (1) Indonesia	Real estate development	43.47 [5]	43.47 [5]
PT Prima Sehati (1) Indonesia	Real estate development	43.47 [5]	43.47 [5]
PT Puradelta Lestari Tbk (1) Indonesia	Property and real estate development	57.28	57.28
PT Putra Alvita Pratama (1) Indonesia	Real estate development	23.27 [5]	23.27 [5]

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

45 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	Effective percentage of equity held by the Group 2019 %	2018 %
PT Putra Prabukarya (1) Indonesia	Real estate development	43.47 [5]	43.47 [5]
PT Putra Tirta Wisata (1) Indonesia	Property management	23.27 [5]	23.27 [5]
PT Royal Oriental (1) Indonesia	Property development	54.06	54.06
PT Saranapapan Ekasejati (1) Indonesia	Real estate development	43.47 [5]	43.47 [5]
PT Satwika Cipta Lestari (1) Indonesia	Real estate development	49.08 [5]	49.08 [5]
PT Sentra Selaras Lestari (1) Indonesia	Real estate development and investment holding	49.08 [5]	49.08 [5]
PT Sentra Talenta Utama (1) Indonesia	Real estate development and investment holding	49.08 [5]	49.08 [5]
PT Simas Tunggal Center (1) Indonesia	Investment holding	81.84	81.84
PT Sinar Mas Teladan (1) Indonesia	Property development	57.81	57.81
PT Sinar Medikamas Invesindo (1) Indonesia	Health care	49.08 [5]	49.08 [5]
PT Sinar Mas Wisesa (1) Indonesia	Real estate development	64.96	64.96
PT Sinar Pertiwi Megah (1) Indonesia	Real estate development	49.08 [5]	49.08 [5]
PT Sinar Usaha Mahitala (1) Indonesia	Real estate development	49.08 [5]	49.08 [5]
PT Sinar Usaha Marga (1) Indonesia	Real estate development	72.70	72.72
PT Sinarwijaya Ekapratista (1) Indonesia	Real estate development	43.47 [5]	43.47 [5]
PT Sinarwisata Lestari (1) Indonesia	Hotel	43.47 [5]	43.47 [5]
PT Sinarwisata Permai (1) Indonesia	Hotel	43.47 [5]	43.47 [5]
PT Sumber Arusmulia (1) Indonesia	Investment holding	100.00	100.00

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

45 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	Effective percentage of equity held by the Group 2019 %	2018 %
PT Sumber Makmur Semesta (1) Indonesia	Real estate development	49.08 [5]	49.08 [5]
PT Surya Inter Wisesa (1) Indonesia	Real estate development	49.08 [5]	49.08 [5]
PT Trans Bumi Serbaraja (1), (Note 43(a)) Indonesia	Development and operation of toll roads	49.08 [5]	-
PT Transbsd Balaraja (1) Indonesia	Development and operation of toll roads	49.08 [5]	49.08 [5]
PT Wahana Swasa Utama (1) Indonesia	Real estate development	49.08 [5]	49.08 [5]
PT Wijaya Pratama Raya (1), (Note 43(c)(ii)) Indonesia	Property development	31.94 [5]	30.49 [5]
Sittingham Assets Limited (2) British Virgin Islands	Investment holding	100.00	100.00
China Property Division			
AFP China Ltd (1) Mauritius	Investment holding	100.00	100.00
AFP (Shanghai) Co., Ltd (4c) People's Republic of China	Provision of management services	100.00	100.00
Chengdu Sinarmas New Century Investment Co., Ltd (3),(6) People's Republic of China	Investment holding	100.00	-
Shining Gold Real Estate (Chengdu) Co., Ltd (4c) People's Republic of China	Property investment and development	100.00	100.00
Shining Gold Real Estate (Shenyang) Co., Ltd (4c) People's Republic of China	Property investment and development	100.00	100.00
Sinarmas Land (HK) Limited (4e) Hong Kong	Investment holding	100.00	100.00
Zhuhai Huafeng Management and Consultancy Co., Ltd. (4c) People's Republic of China	Investment holding	100.00	100.00
AFP Land Division			
AFP Gardens (Tanjong Rhu) Pte Ltd Singapore	Property investment and development	100.00	100.00
AFP Hillview Pte Ltd Singapore	Property development	100.00	100.00

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

45 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	Effective percentage of equity held by the Group 2019 %	2018 %
AFP Land (Malaysia) Sdn Bhd (4h) Malaysia	Investment holding	100.00	100.00
AFP Land Limited Singapore	Investment holding and provision of management services	100.00	100.00
AFP Resort Development Pte Ltd Singapore	Resort property development and investment holding	100.00	100.00
AFP Resort Marketing Services Pte Ltd Singapore	Marketing services to resort establishments	89.50	89.50
Amcol (China) Investments Pte Ltd Singapore	Investment holding	100.00	100.00
Anak Bukit Resorts Sdn Bhd (4h) Malaysia	Resort property development	100.00	100.00
Goldmount Holdings Pte Ltd (4a) Singapore	Investment holding	100.00	100.00
Jurong Golf & Sports Complex Pte Ltd (4a) Singapore	Golf club and to establish, maintain and provide golf courses and recreational facilities	99.22	99.22
PT AFP Dwilestari (4b) Indonesia	Resort development and operation	65.00	65.00
Palm Resort Berhad (4h) Malaysia	Golf club and to establish, maintain and provide golf course and recreational facilities and to act as hotelier and hotel marketing agent	99.22	99.22
PRB (L) Ltd (4h) Malaysia	Investment holding and treasury management	100.00	100.00
Palm Resort Management Pte Ltd Singapore	Dormant	99.22	99.22
Palm Villa Sdn Bhd (4h) Malaysia	Dormant	99.22	99.22
Sankei Pte Ltd Singapore	Dormant	100.00	100.00

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

45 Subsidiaries (cont'd)

Notes:

The above subsidiaries are audited by Moore Stephens LLP, Singapore except for subsidiaries that are indicated below:

(1) Audited by member firms of Moore Global Network Limited of which Moore Stephens LLP, Singapore is a member.

(2) No statutory audit is required by law in its country of incorporation.

(3) No statutory audit is required as the subsidiary is newly incorporated/inactive.

(4) Audited by other firms of accountants as follows:

(a) CA PRACTICE PAC
(b) Audited by member firms of Moore Global Network Limited and Tanubrata Sutanto Fahmi Bambang & Rekan for financial year 2019 and 2018 respectively
(c) Zhonghua Certified Public Accountants LLP
(d) Klis & Associates CPA Limited, Certified Public Accountants
(e) SHL CPA Limited, Certified Public Accountants (Practising)
(f) Freddy & Rekan
(g) Audited by member firms of Moore Global Network Limited and BDO LLP for financial year 2019 and 2018 respectively
(h) Audited by BP Associates LLP and member firms of Moore Global Network Limited for the financial year 2019 and 2018 respectively

(5) These subsidiaries are held by non-wholly owned intermediate holding companies. The intermediate holding companies have the power to control over these companies.

(6) During the current financial year, the Group incorporated a wholly-own subsidiary, Chengdu Sinarmas New Century Investment Co., Ltd with a registered share capital of U$50,000,000.

(7) During the current financial year, the following subsidiaries have been voluntarily dissolved/de-registered:

Prime Glory Capital Limited
GMN No 2 Limited
SML Brook Partners Pte Limited
SML Chancery Pte Limited
SML Jersey Brook Pte Limited
SML Jersey Properties Pte Limited

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

45 **Subsidiaries** (cont'd)

Notes: (cont'd)

(8) As at 31 December 2019, the accumulated non-controlling interests is $2,139,157,000 (2018: $1,745,475,000), of which $1,770,821,000 (2018: $1,371,663,000) is for 15.63% (2018: 15.63%) non-controlling interests in PT Paraga Artamida and its subsidiaries ("Paraga Group") and $295,518,000 (2018: $309,822,000) is for 42.72% (2018: 42.72%) non-controlling interests in PT Puradelta Lestari Tbk and its subsidiary ("PDL Group") respectively. The non-controlling interests in respect of other subsidiaries are individually not material.

The following table summarises the financial information relating to Paraga Group and PDL Group which has non-controlling interests ("NCI") that are material to the Group:

	Paraga Group		PDL Group	
	2019	2018	2019	2018
	S$'000	S$'000	S$'000	S$'000
Non-current assets	2,993,589	2,672,853	422,179	430,419
Current assets	2,586,563	2,060,528	385,308	325,391
Non-current liabilities	1,440,852	1,429,410	3,976	2,891
Current liabilities	743,689	672,131	111,357	25,146
Revenue	787,750	693,570	253,552	101,558
Profit for the year	532,986	174,221	105,868	46,961
Total comprehensive income/(loss) for the year	455,175	(64,370)	170,150	(38,972)
Profit allocated to NCI	283,859	91,894	45,216	17,280
Dividends paid to NCI	5,452	2,835	83,506	13,401
Cash inflows from operating activities	200,660	148,811	189,220	28,163
Cash outflows from investing activities	(205,649)	(216,396)	(13)	(3,912)
Cash (outflows)/inflows from financing activities	(64,625)	306,295	(196,618)	(28,229)
Net (decrease)/increase in cash and cash equivalents	(69,614)	238,710	(7,411)	(3,978)

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

46 Associated Companies

Name of company and country of incorporation	Principal activities	Effective percentage of equity held by the Group 2019 %	2018 %
Dana Investasi Real Estat Simas Plaza Indonesia (2a),(Note 19) Indonesia	Real estate investment	19.06 [4]	-
PT AMSL Delta Mas (2a) Indonesia	Property development	16.20 [4]	16.20 [4]
PT AMSL Indonesia (2a) Indonesia	Property development	16.20 [4]	16.20 [4]
PT Citraagung Tirtajatim (1) Indonesia	Property development	17.39 [4]	17.39 [4]
PT Duta Karya Propertindo (3) Indonesia	Property management	21.74	21.74
PT Harapan Anang Bakri & Sons (1) Indonesia	Industrial estate development	42.18	42.18
PT Hermina Sinar Medikamas (1),(5) Indonesia	Health care	-	19.36 [4]
PT Indonesia Internasional Graha (1) Indonesia	Property management	24.05	24.05
PT Keikyu Itomas Indonesia (1) Indonesia	Property development	4.35 [4]	4.35 [4]
PT Maligi Permata Industrial Estate (1) Indonesia	Industrial estate development	42.19	42.19
PT Matra Olahcipta (1) Indonesia	Property development	21.74	21.74
PT Plaza Indonesia Mandiri (2a),(Note 19) Indonesia	Hotels and apartment	23.79	-
PT Plaza Indonesia Realty Tbk (2a),(Note 19) Indonesia	Property development and hotel owner	-	22.96
PT Sahabat Duta Wisata (2b) Indonesia	Property development	9.31 [4]	-
PT Sahabat Kota Wisata (2b),(6) Indonesia	Property development	17.39 [4]	-
PT Serasi Niaga Sakti (1) Indonesia	Real estate development	42.19	42.19

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019

46 Associated Companies (cont'd)

Name of company and country of incorporation	Principal activities	Effective percentage of equity held by the Group 2019 %	2018 %
PT Wira Perkasa Agung (2c) Indonesia	Investment holding	24.73	24.73
Taicang Rongguan Real Estate Development Co., Ltd (2d) People's Republic of China	Real estate development	30.00	-

Notes:

(1) Audited by member firms of Moore Global Network Limited of which Moore Stephens LLP, Singapore is a member.

(2) Audited by other firms of accountants as follows:
- (a) Imelda dan Rekan (formerly known as *"Satrio Bing Eny & Rekan"*)
- (b) Amir Abadi Jusuf, Aryanto, Mawar & Rekan
- (c) Freddy & Rekan
- (d) Mazars Certified Public Accountants LLP

(3) No statutory audit is required as the company is inactive/newly incorporated.

(4) These companies are held by non-wholly owned intermediate holding companies. The intermediate holding companies are able to exercise significant influence on its financial and operating policies.

(5) In January 2019, the Group disposed its entire shareholding in PT Hermina Sinar Medikamas for a consideration of IDR36.0 million (equivalent to $3,000). The Group recognised a gain on disposal of $1,000.

(6) During the current financial year, the Group reclassified its investment in PT Sahabat Kota Wisata from a joint venture to an associated company.

47 Reclassifications and Comparatives

Certain reclassifications have been made to the prior year's notes to the financial statements to enhance comparability with the current year's presentation. The effects of the reclassification were as follows:

	As previously reported 2018 S$'000	After reclassification 2018 S$'000
Other payables and liabilities		
Advances and deposits received on:		
Development properties	427,141	382,399
Rental and others	33,665	78,407
Long-term liabilities		
Advances and deposits received on:		
Development properties	198,673	146,447
Rental and others	-	52,226

48 Subsequent Event

On 23 January 2020, the Group issued notes in the principal amount of US$300,000,000 (equivalent to $404,100,000) which bear interest at a rate of 5.95% and with a maturity date in 2025. The notes are secured by corporate guarantees granted by the subsidiaries of the Group.

SHAREHOLDING STATISTICS

AS AT 12 MARCH 2020

ISSUED AND FULLY PAID-UP CAPITAL (including treasury shares)	: S$2,057,844,076.04
NO. OF SHARES ISSUED (A) (excluding treasury shares and subsidiary holdings)	: 4,255,862,496
NO. OF TREASURY SHARES HELD (B)	: 293,456,700
NO. OF SUBSIDIARY HOLDINGS HELD (C)	: NIL
PERCENTAGE OF (B) AND (C) AGAINST (A)	: 6.90%
CLASS OF SHARES	: Ordinary shares
VOTING RIGHTS	: One vote per share. The Company cannot exercise any voting rights in respect of shares held by it as treasury shares.

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	201	2.31	9,169	0.00
100 - 1,000	1,069	12.31	739,170	0.02
1,001 - 10,000	5,205	59.94	23,198,646	0.55
10,001 - 1,000,000	2,176	25.06	110,341,720	2.59
1,000,001 & ABOVE	33	0.38	4,121,573,791	96.84
Total	**8,684**	**100.00**	**4,255,862,496**	**100.00**

TWENTY LARGEST SHAREHOLDERS

Name of Shareholders	No. of Shares	%
FLAMBO INTERNATIONAL LIMITED	2,749,900,854	64.61
RHB SECURITIES SINGAPORE PTE LTD	371,764,300	8.74
GOLDEN MOMENT LIMITED	241,293,927	5.67
RAFFLES NOMINEES (PTE) LIMITED	238,628,727	5.61
UOB KAY HIAN PTE LTD	210,583,410	4.95
CITIBANK NOMINEES SINGAPORE PTE LTD	188,672,806	4.43
OCBC SECURITIES PRIVATE LTD	23,311,178	0.55
MOHAMED SALLEH S/O KADIR MOHIDEEN SAIBU MARICAR	15,733,500	0.37
DBS NOMINEES PTE LTD	14,484,518	0.34
PHILLIP SECURITIES PTE LTD	9,228,731	0.22
TAN NG KUANG	6,385,000	0.15
UNITED OVERSEAS BANK NOMINEES PTE LTD	5,214,098	0.12
DIANAWATI TJENDERA	5,000,000	0.12
CHEE SWEE HENG	4,440,000	0.10
DBS VICKERS SECURITIES (S) PTE LTD	3,443,641	0.08
TAN KAH BOH ROBERT @ TAN KAH BOO	3,300,000	0.08
MAYBANK KIM ENG SECURITIES PTE. LTD.	2,648,691	0.06
BNP PARIBAS NOMINEES SINGAPORE PTE LTD	2,634,000	0.06
OCBC NOMINEES SINGAPORE PTE LTD	2,585,912	0.06
TAN JOON YANG	2,500,000	0.06
Total	**4,101,753,293**	**96.38**

SHAREHOLDING STATISTICS

AS AT 12 MARCH 2020

SUBSTANTIAL SHAREHOLDERS

	No. of Shares in which they have an Interest				
Name	Direct Interest	Percentage %[1]	Deemed Interest	Percentage %[1]	Total Percentage (Direct and Deemed Interest) %[1]
GOLDEN MOMENT LIMITED ("Golden Moment")	241,293,927	5.67	-	-	5.67
FLAMBO INTERNATIONAL LIMITED ("Flambo")[2]	2,749,900,854	64.61	241,293,927	5.67	70.28
THE WIDJAJA FAMILY MASTER TRUST(2) ("WFMT(2)")[3]	-	-	2,991,194,781	70.28	70.28

Notes:

(1) Percentage calculated based on 4,255,862,496 issued shares (excluding treasury shares and subsidiary holdings).

(2) The deemed interest of Flambo arises from its interest in 241,293,927 shares held by its wholly-owned subsidiary, Golden Moment, in the Company.

(3) The deemed interest of WFMT(2) arises from its interest in 2,749,900,854 shares held by Flambo and 241,293,927 shares held by Golden Moment in the Company.

Based on the information available to the Company as at 12 March 2020, approximately 29.66% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited is complied with.

NOTICE OF ANNUAL GENERAL MEETING

SINARMAS LAND LIMITED
(Incorporated in Republic of Singapore)
Company Registration No. 199400619R

NOTICE IS HEREBY GIVEN that an Annual General Meeting (the "**AGM**") of Sinarmas Land Limited (the "**Company**" or "**SML**") will be held on **Monday, 27 April 2020** at **9.00 a.m.** at PARKROYAL on Beach Road, Grand Ballroom, Level 1, 7500 Beach Road, Singapore 199591 to transact the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the year ended 31 December 2019 together with the Directors' Statement and Auditors' Report thereon. **(Resolution 1)**

2. To declare a first and final tax-exempted (one-tier) dividend of S$0.0038 per ordinary share for the year ended 31 December 2019. **(Resolution 2)**

3. To approve Directors' Fees of S$465,000 for the year ended 31 December 2019.
(FY2018: S$414,802) **(Resolution 3)**

4. To re-appoint the following Directors:

   (i) Ms. Margaretha Natalia Widjaja, retiring pursuant to Rule 720(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited. **(Resolution 4)**

   (ii) Mr. Muktar Widjaja, retiring pursuant to Rule 720(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited. **(Resolution 5)**

   {please see note 1}

5. To re-appoint Moore Stephens LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 6)**

AS SPECIAL BUSINESS

6. To consider and, if thought fit, to pass with or without any amendments, the following resolutions as Ordinary Resolutions:

<u>Renewal of the Share Issue Mandate</u>

6A. "That pursuant to Section 161 of the Companies Act, Cap 50 and the Listing Rules of the Singapore Exchange Securities Trading Limited, authority be and is hereby given to the Directors of the Company to issue shares and convertible securities in the Company (whether by way of rights, bonus or otherwise) at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares and convertible securities to be issued pursuant to this Resolution does not exceed fifty percent (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company at the date of this Resolution, of which the aggregate number of shares and convertible securities to be issued other than on a pro-rata basis to shareholders of the Company does not exceed twenty percent (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company at the date of passing of this Resolution, and, unless revoked or varied by the Company in general meeting, such authority shall continue in force until the next annual general meeting of the Company." *{please see note 2}* **(Resolution 7)**

NOTICE OF ANNUAL GENERAL MEETING

Renewal of the Share Purchase Mandate

6B. "(a) That for the purposes of Sections 76C and 76E of the Companies Act, Cap 50 (the "**Act**"), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire ordinary shares ("**Shares**") in the issued share capital of the Company not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(i) market purchases (each a "**Market Purchase**") on the Singapore Exchange Securities Trading Limited ("**SGX-ST**"); and/or

(ii) off-market purchases (each an "**Off-Market Purchase**") effected in accordance with any equal access schemes as may be determined or formulated by the Directors as they consider fit, which schemes shall satisfy all the conditions prescribed by the Act,

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");

(b) That unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:

(i) the date on which the next annual general meeting of the Company is held or is required by law to be held; or

(ii) the date on which purchases or acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated; or

(iii) the date on which the authority in the Share Purchase Mandate is varied or revoked;

(c) That in this Resolution:

"**Prescribed Limit**" means ten percent (10%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company as at the date of the passing of this Resolution; and

"**Maximum Price**" in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

(i) in the case of a Market Purchase: 105% of the Average Closing Price

(ii) in the case of an Off-Market Purchase: 120% of the Highest Last Dealt Price

where:

"**Average Closing Price**" means the average of the closing market prices of a Share over the last five (5) market days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase and deemed to be adjusted for any corporate action that occurs during the relevant 5-day period and the day of the Market Purchase;

"**Highest Last Dealt Price**" means the highest price transacted for a Share as recorded on the market day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; and

"**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

NOTICE OF ANNUAL GENERAL MEETING

(d) That the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution." *{please see note 3}* **(Resolution 8)**

Renewal of the Interested Person Transactions Mandate

6C. "(a) That pursuant to Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited, approval be and is hereby given to the Company, its subsidiaries and associated companies that are not listed on the Singapore Exchange Securities Trading Limited or an approved exchange, provided that the Company and its subsidiaries (the "**Group**"), or the Group and its interested person(s), has control over the associated companies, or any of them to enter into any of the transactions falling within the types of Interested Person Transactions, particulars of which are set out in the Appendix 2 to this Notice of Annual General Meeting (the "**Appendix 2**") *{please see note 4}*, with any party who is of the class of Interested Persons described in the Appendix 2, provided that such transactions are carried out in the ordinary course of business and in accordance with the guidelines of the Company for Interested Person Transactions as set out in the Appendix 2 (the "**IPT Mandate**");

(b) That the IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the next annual general meeting of the Company; and

(c) That the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the IPT Mandate and/or this Resolution."
{please see note 5} **(Resolution 9)**

By Order of the Board

Ferdinand Sadeli
Director
6 April 2020
Singapore

Notes:

(i) A member of the Company who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member appoints more than one (1) proxy, he shall specify in the proxy form, the proportion of his shareholding to be represented by each proxy.

(ii) A member of the Company who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's proxy form appoints more than one (1) proxy, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Cap. 50.

(iii) A proxy need not be a member of the Company.

(iv) The instrument appointing a proxy must be deposited at the registered office of the Company at 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535 not less than 72 hours before the time fixed for holding the AGM or any postponement or adjournment thereof. Completion and return of the proxy form by a member will not prevent him from attending, speaking and voting at the AGM if he so wishes. In such event, the relevant proxy form will be deemed to be revoked.

(v) The instrument appointing a proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instruction appointing a proxy is executed by a corporation, it must be executed either under its seal or under the hand of any officer or attorney duly authorised.

NOTICE OF ANNUAL GENERAL MEETING

Additional Notes relating to the Notice of AGM:

1. This year, the 3 Directors retiring at the AGM pursuant to Rule 720(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited are Mr. Rodolfo Castillo Balmater, Ms. Margaretha Natalia Widjaja and Mr. Muktar Widjaja. Mr. Rodolfo Castillo Balmater will not be seeking re-election as a Director at the AGM. Accordingly, pursuant to Rule 720(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited, Mr. Rodolfo Castillo Balmater shall retire as a Director at the conclusion of the AGM.

   Please refer to sections on Board of Directors and Corporate Governance Report in the Annual Report 2019 for further information on each of Ms. Margaretha Natalia Widjaja and Mr. Muktar Widjaja.

2. The Ordinary Resolution 7 proposed in item 6A above, if passed, is to empower the Directors from the date of the AGM until the date of the next annual general meeting, to issue shares and convertible securities in the capital of the Company not exceeding fifty percent (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company at the time this Resolution is passed. For issue of shares and convertible securities other than on a pro-rata basis to shareholders, the aggregate number of shares and convertible securities to be issued shall not exceed twenty percent (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company.

   The percentage of the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company at the time this Resolution is passed, after adjusting for (a) new shares arising from the conversion or exercise of convertible securities or any share options, or vesting of share awards which were issued and outstanding or subsisting at the time this Resolution is passed and (b) any subsequent bonus issue, consolidation or subdivision of shares.

3. The Ordinary Resolution 8 proposed in item 6B above, if passed, is to renew for another year, up to the next annual general meeting of the Company, the mandate for share purchase as described in the Appendix 1 to this Notice of AGM, which will, unless previously revoked or varied by the Company at a general meeting, expire at the next annual general meeting.

4. The mandate for transactions with Interested Persons as described in the Appendix 2 includes the placement of deposits by the Company with financial institutions in which Interested Persons have an interest.

5. The Ordinary Resolution 9 proposed in item 6C above, if passed, is to renew for another year, up to the next annual general meeting of the Company, the mandate for transactions with Interested Persons as described in the Appendix 2, which will, unless previously revoked or varied by the Company at a general meeting, expire at the next annual general meeting.

PERSONAL DATA PRIVACY

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

sinarmas land

SINARMAS LAND LIMITED

(Incorporated in the Republic of Singapore)
Company Registration No. 199400619R

ANNUAL GENERAL MEETING
PROXY FORM

Important:

1. A relevant intermediary may appoint more than two proxies to attend the AGM and vote (please see note 3 for the definition of "relevant intermediary").
2. For investors who have used their CPF monies to buy shares in the Company, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or is purported to be used by them.
3. Please read the notes to the Proxy Form set out below.

Note: No buffet or food will be served after the AGM.

I/We, ____ (Name)

____ (NRIC/Passport/Company Registration Number)

of ____ (Address)

being a member/members of Sinarmas Land Limited (the "**Company**") hereby appoint:

Name	Address	NRIC/ Passport Number	Proportion of Shareholdings	
			No. of Shares	%

and/or (delete as appropriate):

or failing him/her, the Chairman of the Annual General Meeting of the Company (the "**AGM**") as my/our proxy/proxies to attend, speak and vote for me/us on my/our behalf at the AGM to be held on **Monday, 27 April 2020** at **9.00 a.m.** at PARKROYAL on Beach Road, Grand Ballroom, Level 1, 7500 Beach Road, Singapore 199591 and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against, or to abstain from voting, on the resolutions as set out in the Notice of AGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies may vote or abstain from voting at his/her/their discretion, as he/she/they may on any other matter arising at the AGM.

Note: The Chairman of the AGM will be exercising his right under Regulation 61(B)(a) of the Constitution of the Company to demand a poll in respect of each of the resolutions to be put to the vote of members at the AGM and at any adjournment thereof. Accordingly, each resolution at the AGM will be voted on by way of poll.

No.	Resolutions	*No. of Votes "For"	*No. of Votes "Against"	*No. of Votes "Abstain"
	ORDINARY BUSINESS			
1	Adoption of Audited Financial Statements for the year ended 31 December 2019 ("FY2019") together with the Directors' Statement and Auditors' Report			
2	Declaration of First and Final Dividend for FY2019			
3	Approval of Directors' Fees for FY2019			
4	Re-appointment of Ms. Margaretha Natalia Widjaja			
5	Re-appointment of Mr. Muktar Widjaja			
6	Re-appointment of Auditors			
	SPECIAL BUSINESS			
7	Renewal of the Share Issue Mandate			
8	Renewal of the Share Purchase Mandate			
9	Renewal of the Interested Person Transactions Mandate			

* If you wish to exercise all your votes "For" or "Against" or "Abstain" from voting on the relevant resolution, please indicate with an "X" within the relevant box provided. Alternatively, please indicate number of votes "For" or "Against" or "Abstain" for each resolution within the box provided.

Dated this ________ day of ____________ 2020

Total Number of Shares held in:	
(a) CDP Register	
(b) Register of Members	

____

Signature(s) or Common Seal of Member(s)

IMPORTANT: PLEASE READ NOTES ON THE REVERSE

1st fold and glue all sides firmly. Spot sealing or stapling is not allowed.

4th fold and glue all sides firmly. Spot sealing or stapling is not allowed.

ANNUAL GENERAL MEETING

PROXY FORM

Aaffix
Stamp
Here

The Company Secretary
SINARMAS LAND LIMITED
108 Pasir Panjang Road
#06-00 Golden Agri Plaza
Singapore 118535

4th fold and glue all sides firmly. Spot sealing or stapling is not allowed.

2nd fold here

Fold along this line

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Cap. 289)), you should insert that number. If you have shares registered in your name in the Register of Members of the Company, you should insert that number. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.

2. A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote on his behalf at the AGM. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding to be represented by each proxy.

3. Pursuant to Section 181 of the Companies Act, Chapter 50, as amended by the Companies (Amendment) Act 2014, any member who is a relevant intermediary is entitled to appoint more than two proxies to attend and vote at the meeting. Relevant intermediary is either:

   (a) a banking corporation licensed under the Banking Act (Cap. 19) or its wholly-owned subsidiary which provides nominee services and holds shares in that capacity;
   (b) a capital markets services licence holder which provides custodial services for securities under the Securities and Futures Act (Cap. 289) and holds shares in that capacity; or
   (c) the Central Provident Fund ("CPF") Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased on behalf of CPF investors.

4. A proxy need not be a member of the Company.

5. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535 not less than 72 hours before the time set for the AGM.

3rd fold here

Fold along this line

6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its officer or attorney duly authorised.

7. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified true copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act, Chapter 50.

9. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 6 April 2020.

Corporate Directory

BOARD OF DIRECTORS

Franky Oesman Widjaja
Executive Chairman

Muktar Widjaja
Executive Director and
Chief Executive Officer

Margaretha Natalia Widjaja
Executive Director

Ferdinand Sadeli
Executive Director and
Chief Financial Officer

Robin Ng Cheng Jiet
Executive Director

Hong Pian Tee
Lead Independent Director

Kunihiko Naito
Independent Director

Rodolfo Castillo Balmater
Independent Director

**Willy Shee Ping Yah @
Shee Ping Yan**
Independent Director

Lew Syn Pau
Independent Director

AUDIT COMMITTEE

Hong Pian Tee (Chairman)

Kunihiko Naito

Rodolfo Castillo Balmater

NOMINATING COMMITTEE

Hong Pian Tee (Chairman)

Rodolfo Castillo Balmater

Franky Oesman Widjaja

REMUNERATION COMMITTEE

Rodolfo Castillo Balmater (Chairman)

Hong Pian Tee

Kunihiko Naito

COMPANY SECRETARY

Kimberley Lye Chor Mei

AUDITORS

Moore Stephens LLP
Public Accountants and Chartered Accountants
10 Anson Road
#29-15 International Plaza
Singapore 079903
Tel : (65) 6221 3771
Fax : (65) 6221 3815
Partner-in-charge:
Christopher Bruce Johnson
(Appointed during the financial year ended 31 December 2019)

INVESTOR RELATIONS

investor@sinarmasland.com.sg

REGISTERED OFFICE

108 Pasir Panjang Road
#06-00 Golden Agri Plaza
Singapore 118535
Tel : (65) 6220 7720
Fax : (65) 6590 0887

SHARE REGISTRAR AND TRANSFER OFFICE

B.A.C.S. Private Limited
8 Robinson Road
#03-00 ASO Building
Singapore 048544
Tel : (65) 6593 4848
Fax : (65) 6593 4847

DATE AND COUNTRY OF INCORPORATION

27 January 1994,
Singapore

COMPANY REGISTRATION NO.

199400619R

SHARE LISTING

The Company's shares are listed on the Singapore Exchange Securities Trading Limited

DATE OF LISTING

18 July 1997

SINARMAS LAND LIMITED
Company Registration No. 199400619R

108 Pasir Panjang Road,
#06-00 Golden Agri Plaza, Singapore 118535
Tel : (65) 6220 7720 Fax : (65) 6590 0887

www.sinarmasland.com

Sinar Mas Land

@sinarmas_land