



ANNUAL REPORT 2020

BUILDING FOR A  
*Better Future*



## CORPORATE *Profile*

### **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

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\$5.1 billion as at 31 December 2020. 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 division is engaged in all sub-sectors of the property business, including township development, residential, commercial, industrial and hospitality-related properties.



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.

► At a Glance  
Corporate Governance  
Management Review  
Portfolio Details  
Financial and Other Information

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Proxy Form

**Inner Back Cover**  
Corporate Directory

# YEAR IN *Brief*



## SML ENTERED INTO A JOINT VENTURE WITH SUMITOMO FORESTRY, KUMAGAI GUMI AND HARJOHN TIMBER

The joint venture company will develop a mixed-use residential and commercial project in Kuningan, Jakarta, with an initial investment of approximately US\$150.0 million

FEB 2020



## SML PARTNERED WITH VARIOUS STAKEHOLDERS TO SUPPORT EFFORT AGAINST COVID-19

Together with various stakeholders and partners, SML donated and distributed personal protective equipments, rapid test kits, surgical masks and hand sanitisers to the people of Indonesia

APR 2020

MAR 2020

## SML INTRODUCED MOVE-IN-QUICKLY MARKETING PROGRAM

Spread over three different incentives period, the "Move-in-Quickly" program offer cash payment discounts and down payment subsidies to help consumers achieve homeownership during the pandemic



SEP 2020

## STRATEGIC PARTNERSHIP WITH MITSUBISHI CORPORATION-SURBANA JURONG JOINT VENTURE

SML has partnered with Mitbana Pte Ltd, a joint venture company of Mitsubishi Corporation and Surbana Jurong, to advance the creation of smart and sustainable Transit-Oriented Developments ("TODs") of approximately 100 hectares in BSD City





**BSDE ENTERED INTO A JOINT VENTURE WITH MITBANA PTE LTD**

BSDE will collaborate with Mitbana Pte Ltd to jointly develop mixed-use properties, TOD, apartments and commercial properties located in the Intermoda Complex area in BSD City on an approximately 55,811 sqm of land area

NOV 2020



**SINARMAS LAND LIMITED WAS NAMED COMPANY OF THE YEAR (REAL ESTATE SECTOR) IN THE EDGE SINGAPORE CENTURION CLUB 2020**

SML was also named as Winner in the Growth in Profit After Tax over Three Years (Real Estate Sector) and Highest Profit After Tax Growth (Real Estate Sector)

DEC 2020

NOV 2020

**PARTNERSHIP WITH JAPAN OVERSEAS INFRASTRUCTURE INVESTMENT CORPORATION FOR TRANSPORT & URBAN DEVELOPMENT (“JOIN”)**

SML and JOIN signed a joint venture agreement to establish a platform to jointly source and originate infrastructure projects for Japanese companies to participate and engage in overseas infrastructure business, particularly in Indonesia



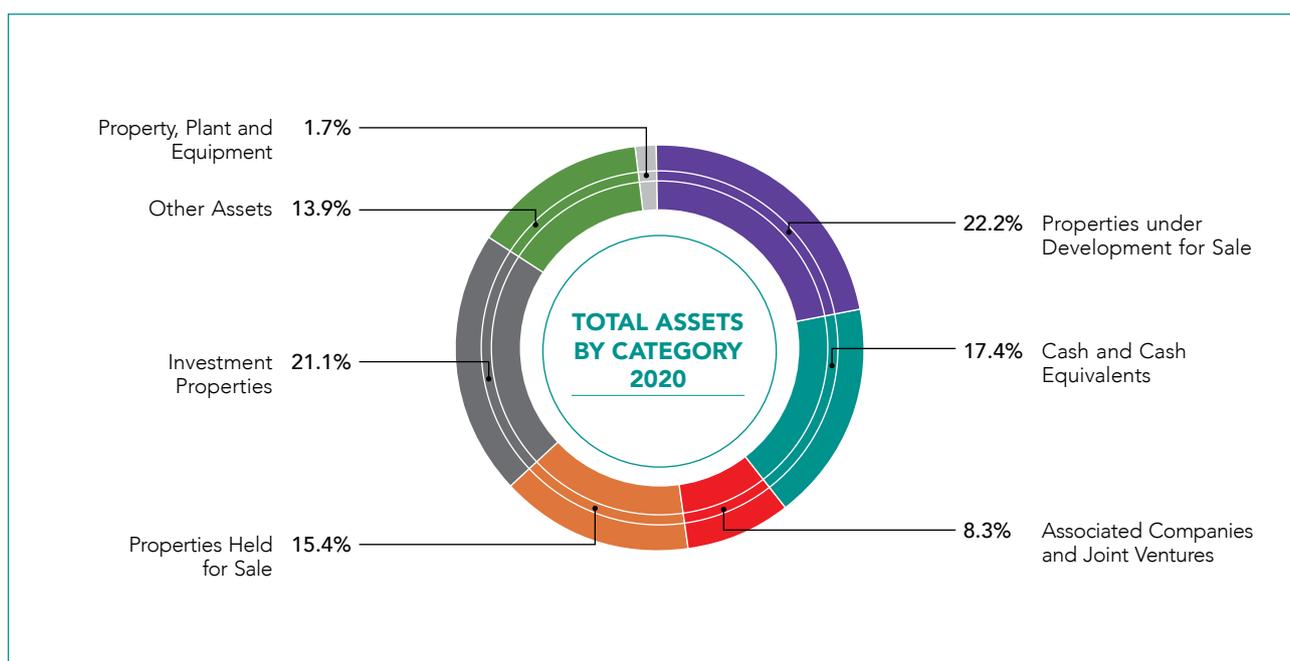
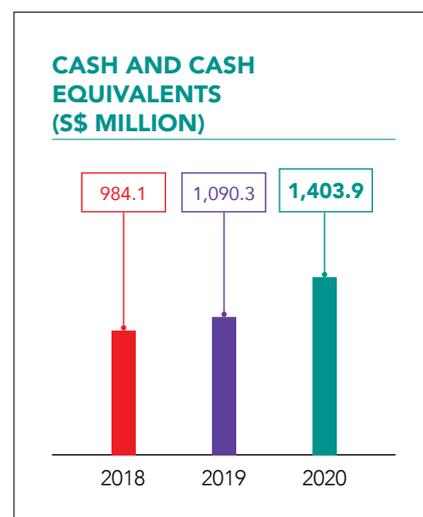
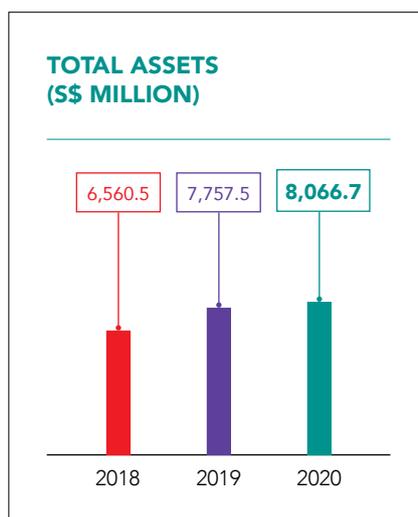
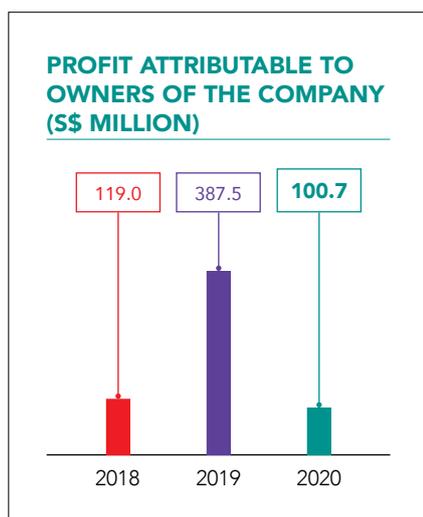
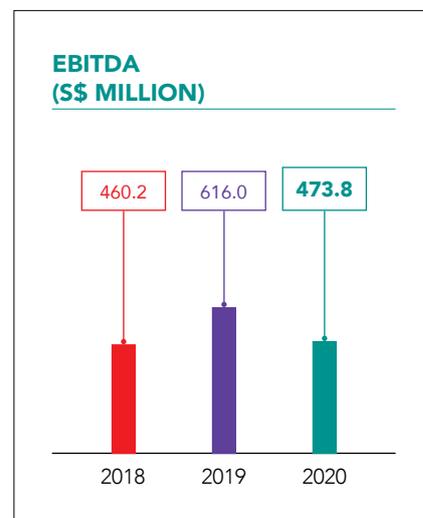
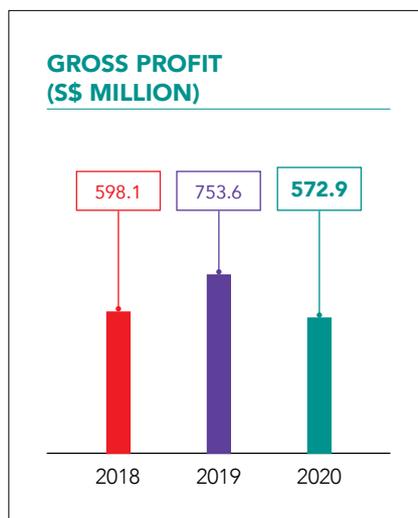
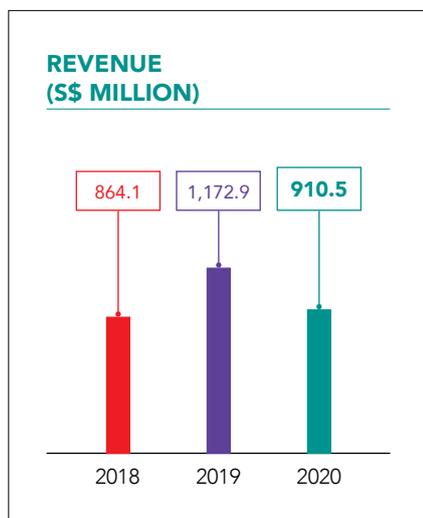
DEC 2020

**BSD CITY WELCOMES MONASH UNIVERSITY, THE FIRST INTERNATIONAL FOREIGN-OWNED UNIVERSITY IN INDONESIA**

Ranked 55<sup>th</sup> in the world based on the QS World University Ranking 2021, Australia’s Monash University will open its campus in Green Office Park 9, offering research-intensive Postgraduate programs, Executive programs and Micro-Credentials



# FINANCIAL Highlights



**GROSS PROFIT MARGIN**

2020:  
**62.9%**  
 2019: 64.3%  
 2018: 69.2%

**EBITDA MARGIN**

2020:  
**52.0%**  
 2019: 52.5%  
 2018: 53.3%

**NET DEBT TO EQUITY**

2020:  
**21.3%**  
 2019: 20.5%  
 2018: 22.9%

**EBITDA / INTEREST (TIMES)**

2020:  
**2.4**  
 2019: 3.5  
 2018: 3.0

**TOTAL DEBT / EBITDA (TIMES)**

2020:  
**5.0**  
 2019: 3.3  
 2018: 4.0

**RETURN ON SHAREHOLDERS' EQUITY**

2020:  
**3.8%**  
 2019: 15.4%  
 2018: 6.1%

**NET ASSET VALUE PER ORDINARY SHARE (EXCLUDING TREASURY SHARES)**

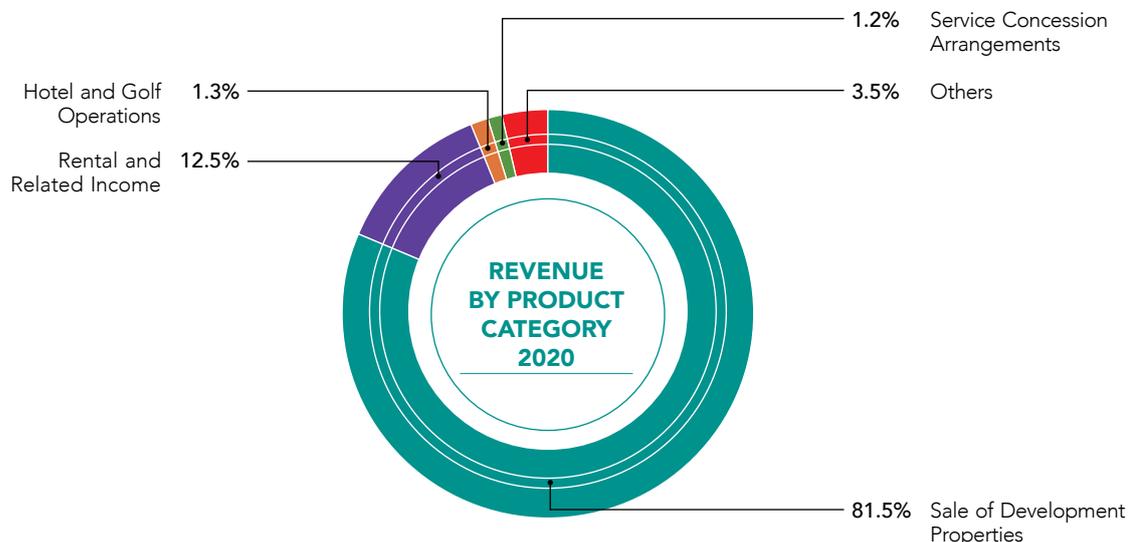
2020:  
**S\$1.08**  
 2019: S\$1.10  
 2018: S\$0.89

**EARNING PER SHARE (BASIC) (SINGAPORE CENTS)**

2020:  
**2.37**  
 2019: 9.11  
 2018: 2.80

**CASH DIVIDEND (SINGAPORE CENTS)**

2020:  
**0.09**  
 2019: 0.38  
 2018: 0.20



# OUR Milestones



DUTI established (1972)



Big City. Big Opportunity

BSDE established (1984)

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

1972 – 1989



ITC brand established (1990)

DUTI - IPO (1994)

Asia Food & Properties ("AFP") listing in Singapore (1997)

1990 – 1997



AFP controls BSDE (2002)

BSDE – IPO (2008)

2002 - 2010



**Sinarmas Land** brand introduced

AFP changed name to **Sinarmas Land**

2011



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

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

2013



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 \$71.0 million

2014

Successful listing of DMAS onto Indonesia Stock Exchange

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

2015



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

2016



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

Strategic alliance with Panahome Asia Pacific

2017



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

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

2018



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

2019



Collaborate with JOIN to invite Japanese companies to participate and engage in infrastructure business, particularly in Indonesia

Partnership with Mitbana Pte Ltd, to advance the creation of smart and sustainable TODs in BSD City, Indonesia

Entered into a joint venture with Sumitomo Forestry, Kumagai Gumi and Harjohn Timber to develop a mixed-use residential and commercial project in Kuningan, Jakarta

Australia's Monash University, the first international foreign-owned university in Indonesia, will open its campus in BSD City's Green Office Park 9

2020

# CHAIRMAN AND CEO

## Statement

“The Group was able to conclude new collaborations and partnerships despite a challenging pandemic year.”



FRANKY OESMAN WIDJAJA  
Executive Chairman

Dear Valued Shareholders,

### A RESILIENT PERFORMANCE IN FY2020

On behalf of the Board of Directors, we would like to share that Sinarmas Land Limited (“SML” or “the Company”) and its subsidiaries (collectively “the Group”) has delivered a commendable set of results amidst an unprecedented COVID-19 pandemic. The Group reported a total revenue of S\$910.5 million, contributed primarily by the sale of land parcels and handover of residential units and apartments from our Indonesia division. Recurring income slid 24.8% year-on-year to S\$125.2 million due to lower average

occupancy and rental income from Indonesia’s investment properties, as well as our severely impacted hospitality business. As countries closed their borders and restrict all non-essential domestic and international travel, the Group has permanently ceased operations of two hotels in Indonesia, namely Le Grandeur Balikpapan and Le Grandeur Mangga Dua, on 7 April 2020. The reduction in revenue has resulted in a corresponding decrease in gross profit by 24.0% to S\$572.9 million. Similarly, gross profit margin dipped 1.4 percentage points from 64.3% to 62.9% in FY2020 due to higher development and land sale-related costs.



MUKTAR WIDJAJA  
Executive Director and Chief Executive Officer

times in the previous year and interest coverage decreased from 3.5 times to 2.4 times.

### FIGHTING THE PANDEMIC TOGETHER

Since the start of the pandemic, SML has brought together various stakeholders to support the fight against COVID-19. Through our subsidiary in Batam, the Group joined hands with Temasek Foundation, Tuan Sing Holding Limited, the Indonesian National Defense Forces, the Indonesian National Police and the Batam City Government to distribute over 210,000 litres of hand sanitiser to Batam residents. The residents were also educated on the proper way to wash their hands to curb the spread of the virus.

The Group's principal subsidiary, BSDE, also donated personal protection equipment and rapid test kits to the Indonesia Central Government through the Indonesia Ministry of Health and several local governments such as the Tangerang District Government, South Tangerang City Government, and other agencies.

### FORGING MORE NEW PARTNERSHIPS

The Group was able to conclude new collaborations and partnerships despite a challenging pandemic year. On 24 February 2020, SML entered into a joint venture with Sumitomo Forestry, Kumagai Gumi and Harjohn Timber to develop a mixed-use residential and commercial project in Kuningan, CBD Jakarta. This partnership aims to bring a new level of living and working experience to city dwellers by providing high-quality living and working spaces, with a planned total investment of approximately US\$150.0 million.

During the second half of 2020, the Group entered into two more strategic collaborations. The first

Mirroring the dip in revenue, the Group's FY2020 Earning before Interest, Taxes, Depreciation, and Amortisation ("EBITDA") reported a decline of 23.1% to S\$473.8 million. The EBITDA margin decreased marginally to 52.0% in FY2020. Finance costs which comprised of interest expense and amortisation of deferred bond and loan charges increased from S\$173.8 million in FY2019 to S\$195.9 million in FY2020 due to additional bond issuances during the year.

Due to lower revenue and absence of one-off exceptional items, the Group closed the year with a Net Profit and Net Profit Attributable to Owners of the Company of

S\$175.9 million and S\$100.7 million respectively in FY2020. Basic earnings per share was 2.37 Singapore cents for FY2020 (FY2019: 9.11 Singapore cents).

The Group's Statement of Financial Position remains healthy, ending the financial year with total assets of S\$8,066.7 million (FY2019: S\$7,757.5 million), including cash and cash equivalents of S\$1,403.9 million (FY2019: S\$1,090.3 million). The weaker financial performance in FY2020 had resulted in a slight increase in net debt to equity ratio from 20.5% to 21.3%. Total debt to EBITDA was also higher at 5.0 times compared to 3.3

# CHAIRMAN AND CEO

## Statement

was a strategic collaboration with Mitbana Pte Ltd, a joint venture fund management company of Mitsubishi Corporation and Surbana Jurong (a Temasek-owned company), to foster smart and sustainable Transit-Oriented Developments ("TODs") over a land area of 100 hectares in BSD City. The second was a joint venture with Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development ("JOIN") to jointly source and originate specific infrastructure projects for Japanese companies to participate in overseas infrastructure business, particularly in Indonesia. These collaborations serve as a testament to the Group's brand equity as a leading Indonesia real estate developer and will contribute positively to our township developments in the future.

### FUELING GROWTH INTO INDONESIA'S ECONOMY AND PROPERTY SECTOR

Indonesia's gross domestic product ("GDP") contracted 2.07% from a 5.02% growth a year earlier, the first time in more than two decades as COVID-19 crippled business activities across the archipelago. To spur economic growth and cushion the pandemic impact, the Indonesia Government had implemented various fiscal and monetary policies throughout 2020.

The Indonesia parliament has approved an IDR2,750.0 trillion budget and set a GDP target of 5.0% for 2021. The country is accelerating its vaccination program to kick-start economic recovery. Aside from the pandemic, the Indonesian parliament passed a new Jobs Creation Bill, widely known as the "Omnibus Law", after approximately eight months

of deliberation. Seventy-six laws were amended, and provisions were introduced to simplify business licensing procedures and changes to existing workforce law. The Omnibus Law is widely viewed as an essential step to attract more foreign direct investment, hereby providing a significant boost for employment and its economy. Arising from the legal amendments are revised regulations relating to relaxation of property ownership rules for foreigners which will benefit the Indonesia's property sector in the long run.

On 18 February 2021, Bank Indonesia ("BI") cut its benchmark interest rate to 3.5%, the lowest level since the rate was introduced in 2016. In addition, BI has further relaxed its loan-to-value ("LTV") ratios for property and motor vehicle loans. From 1 March 2021, homebuyers can apply for up to 100.0% LTV ratios for all residential property loans/financing. Coupled with easing mortgage loan disbursement to property developers, these initiatives are expected to stimulate growth for the Indonesia property sector.

### INDONESIA AND SINGAPORE TEAMS UP TO BUILD SOUTHEAST ASIA'S DIGITAL HUB OF THE FUTURE

Nongsa D-Town, a new digital downtown hub, was launched on 2 March 2021 at a virtual event officiated by Singapore and Indonesia's economic ministers. Located in Batam, the 62-hectare development aims to digitally bridge tech companies and talents in Singapore and Indonesia, and will have the capacity to house more than 8,000 tech talents when completed. Designed by Surbana Jurong, Nongsa D-Town is developed by PT Citra Sinar Global - a joint venture between SML and Citramas Group. The new downtown area will include co-working and co-living spaces, alongside digital training centres, office towers, lifestyle and shopping centres, and hotels.

Nongsa D-Town is built on the existing Nongsa Digital Park - the outcome of bilateral discussions to develop Batam as a digital bridge between Singapore and Indonesia. Indonesia has designated the park as a Special Economic Zone for digital economy and tourism.

### LOOKING AHEAD

As the global economy is still reeling under the impact of the pandemic, 2021 economic recovery is expected to be uneven across different countries and sectors. Despite vaccination programs currently being carried out worldwide, global recovery is expected to be gradual. Nevertheless, the Group shall continue to adopt a defensive stance while taking necessary steps to ensure our long-term growth.

In 2020, BSDE achieved marketing sales of IDR6.5 trillion, just shy of its target of IDR7.2 trillion, while DMAS exceeded its marketing sales target of IDR2.0 trillion to hit IDR2.39 trillion. For 2021, BSDE and DMAS have announced marketing sales targets of IDR7.0 trillion and IDR2.0 trillion, respectively. BSDE expects its 2021 marketing sales target to be contributed by 63.0% residential, 23.0% commercial and the remaining 14.0% from sales of land to potential joint venture companies, while DMAS continues to expect industrial land sales to be the key sales driver in 2021.

Our Indonesia markets' presence is complemented by a measured exposure to other markets such as the UK, China, Malaysia, and Australia. Outside Indonesia, the Group will continue to pursue its goal to diversify its global footprint. Our China division will continue to explore further acquisition and collaboration opportunities with strong local partners, while the UK division will seek out acquisition opportunities amidst post-Brexit, focusing on asset enhancements and driving rent reversions for better yields.

“Our progress would not have been possible without our stakeholders’ trust and support. On behalf of the Group, we extend our thanks and appreciation, and we look forward to their continuing trust and support.”

#### APPRECIATION

The global spread of the COVID-19 virus has placed countries into lockdown. However, many healthcare workers and other frontline essential workers risked their lives to ensure that we are well-taken care of during this crisis. We would like to extend our sympathies to those that have lost their lives or livelihood, while giving thanks and salute all the frontline medical and essential workers for their dedication and services as a number of our employees, including frontline workers, were also not spared from COVID-19.

Our progress would not have been possible without our stakeholders’ trust and support. On behalf of the Group, we extend our thanks and appreciation, and we look forward to their continuing trust and support. Given the economic downturn and a

challenging FY2020, the Company is proposing a first and final dividend of 0.09 Singapore cents per share, subject to shareholders’ approval during the 2021 Annual General Meeting (“AGM”) and is expected to be paid on 23 June 2021.

This year, we welcome Mr. Ng Ee Peng and Mr. Steven Lim to the Board as Independent Directors, filling the vacancies left by Mr. Rodolfo Castillo Balmater and Mr. Kunihiko Naito, who retired and resigned respectively from the Board on 27 April 2020 after years of dedicated service and contributions to the Company. Finally, we thank our fellow Board members, management, and staff for their dedication and hard work to enhance shareholders’ value.

We look forward to building a better future together.



**Franky Oesman Widjaja**  
Executive Chairman



**Muktar Widjaja**  
Executive Director and  
Chief Executive Officer

15 MARCH 2021

# BOARD OF *Directors*



**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 63, 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 (2018–2020): 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 2020.

Mr. Muktar Widjaja, aged 66, 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 (2018–2020): Nil



### 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 2020.

Ms. Margaretha Widjaja, aged 39, 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 (2018-2020): Nil



### FERDINAND SADELI

#### Executive Director and Chief Investment Officer

Mr. Ferdinand Sadeli is an Executive Director and the Chief Investment Officer ("CIO") of SML, and a member of its Executive/Board Committee. He relinquished his previous role as Chief Financial Officer of SML, a position he held since April 2012, and took on the role of CIO overseeing the investment function of the Group effective 24 February 2021. Mr. Sadeli has been a Director since April 2012 and his last re-appointment as a Director was in 2018.

Mr. Sadeli, aged 47, 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 24 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, 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 (2018-2020): Nil

# BOARD OF *Directors*



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## **ROBIN NG CHENG JIET** Executive Director and Chief Financial Officer

Mr. Robin Ng Cheng Jiet is an Executive Director and Chief Financial Officer (“CFO”) of SML and a member of its Executive/Board Committee. He has been a Director of SML since April 2012 and assumed the role as CFO of the Company overseeing all financial matters of the Group, effective 24 February 2021. His last re-appointment as a Director was in 2018.

Mr. Ng, aged 46, 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 Assistant Treasurer of the Citizens’ Consultative Committee and Vice-Chairman of the Active Ageing Committee of the Ulu Pandan Constituency of Holland-Bukit Timah GRC in Singapore.

Mr. Ng has over 22 years of experience in operational finance and public accounting within the Asia Pacific region. He was CFO of Top Global Limited, a company listed on the Singapore Exchange Securities Trading Limited before becoming the Finance Director of SML in June 2011.

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 (2018-2020): Nil



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## **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 previously served as an Independent Director of SML from November 2001 to February 2006, and rejoined the Board in April 2017. His last re-appointment as a Director was in 2018.

Mr. Hong, aged 76, 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 three companies listed on the Official List of the Singapore Exchange Securities Trading Limited, namely, as an Independent Director of Hyflux Ltd, XMH Holdings Ltd and Yanlord Land Group Limited.

Mr. Hong was previously a Non-executive Chairman and an Independent Director of AsiaPhos Limited.

Present directorships in other Singapore listed companies:

- Hyflux Ltd
- XMH Holdings Ltd
- Yanlord Land Group Limited

Other principal commitments: Nil

Past directorships in other Singapore listed companies (2018-2020):

- AsiaPhos Limited



### WILLY SHEE PING YAH @ SHEE PING YAN Independent Director

Mr. Willy Shee Ping Yah @ Shee Ping Yan is an Independent Director of SML, chairman of its Remuneration Committee and a member of its Audit Committee. Mr. Shee has been a Director of the Company since April 2018. His last re-appointment as a Director was in 2019.

Mr. Shee, aged 72, 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, Sabana Real Estate Investment Management Pte. Ltd. (as Manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust), 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
- Sabana Real Estate Investment Management Pte. Ltd. (as Manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust)

Other principal commitments:

- CBRE Pte Ltd (Senior Advisor)

Past directorships in other Singapore listed companies (2018-2020): Nil



### LEW SYN PAU Independent Director

Mr. Lew Syn Pau is an Independent Director of SML. He re-joined SML's Board of Directors in April 2018. Prior to that, Mr. Lew was a Director of SML from July 1999 to February 2006, and from May 2007 to December 2007. His last re-appointment as a Director was in 2019.

Mr. Lew, aged 67, 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
- Golden Agri-Resources Ltd
- Golden Energy and Resources Limited
- SUTL Enterprise Limited

Other principal commitments: Nil

Past directorships in other Singapore listed companies (2018-2020):

- Food Empire Holdings Ltd

# BOARD OF *Directors*



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## LIM JUN XIONG, STEVEN

Independent Director

Mr. Lim Jun Xiong, Steven is an Independent Director of SML, and a member of its Audit Committee, Nominating Committee and Remuneration Committee. Mr. Lim joined the Board of Directors of SML in May 2020.

Mr. Lim, aged 65, holds a Bachelor of Commerce majoring in Accounting and Finance from the University of Newcastle, Australia. Mr. Lim is a Fellow Member of CPA Australia, the Institute of Singapore Chartered Accountants and a member of the Society of Trusts and Estate Practitioners. Mr. Lim currently provides consultancy advice in the field of global wealth solutions.

Mr. Lim was the Chief Executive Officer of SG Trust (Asia) Ltd, a wholly-owned subsidiary and fiduciary services arm of Societe Generale Private Bank that provides wealth management, estate and succession planning services, until October 2014. Prior to this, he was the Managing Director and subsequently a Senior Consultant at HSBC Private Bank (Suisse) SA Global Wealth Solutions. Mr. Lim started his career at PricewaterhouseCoopers. He was also Non-Executive Chairman and Independent Director of Sapphire Corporation Limited until December 2017.

Presently, Mr. Lim is an Independent Director of Bund Center Investment Ltd, Emerging Towns & Cities Singapore Ltd., Hong Fok Corporation Limited, Livingstone Health Holdings Limited and Mirach Energy Limited; and Lead Independent Director of Keong Hong Holdings Limited, all of which are listed on the Official List of the Singapore Exchange Securities Trading Limited. He is also a member of the Finance Committee of Seletar Country Club.

Present directorships in other Singapore listed companies:

- Bund Center Investment Ltd
- Emerging Towns & Cities Singapore Ltd.
- Hong Fok Corporation Limited
- Livingstone Health Holdings Limited
- Keong Hong Holdings Limited
- Mirach Energy Limited

Other principal commitments: Nil

Past directorships in other Singapore listed companies (2018-2020): Nil



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## NG EE PENG

Independent Director

Mr. Ng Ee Peng is an Independent Director of SML. Mr. Ng joined the Board of Directors of SML in May 2020.

Mr. Ng, aged 65, holds a Master of Business Administration from Harvard University, USA; Diploma (with Honors) from US Army Command & General Staff College; and Bachelor of Science (First Class Honors) from University of Manchester Institute of Science & Technology.

Currently, Mr. Ng is the Founder and Chairman of Lunas Analytics.ai Pte. Ltd., a fintech Artificial Intelligence startup. From 2019 to February 2020, he was Executive Vice President and later, Senior Advisor, Chairman's Office, of PT Smartfren Tbk, Indonesia. Before that, from 2010 to 2019, he was President Director and Group Chief Executive Officer ("CEO"), PT Gunung Sewu Kencana, Indonesia. Since 1974 to the latter position, Mr. Ng held various posts, including, President & CEO, GE Capital ASEAN (1993 to 2000, and 2007 to 2010); President, Asian Aerospace Pte. Ltd. and Reed Exhibitions Pte. Ltd. (2003 to 2006); Group CEO, DBSLand/Executive Vice President Corporate, Capitaland Group/CEO, Capitaland Commercial & Fund Management (2000 to 2002); and Brigade Commander being his last position at Singapore Armed Forces (1974 to 1989).

Present directorships in other Singapore listed companies: Nil

Other principal commitments:

- Lunas Analytics.ai Pte. Ltd.
- ERN Investments Pte. Ltd.

Past directorships in other Singapore listed companies (2018-2020): Nil

# KEY MANAGEMENT *Personnel*

At a Glance  
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## **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 Division 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 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 from 2010 to 2016, 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.

# Governance Report

Sinarmas Land Limited (the “Company” or “SML”) and together with its subsidiaries (the “Group”) is committed to observing high standards of corporate governance, to promote corporate transparency and to enhance the long-term value of the Group to its shareholders and other stakeholders, with guidance from the revised Code of Corporate Governance issued by the Monetary Authority of Singapore on 6 August 2018 (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.

Described in this report, is the Company’s corporate governance practices and structures in place during the financial year ended 31 December 2020 (“FY2020”).

The principles of the Code are set out in italics in this report. Where the Company’s practices vary from provisions of the Code, specific disclosures will be provided.

## (I) BOARD MATTERS (Principles 1 to 5)

### 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, and works with Management to enhance the long-term success of the Group.

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) instill 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’ Conflicts 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. All Directors have taken note of the different roles they have in the Company.

The Board has adopted a comprehensive Policy on Directors’ Conflicts 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 exists 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.

### 1.4 Training and Orientation for New Directors

As a standard procedure, newly appointed Directors are issued with a formal appointment letter setting out the terms of appointment, general duties and obligations including expectations of the Company. They will also be given the meeting schedule, contact particulars of senior Management, relevant governing documents of the Company, and a web address to the Listing Manual. Those without prior experience as a director of a Singapore listed company, are required to attend the Listed Entity Director programme being SGX-ST's 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, subject to prevailing restrictions brought about by the Coronavirus Disease 2019 (COVID-19) pandemic, they may 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 FY2020 Training for Directors

By reason of the safety measures and restrictions brought about by the COVID-19 pandemic, attendance by Director(s) of external courses/seminars were mainly via online live webcast. Having attended the trainings, Directors in turn, shared their key takeaways with their fellow Directors at the subsequent Board meeting:

#### External Training

- (1) Audit Committee Seminar 2020: Looking Beyond the Veneer of Numbers (January 2020 - onsite);
- (2) Best Risk Management Award Seminar – Cutting through the Complexity of Risk Management (February 2020 - onsite);
- (3) COVID-19: Embedding Resilience Webinar Series 4 – Future of the Workforce (June 2020 - online);
- (4) COVID-19: Embedding Resilience Webinar Series 5 – Risk Management (with a focus on fraud and cyber risks) (June 2020 - online);
- (5) Listed Entity Director Programme, Modules 1 - 4 (July 2020 - online);
- (6) Singapore Governance and Transparency Forum – Singapore Governance and Transparency Index Launch (August 2020 - online);
- (7) AC Chapter Pit-Stop Series: Ask the Right Questions – Reviewing Financial Statements and Selecting Auditors (August 2020 - online);
- (8) SID Directors Virtual Conference 2020 – Living with COVID 19: A Singapore Perspective (August 2020 - online);

# CORPORATE Governance Report

- (9) Board Conversation Series – AC Chairman Conversation: Inaugural Online Session: The role of the Audit Committee in preventing today's risks from becoming tomorrow's headlines (September 2020 - online);
- (10) SIAS Corporate Governance Digital Symposium (October 2020 - online); and  
Internal/In-house Training conducted by External Counsel
- (11) Amendments to the Listing Manual effective 7 February 2020 (February 2020 - onsite).

## 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<sup>i</sup> ("AC"), the Nominating Committee<sup>ii</sup> ("NC"), the Remuneration Committee<sup>iii</sup> ("RC") and the Executive/Board Committee<sup>iv</sup> ("BC") with written terms of reference which clearly set out the authority and duties of each committee.

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

## 1.8 Composition of the Board and Board Committees

Presently, 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 of Director	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 <sup>6</sup>	CIO Member of BC	Executive Director
Robin Ng Cheng Jiet <sup>7</sup>	CFO Member of BC	Executive Director
Hong Pian Tee	Lead Independent Director Chairman of AC and NC Member of RC	Non-executive, Independent Director

- i See item 10.1  
ii See item 4.1  
iii See item 6.1  
iv See item 1.9

Name of Director	Position(s)	Executive/Independent Director
Willy Shee Ping Yah @ Shee Ping Yan <sup>3</sup>	Chairman of RC Member of AC	Non-executive, Independent Director
Lew Syn Pau	-	Non-executive, Independent Director
Lim Jun Xiong, Steven <sup>1,2</sup>	Member of AC, NC and RC	Non-executive, Independent Director
Ng Ee Peng <sup>1</sup>	-	Non-executive, Independent Director

Key information, including qualifications, on the Directors are found on pages 12 to 16 of this Annual Report.

Abbreviation:

CEO: Chief Executive Officer

CFO: Chief Financial Officer

CIO: Chief Investment 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 if 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.

# CORPORATE Governance Report

## 1.11 Number of Meetings Held in 2020 and Attendance Record

In 2020, the Board met 3 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. In view of the COVID-19 pandemic, those meetings from 2nd Quarter of 2020 onward were held via electronic means. The number of Board and Board Committee Meetings held and the attendance of Directors and Board Committee Members respectively, is disclosed below:

Name	Number of Meetings Attended by Members					Total Attendance at Meetings
	Board Meetings	AC Meetings	NC Meetings	RC Meetings	AGM	
<b>EXECUTIVE DIRECTORS</b>						
Franky Oesman Widjaja	3/3	-	2/2	-	1/1	6/6
Muktar Widjaja	3/3	-	-	-	1/1	4/4
Margaretha Natalia Widjaja	3/3	-	-	-	1/1	4/4
Ferdinand Sadeli <sup>6</sup>	3/3	-	-	-	1/1	4/4
Robin Ng Cheng Jiet <sup>7</sup>	3/3	-	-	-	1/1	4/4
<b>NON-EXECUTIVE, INDEPENDENT DIRECTORS</b>						
Hong Pian Tee	3/3	5/5	2/2	2/2	1/1	13/13
Willy Shee Ping Yah @ Shee Ping Yan <sup>3</sup>	3/3	3/3	-	1/1	1/1	8/8
Lew Syn Pau	3/3	-	-	-	1/1	4/4
Lim Jun Xiong, Steven <sup>1,2</sup>	2/2	3/3	1/1	1/1	-	7/7
Ng Ee Peng <sup>1</sup>	2/2	-	-	-	-	2/2
Kunihiko Naito <sup>4</sup>	1/1	2/2	-	1/1	1/1	5/5
Rodolfo Castillo Balmater <sup>5</sup>	1/1	2/2	1/1	1/1	1/1	6/6
<b>Number of Meetings Held</b>	<b>3</b>	<b>5</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>13</b>

Notes:

1. Appointed as Non-executive, Independent Director on 6 May 2020.
2. Appointed as a member of AC, RC and NC on 6 May 2020.
3. Appointed as a member and Chairman of RC, and a member of AC on 6 May 2020.
4. Resigned at conclusion of AGM on 27 April 2020.
5. Retired at conclusion of AGM on 27 April 2020.
6. Change of role to CIO from CFO on 24 February 2021.
7. Assumed role of CFO on 24 February 2021.

### 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/half-yearly 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 in its composition to enable it 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 on the Board with half of the Board 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:

- (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.

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The 5 Independent Directors have declared 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 with a view to 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, and 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.

## 2.3 Lead Independent Director ("LID")

The AC Chairman acts as a LID. The 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.

The NC reviewed a matrix of the composition and skills of the Board and noted the updates/progress during FY2020, 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, Mr. Franky Oesman Widjaja, and our CEO, Mr. Muktar Widjaja, are brothers.

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 also is NC Chairman and a member of the RC. Further, the AC, NC and RC 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)
Franky Oesman Widjaja	
Lim Jun Xiong, Steven	(appointed as NC member on 6 May 2020)
Rodolfo Castillo Balmater	(ceased as NC member on 27 April 2020)

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;

# CORPORATE

# *Governance Report*

- (d) concerning any matters relating to the continuation in office of any Director at any time; and
- (e) concerning Board diversity.

Changes to the Listing Manual on independence of Directors, in particular, the “9-year rule” (as defined below), have been highlighted by the NC to the Board, and discussed for appropriate course of action.

## **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 to the Board’s effectiveness.

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

## **4.3 Director Independence Review**

The Board has adopted the definition of “independence” in both the Code and the Listing Manual, 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 particularly rigorous review (“Rigorous Review”).

The Listing Manual sets out specific circumstances in which a director is deemed non-independent, including, Rule 210(5)(d)(iii) effective on 1 January 2022, the requirement for directors wishing to remain as independent after serving more than 9 years (“9-year rule”), to seek 2-tier voting in separate resolutions by (A) all shareholders; and (B) shareholders, excluding the Directors and the CEO, and associates of such Directors and CEO.

Bearing in mind the above, the NC determines on an annual basis and, as and when 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 has considered that the following 5 Directors are regarded as Independent Directors of the Company:

Hong Pian Tee  
Willy Shee Ping Yah @ Shee Ping Yan  
Lew Syn Pau\*  
Lim Jun Xiong, Steven  
Ng Ee Peng

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 Mr. Lew Syn Pau ("Mr. Lew") was conducted as he had served as a Non-executive, Independent Director beyond 9 years in aggregate. This is the last year of Rigorous Review for Mr. Lew prior to the "9-year rule" taking effect on 1 January 2022.

During the NC and Board's Rigorous Review, amongst others, the manner and extent in which Mr. Lew contributed in his role as an independent Director, was examined.

Additionally, the Rigorous Review procedure required Mr. Lew to provide reason(s) why he should be considered independent despite having served beyond 9 years. He also confirmed not having any relationship that could interfere with his exercise of independent judgement in the best interest of the Company.

In reviewing the independence of Mr. Lew, NC considered that despite serving more than 9 years, Mr. Lew continued to exercise independent judgement at all meetings and decisions taken.

After taking into account these factors, the NC's views and having weighed the need for Board refreshment against tenure, the Board has considered and determined that Mr. Lew be regarded as an Independent Director of the Company, notwithstanding having served beyond 9 years.

#### 4.5 Re-appointment and Re-election at the 2021 AGM

Newly appointed Directors hold office until the next AGM and shall be eligible for re-election thereat pursuant to Regulation 97 of the Constitution ("Reg 97").

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 seeking for re-appointment at the upcoming 2021 AGM pursuant to the respective requirement stated above, are:

- (i) Mr. Lim Jun Xiong, Steven and Mr. Ng Ee Peng, who were both appointed by the Board in May 2020, will each retire at the 2021 AGM under Reg 97, and, being eligible, has each offered himself for re-appointment as a Director at the 2021 AGM; and
- (ii) Mr. Ferdinand Sadeli, Mr. Robin Ng Cheng Jiet and Mr. Hong Pian Tee ("Mr. Hong") are due for retirement under R720 and, being eligible, have each offered himself for re-appointment at the 2021 AGM.

Effective January 2022, Mr. Hong would have served 9 years in aggregate. In anticipation of Rule 210(5)(d)(iii) of the Listing Manual which will take effect from 1 January 2022, Mr. Hong has offered himself for 2-tier members' approval at the 2021 AGM for his continued appointment as an Independent Director, such approval to remain in force until the earlier of his retirement or resignation as a Director or the conclusion of the third AGM following the said approval. This is to provide for some continuity and a smooth transition until Mr. Hong's replacement is found.

The NC has recommended each of the above Directors' re-appointment and re-election as a Director and/or Independent Director at the 2021 AGM.

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

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

# Governance Report

## 4.6 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 or 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 2020. Directors with multiple board representation made sure to allocate time to attend to the Company's affairs.

Currently, the number of directorships in Singapore listed companies, including the Company, held by an Independent Director is 7, and of that held by an Executive Director is 3.

### 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 Performances

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.

During FY2020, based on NC's recommendation, the Board approved formal assessment of Board Committees, and the respective performance criteria.

## (II) REMUNERATION MATTERS (Principles 6 to 8)

### 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:

Willy Shee Ping Yah @ Shee Ping Yan (RC Chairman)	(appointed on 6 May 2020)
Hong Pian Tee	
Lim Jun Xiong, Steven	(appointed as RC member on 6 May 2020)
Kunihiko Naito	(ceased as RC member on 6 May 2020)

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.

Total compensation for top Executives is also benchmarked against that by other comparable Singapore listed companies.

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 Relationship between Remuneration, Performance and Value Creation

SML's remuneration policies are centered upon a structured balanced scorecard methodology which is guided by the Group's long term vision and corporate strategies and supported by each of the Group's shared values, namely Integrity, Positive Attitude, Commitment, Continuous Improvement, Innovation and Loyalty. The Group's vision and shared values are cascaded into key success factors in the various dimensions such as Financials, Business Processes, Customer Focus and People Management, which are regularly reviewed and moulded into Company-wide shared Key Performance Indicators ("KPIs") and Individual KPIs. Every year, SML will formulate an annual budget for all business units, setting the Group's key operational and financial KPIs. These KPIs will be weighted according to the relevance and relative importance to each position and will form part of the annual remuneration review.

# CORPORATE Governance Report

## 7.3 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\$474,222 as Directors' Fees be paid to the Non-executive, Independent Directors for FY2020. These fees will be tabled for shareholders' approval at the 2021 AGM.

### PRINCIPLE 8: DISCLOSURE OF 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 FY2020 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
<b>Executive Directors</b>				
S\$4,000,000 to S\$4,250,000 Muktar Widjaja	21.9%	78.1%	-	100%
S\$2,250,000 to S\$2,500,000 Margaretha Natalia Widjaja	20.2%	79.8%	-	100%
S\$2,000,000 to S\$2,250,000 Franky Oesman Widjaja	17.1%	82.9%	-	100%
S\$500,000 to S\$750,000 Ferdinand Sadeli	90.2%	9.8%	-	100%
S\$250,000 to S\$500,000 Robin Ng Cheng Jiet	90.1%	9.9%	-	100%
<b>Non-Executive, Independent Directors</b>				
<b>Below S\$250,000</b>				
Hong Pian Tee	-	-	100%	100%
Willy Shee Ping Yah @ Shee Ping Yan	-	-	100%	100%
Lew Syn Pau	-	-	100%	100%
Lim Jun Xiong, Steven <sup>1</sup>	-	-	100%	100%
Ng Ee Peng <sup>1</sup>	-	-	100%	100%
Rodolfo Castillo Balmater <sup>2</sup>	-	-	100%	100%
Kunihiko Naito <sup>2</sup>	-	-	100%	100%

**Notes:**

<sup>1</sup> Appointed on 6 May 2020

<sup>2</sup> Retired/Resigned on 27 April 2020

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 ("KMP"), in alphabetical order, who are not Directors of the Company for FY2020 are as follows:

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

The total remuneration paid to the top 5 KMPs for FY2020 amounted to S\$4,680,404.

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 FY2020, being two, Mr. Michael JP Widjaja and Ms. Marcellyna Junita Widjaja, children of Mr. Muktar Widjaja, are as follows:

Remuneration Band	Number
S\$2,500,000 to S\$2,750,000	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. Their remuneration is disclosed in item 8.1 above.

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 FY2020.

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.

# CORPORATE Governance Report

## (III) ACCOUNTABILITY AND AUDIT (Principles 9 to 10)

### 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.*

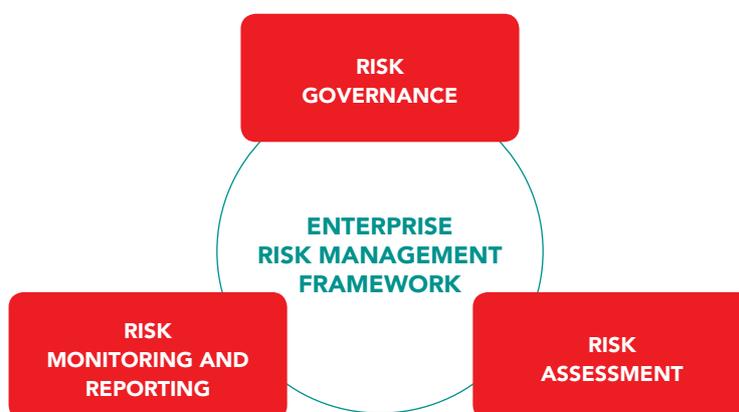
#### 9.1 Risk Management and Internal Controls - Responsibilities

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.

#### 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 KPIs 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 (eg, 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 to ensure 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.

# Governance Report

## 9.4 Assurance from the CEO and CFO

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

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 given written assurance to the Board, as follows:

(a) Financial Records

The financial records of the Group for FY2020 have been properly maintained and the FY2020 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, compliance and information technology controls, and risk management systems in place within the Group for FY2020 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 Controls 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 Executive 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 ("AC") 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)
Willy Shee Ping Yah @ Shee Ping Yan	(appointed as AC member on 6 May 2020)
Lim Jun Xiong, Steven	(appointed as AC member on 6 May 2020)
Rodolfo Castillo Balmater	(ceased as AC member on 27 April 2020)
Kunihiko Naito	(ceased as AC member on 27 April 2020)

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.

# Governance Report

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 audited financial statements of the Group for FY2020 ("FY2020 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, ie. revenue recognition and valuation and classification of development properties, have been appropriately addressed. The AC recommended to the Board to approve the audited FY2020 Financial Statements. The Board has on 15 March 2021 approved the FY2020 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 FY2020 Financial Statements on page 114 of this Annual Report. The external auditors, Moore Stephens LLP, did not provide any non-audit services to the Group during FY2020.

The AC has recommended to the Board that the external auditors be nominated for re-appointment at the 2021 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 holds a Bachelor degree (majoring in Accounting) from Tarumanagara University, Jakarta, Indonesia, and is professionally qualified as a Certified Internal Auditor.

The internal audit team collectively comprises of members who have in-depth knowledge and skills of internal audit standards and best practices, risks, and controls of the business processes; knowledge of IT General and Application Controls and the organisation's industry; good communication and presentation skills; and professional certifications, i.e., Certified Internal Auditor, Certified Information System Auditor, Certified Management Accounting, and Chartered Accountant.

In addition, members of the internal audit team regularly attend relevant public trainings as part of the continuing professional education requirements. Therefore, collectively, the internal audit function has met the Attribute Standards (i.e. Proficiency and due professional care) 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 or 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 FY2020.

### (IV) SHAREHOLDER RIGHTS AND ENGAGEMENT (Principles 11 to 12)

#### **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 materially impact the Company's share price or value.

All shareholders of the Company are entitled to attend and vote at general meetings. 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 released via SGXNET and are also made available on the Company website<sup>1</sup>, 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 released via SGXNET.

<sup>1</sup> <http://www.sinarmasland.com/annual-reports>

#### 11.2 Conduct of Shareholders' Meetings

On 7 April 2020 and 13 April 2020, the Singapore Government enacted the COVID-19 (Temporary Measures) Act 2020 (the "Act") and the COVID-19 (Temporary Measures) (Alternative Arrangements For Meetings For Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "Order"), respectively. In addition, the COVID-19 (Temporary Measures) (Control Order) Regulations 2020 made on 7 April 2020 (the "Regulations") further prohibit individuals from leaving their ordinary place of residence unless specifically provided for, as well as obliges that the Company's premises are, save for specific circumstances, closed to entry by any individual.

# Governance Report

In view of the Act, the Order and the Regulations, the Company arranged for its 2020 AGM scheduled on 27 April 2020, to be held by electronic means via live webcast. Shareholders were given the opportunity to communicate their views and to engage the Board and Management on the Group's business activities and financial performance by pre-submitting their questions before the 2020 AGM. Directors are encouraged to attend shareholders' meetings and all Directors were visibly present at the online 2020 AGM. The external auditors, Share Registrar & Poll Agent, Scrutineer were also present online.

At shareholders' meetings, each distinct issue is proposed as a separate resolution.

At the 2020 AGM, voting was carried out only by proxy given to the Chairman of the Meeting. Results of the voting were released on SGXNET after the 2020 AGM as well as the presentation slides and Questions and Answers. The Minutes of the 2020 AGM was also released on SGXNET within one month of the event.

## 11.3 Dividend Policy

Based on Management recommendations, the Directors determine on a half-yearly 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.

### 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 engaging 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. The Company conveys material information 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. In accordance with amendments on mandatory quarterly reporting under Rule 705 of the Listing Manual, effective 7 February 2020, starting from year 2020, the Company has announced its unaudited financial statements for the half-year and full year in the format prescribed by the Listing Manual.

The Company's financial results, together with the accompanying presentation slides and press releases, are announced, during 2020, on a semi-annually 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 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 light of the COVID-19 pandemic, the Company has adhered strictly to the Singapore Government's COVID-19 (Temporary Measures) Act 2020 by limiting all physical gathering and face-to-face interaction. Nonetheless, in 2020, the Company continued to proactively engage investors and the investment community through virtual investor meetings and tele-conferences to keep them apprised of its corporate development and financial performance.

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](mailto: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 three (3) business days or whenever earliest possible.

More on IR can be found on page 58 of this Annual Report.

## (V) MANAGING STAKEHOLDER RELATIONSHIPS (Principle 13)

### **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 virtual channels, such as annual surveys, virtual shareholder meetings, semi-annual 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](mailto:investor@sinarmasland.com.sg) or by post to 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535.

## (VI) 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.

# CORPORATE Governance Report

## (VII) 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)
		FY2020 S\$	FY2020 S\$
Golden Agri International Pte Ltd ("GAI")	#1	486,000 <sup>#2</sup>	-
PT Bank Sinarmas Tbk ("BSM")	#1	-	17,813,135 <sup>#3</sup>
PT Gema Kreasi ("GK")	#1	-	10,040,317 <sup>#4</sup>
PT Indah Kiat Pulp & Paper Tbk	#1	-	199,628
PT Paraga Artamida ("PAM")	#1	160,495,566 <sup>#5</sup>	-
PT Smart Telecom	#1	-	646,758
PT Sinar Mas Agro Resources and Technology Tbk	#1	-	7,836,350
PT Sinarmas Sekuritas	#1	-	1,771,932
PT Sinarmas Sentra Cipta	#1	-	2,507,743
PT Sinarmas Asset Management	#1	-	1,684,700
PT Sinarmas Tjipta	#1	-	1,106,632
PT Sinar Mas Tunggal ("SMT")	#1	918,140 <sup>#6</sup>	-
<b>Total</b>		<b>161,899,706</b>	<b>43,607,195</b>

### Notes:

\* Renewed at SML's AGM on 27 April 2020 pursuant to Rule 920 of the Listing Manual.

<sup>#1</sup> These IPs are regarded as associates of SML's controlling shareholder/certain Widjaja Family Directors under Chapter 9 of the Listing Manual on interested person transactions.

<sup>#2</sup> Lease of Premises from GAI.

<sup>#3</sup> Time deposits and current account placements with BSM during the year. Principal amount of placements as at 31 December 2020 is approximately S\$4,130,000.

<sup>#4</sup> Acquisition by the Group of land parcels in Cibubur, Bekasi, Indonesia ("Acquisition") via acquisition of shares including shares held by GK in each of PT Bhumindo Repenas Jayautama, PT Cibubur Permai Lestari and PT Gunung Indah Permai Lestari. The Company obtained prior approval of the AC of the Company for the Acquisition. Please refer to announcement of 24 February 2021 for details.

<sup>#5</sup> Subscription of additional new shares in PAM. Please refer to announcement of 9 June 2020 for details.

<sup>#6</sup> Acquisition by the Group of shares held by SMT in existing subsidiaries, namely PT Bhineka Karya Pratama, PT Simas Tunggal Center and PT Sinar Mas Teladan. Please refer to announcement of 24 February 2021 for details.

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

Information relating to Directors seeking re-appointment at the 2021 AGM is as follows:

Name of Director	LIM JUN XIONG, STEVEN ("SL")	NG EE PENG ("NEP")	FERDINAND SADELI ("FS")	ROBIN NG CHENG JIET ("RN")	HONG PIAN TEE ("HPT")
Date of Appointment	6 May 2020	6 May 2020	27 April 2012	27 April 2012	26 April 2017
Date of last re-appointment (if applicable)	-	-	23 April 2018	23 April 2018	23 April 2018
Age	65	65	47	46	76
Country of principal residence	Singapore	Singapore	Indonesia	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	Please refer to items 4.2 and 4.5 on pages 26 and 27 of this Annual Report.	Please refer to items 4.2 and 4.5 on pages 26 and 27 of this Annual Report.	Please refer to items 4.2 and 4.5 on pages 26 and 27 of this Annual Report.	Please refer to items 4.2 and 4.5 on pages 26 and 27 of this Annual Report.	Please refer to items 4.2 and 4.5 on pages 26 and 27 of this Annual Report.
Whether appointment is executive, and if so, the area of responsibility	No	No	Yes Executive Director and CIO	Yes Executive Director and CFO	No
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive Independent Director Member of AC, NC and RC	Non-Executive Independent Director	Executive Director and CIO Member of BC	Executive Director and CFO Member of BC	Lead Independent Director Chairman of AC and NC, and Member of RC
Professional qualifications	Please refer to page 16 of this Annual Report.	Please refer to page 16 of this Annual Report.	Please refer to page 13 of this Annual Report.	Please refer to page 14 of this Annual Report.	Please refer to page 14 of this Annual Report.
Working experience and occupation(s) during the past 10 years					
Shareholdings interest in the listed issuer and its subsidiaries	Please refer to item 3 on page 80 of this Annual Report.	Nil	Nil	Nil	Please refer to item 3 on page 80 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	Nil	Nil	Nil	Nil	Nil

# CORPORATE

# Governance Report

Name of Director	SL	NEP	FS	RN	HPT
Conflict of interest (including any competing business)	Nil	Nil	Nil	Nil	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes	Yes	Yes
Other Principal Commitments* Including Directorships#	<p><b>Past (for the last 5 years)</b></p> <ul style="list-style-type: none"> <li>• Mancala Holdings Limited</li> <li>• Mancala Pty Ltd</li> <li>• Ranken Holding Co., Limited (f.k.a. Ranken Infrastructure Limited)</li> <li>• Sapphire Corporation Limited</li> </ul> <p><b>Present</b></p> <ul style="list-style-type: none"> <li>• Bund Center Investment Ltd</li> <li>• Emerging Towns &amp; Cities Singapore Ltd.</li> <li>• Hong Fok Corporation Limited</li> <li>• Keong Hong Holdings Limited</li> <li>• Livingstone Health Holdings Limited</li> <li>• Mirach Energy Limited</li> </ul>	<p><b>Past (for the last 5 years)</b></p> <ul style="list-style-type: none"> <li>• PT Gunung Sewu Kencana</li> </ul> <p><b>Present</b></p> <ul style="list-style-type: none"> <li>• ERN Investments Pte. Ltd.</li> <li>• Lunas Analytics.ai Pte. Ltd.</li> </ul>	<p><b>Past (for the last 5 years)</b></p> <ul style="list-style-type: none"> <li>• ACF Finance Ltd</li> <li>• GMN No 2 Limited</li> <li>• Prime Glory Capital Limited</li> <li>• PT Inti Tekno Sukses Bersama</li> <li>• SML Brook Partners Pte Limited</li> <li>• SML Jersey Brook Pte Limited</li> <li>• SML Jersey Properties Pte Limited</li> <li>• SML Chancery Pte Limited</li> <li>• Jermina Limited</li> <li>• PT Dana Bina Bangsa</li> </ul> <p><b>Present</b></p> <ul style="list-style-type: none"> <li>• ACF Solutions Holding Ltd</li> <li>• AFP International Capital Pte. Ltd.</li> <li>• Agamemnon S.a r.l.</li> <li>• Bali Indowisata Pte. Ltd.</li> <li>• Golden Ray Development Pte. Ltd.</li> <li>• Horseferry Property Limited</li> <li>• Linsville Limited</li> <li>• PT Binasarana Muliajaya</li> <li>• PT Plaza Indonesia Mandiri</li> <li>• PT Plaza Indonesia Urban</li> <li>• PT Plaza Indonesia Investama</li> <li>• Sinarmas Land (HK) Limited</li> <li>• Sinarmas Land Overseas Holding Pte. Ltd.</li> <li>• Sittingham Assets Limited</li> <li>• SML Alpha S.a r.l.</li> <li>• SML Brook England (HK) Limited</li> <li>• SML Great Pte Limited</li> <li>• SML Victoria Limited</li> <li>• Triton Court GP Limited</li> <li>• Triton Court Nominee (Newco) Limited</li> </ul>	<p><b>Past (for the last 5 years)</b></p> <ul style="list-style-type: none"> <li>• GMN No 2 Limited</li> <li>• Golden Bay Realty (Private) Limited</li> <li>• Prime Glory Capital Limited</li> <li>• SML Chancery PTE Limited</li> <li>• Palm Resort Management Pte Ltd</li> </ul> <p><b>Present</b></p> <ul style="list-style-type: none"> <li>• AFP China Ltd</li> <li>• AFP Gardens (Tanjong Rhu) Pte Ltd</li> <li>• AFP Hillview Pte Ltd</li> <li>• AFP International Capital Pte. Ltd.</li> <li>• AFP International Finance Limited</li> <li>• AFP International Finance(2) Ltd</li> <li>• AFP International Finance (3) Ltd</li> <li>• AFP Land Limited</li> <li>• AFP Land (Malaysia) Sdn. Bhd.</li> <li>• AFP Resort Development Pte Ltd</li> <li>• AFP Resort Marketing Services Pte Ltd</li> <li>• AFP (Shanghai) Co., Ltd</li> <li>• Agamemnon S.a r.l.</li> <li>• Amcol (China) Investments Pte Ltd</li> <li>• Anak Bukit Resorts Sdn. Bhd.</li> <li>• Asia Management Services Ltd</li> <li>• Bali Indowisata Pte. Ltd.</li> <li>• Chengdu Sinarmas New Century Investment Co., Ltd.</li> <li>• Constant Strength Sdn. Bhd.</li> <li>• Global Prime Capital Pte. Ltd.</li> <li>• Global Prime Treasury Pte. Ltd.</li> </ul>	<p><b>Past (for the last 5 years)</b></p> <ul style="list-style-type: none"> <li>• AsiaPhos Limited</li> <li>• Golden Agri-Resources Ltd</li> <li>• Memstar Technology Ltd</li> </ul> <p><b>Present</b></p> <ul style="list-style-type: none"> <li>• Hyflux Ltd</li> <li>• Pei Hwa Foundation Limited</li> <li>• XMH Holdings Ltd.</li> <li>• Yanlord Land Group Limited</li> </ul>

Name of Director	SL	NEP	FS	RN	HPT	
				<b>Present</b> <ul style="list-style-type: none"> <li>• Golden Ray Development Pte. Ltd.</li> <li>• Goldmount Holdings Pte Ltd</li> <li>• Horseferry Property Limited</li> <li>• JOIN SML Investment Partners Pte. Ltd.</li> <li>• Jurong Golf &amp; Sports Complex Pte Ltd</li> <li>• Palm Resort Berhad</li> <li>• Palm Villa Sdn. Bhd.</li> <li>• PRB (L) Ltd</li> <li>• Sankei Pte. Ltd.</li> <li>• Shining Gold Real Estate (Chengdu) Co., Ltd</li> <li>• Shining Gold Real Estate (Shenyang) Co., Ltd</li> <li>• Sinarmas Land (HK) Limited</li> <li>• Sinarmas Land Overseas Holding Pte. Ltd.</li> <li>• SML Alpha S.a r.l.</li> <li>• SML Brook England (HK) Limited</li> <li>• SML Great Pte Limited</li> <li>• SML Victoria Limited</li> <li>• Triton Court GP Limited</li> <li>• Triton Court Nominee (Newco) Limited</li> <li>• Zhuhai Huafeng Management and Consultancy Co., Ltd (formerly known as Zhuhai Huafeng Packaging Co., Ltd)</li> </ul>		

\* "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)

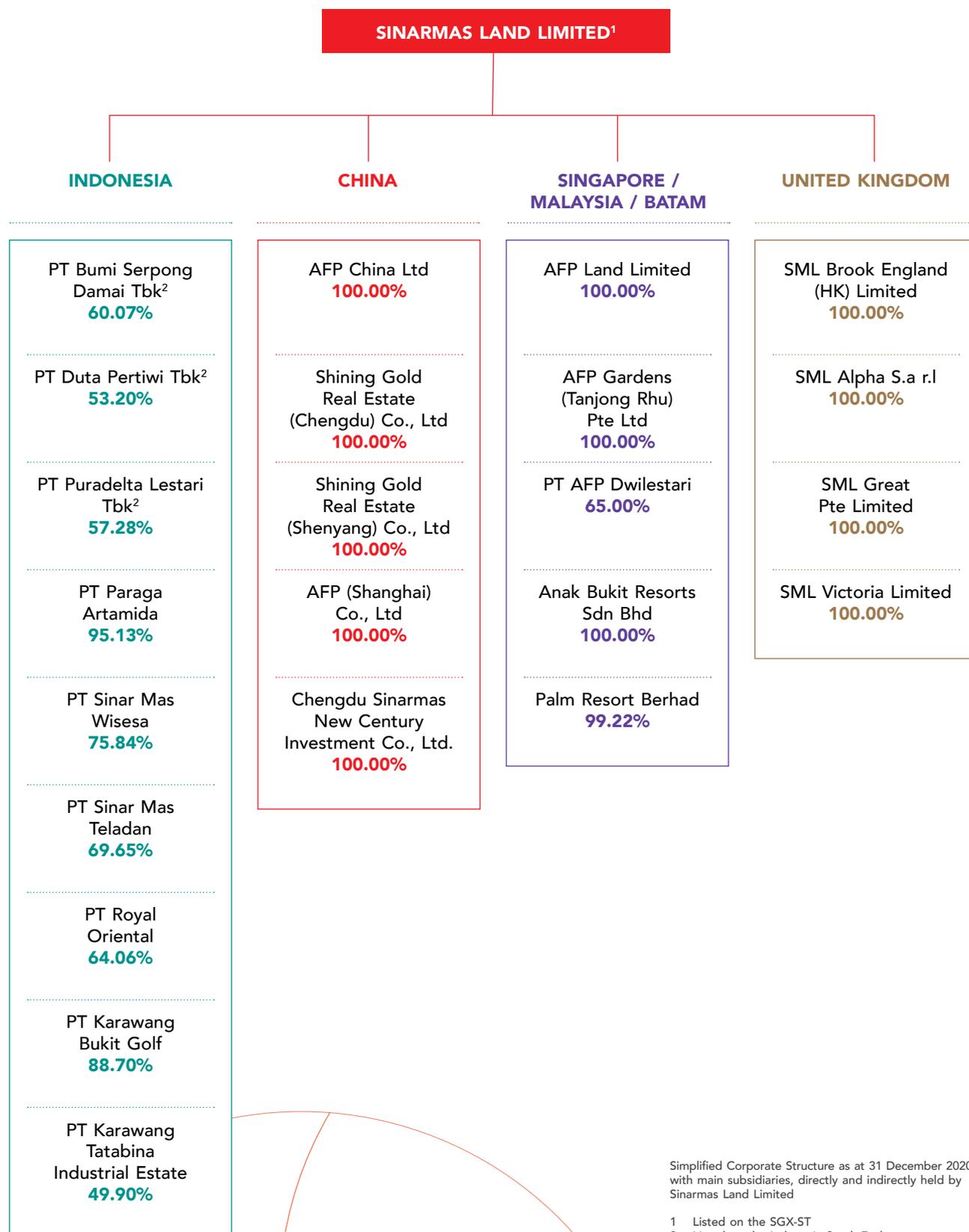
# CORPORATE Governance Report

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	SL	NEP	FS	RN	HPT
(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	No	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	No	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No	No	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	No	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	No	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	No	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	No	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	No	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	No	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: <ul style="list-style-type: none"> <li>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</li> <li>(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</li> <li>(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</li> <li>(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?</li> </ul>	No	Yes <sup>1</sup>	No	No	Yes <sup>2</sup>
(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	No	No	No

#### Notes:

- <sup>1</sup> NEP was an Independent Director of ACCS Ltd (now known as MDR Limited), a Singapore listed company, from 2004 to 2005. Its CEO was investigated by Commercial Affairs Department ("CAD") and the CEO subsequently pleaded guilty in Court in May 2005 for corruption, fraud and false financial reporting. NEP was not the subject of any investigation and no action has ever been taken against NEP by the CAD.
- <sup>2</sup> HPT previously served as an Independent Director of the Company from 2 November 2001 to 21 February 2006. In 2001, the Company (then known as Asia Food & Properties Limited ("AFP")) was investigated by the CAD. As far as HPT is aware, the CAD had completed its investigations against AFP and no further action was taken against AFP. As far as HPT 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 as at 31 December 2020, 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

With the relentless waves of COVID-19 cases, almost all major economies reported a contraction for the year 2020. Indonesia, our primary geographical segment, reported a 2.07% contraction in its GDP for the full year of 2020, its first contraction since 1998. The protracted pandemic has caused significant disruptions to the economy with lockdown measures, travel restrictions, safe distancing regulations and weak consumption demand. Inevitably, the Group was impacted by the externalities and consequently reported a lower revenue of S\$910.5 million for the full-year ended 31 December 2020 ("FY2020") compared to S\$1,172.9 million for full-year ended 31 December 2019 ("FY2019").

The drop in overall revenue was mainly attributable to lower land sale for commercial purposes and lower sale of residential units and apartments from the Indonesia division due to disruption in construction activities given the ongoing COVID-19 pandemic. The Group classifies rental and related income and income from hotel and golf operations as recurring income. In FY2020, the Group recorded a lower rental and related income due to termination of leases and tenants negotiating for lower rates. Revenue from the golf and hotel business suffered a bigger drop in revenue year-on-year amidst the extensive travel restrictions, lockdown of cities and strict social distancing measures. Overall, the Group's recurring income slid 24.8% to S\$125.2 million in FY2020 compared to S\$166.5 million in FY2019.

The Group's gross profit declined from S\$753.6 million in the previous financial year to S\$572.9 million as a result of lower revenue. The Group's overall gross profit margin decreased marginally from 64.3% in FY2019 to 62.9% in the current year, mainly due to higher revenue recognition from housing which generated a lower margin due to their higher development costs, as compared to sale of land parcels in the previous year.

**“The Group’s Statement of Financial Position remains strong as at 31 December 2020 with total assets increasing from S\$7,757.5 million as at 31 December 2019 to S\$8,066.7 million.”**

With various cost management initiatives, the Group reduced the overall operating expenses from S\$269.6 million in FY2019 to S\$238.3 million in FY2020, mainly from lower marketing commissions resulting from lower sale recorded, salary and related expenses, office and utility costs.

Net finance expenses comprised of interest expenses (net of interest income) and amortisation of deferred bond and loan charges. Net finance expenses increased from S\$103.9 million in the previous financial year to S\$119.9 million, mainly in line with higher average borrowings during the current year. The Group recorded a foreign exchange gain of S\$3.2 million in FY2020 compared to a loss of S\$12.0 million in the previous financial year. The current year's gain was mainly attributable to unrealised translation gain from the strengthening of RMB against SGD while last financial year's loss was related mostly to translation loss resulted from the weakening of USD against IDR and SGD.

Due to negative valuation impact on quoted investment in associated company – Dana Investasi Real Estat Simas Plaza Indonesia ("DIRE"), the Group recognised its share of loss in DIRE amounting to S\$45.6 million, hence contributing to the bulk of the share of loss in associated companies for FY2020. The Group recorded a lower share of profit in joint ventures of S\$3.6

million in FY2020 in line with reduced construction and development activities in Indonesia. The Group recorded a lower other operating income of S\$9.9 million in FY2020 as compared to S\$11.4 million in FY2019 due to lower building and estate management service income. Coupled with lower gross profit and lower share of results from associated companies and joint ventures, the Group's EBITDA decreased by 23.1% to S\$473.8 million in FY2020 compared to S\$616.0 million in FY2019 with an EBITDA margin of 52.0% (FY2019: 52.5%).

The current year's exceptional items comprised of gain on deconsolidation of subsidiaries of S\$36.7 million and S\$1.2 million negative goodwill arising from acquiring a new subsidiary. The previous year's exceptional items comprised of negative goodwill and gain on equity interest previously held in a joint venture of S\$5.5 million, which became the Group's subsidiary following the acquisition of the remaining equity interests in this joint venture, as well as effect of restructuring an associated company, PT Plaza Indonesia Realty Tbk ("PLIN"), of S\$368.2 million.

The Group recorded a net profit attributable to owners of the company of S\$100.7 million in FY2020 as compared to S\$387.5 million in FY2019. The lower net profit in FY2020 compared to FY2019 was mainly due to the one-off effect of restructuring of an associated company.

The Group's Statement of Financial Position remains strong as at 31 December 2020 with total assets increasing from S\$7,757.5 million as at 31 December 2019 to S\$8,066.7 million. The increase came from higher cash and cash equivalents from the issuance of new bonds in FY2020 offset by a lower inventory of properties held for sale. The Group is in a strong liquidity position with cash and cash equivalents of S\$1,403.9 million and net debt to equity ratio of 21.3% at the end of FY2020.

### INDONESIA PROPERTY DIVISION ("INDONESIA DIVISION")

#### REVENUE (S\$ MILLION)

2020:	2019: 1,120.5
<b>864.2</b>	2018: 806.0

#### EBITDA (S\$ MILLION)

2020:	2019: 594.6
<b>464.6</b>	2018: 426.9

The division's revenue decreased by 22.9% or S\$256.3 million to S\$864.2 million (FY2019: S\$1,120.5 million), mainly due to lower revenue recognised from BSD City's sale of apartments, commercial shophouses, and commercial and industrial land. The division also suffered a reduction of recurring income from lower average occupancy rates from commercial offices and dismal hotel operations due to various restrictions in response to COVID-19. As a result, the division has permanently ceased its hotel operations in Le Grandeur Balikpapan and Le Grandeur Mangga Dua in the first half of FY2020.

In tandem with the decrease in revenue, Indonesia division's gross profit decreased from S\$723.4 million in FY2019 to S\$545.9 million in FY2020. The division's gross profit margin also reduced marginally from 64.6% to 63.2%, mainly from higher development costs incurred for housing projects in BSD City and higher cost of industrial land sale in

DMAS compared to FY2019. The dip in operating profit was mitigated by savings from selling and general & administration expense (mainly marketing commission, salary and related expenses and office expenses).

EBITDA slipped in line with the decline in revenue for FY2020. Net finance cost increased by 18.2% compared to FY2019, mainly due to new bonds issued in early 2020 and higher bank borrowings. The share of result of joint ventures and associated companies also saw a decline compared to FY2019 due to share of losses in DIRE, lower development sale in joint ventures and the absence of one-off profit from the disposal of associated companies from FY2019.

Net profit attributable to owners of the company decreased by 67.3% to S\$133.7 million (FY2019: S\$408.4 million), mainly due to the one-off effects of the restructuring of an associated company.

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

Since the introduction of the first large-scale social restriction ("PSBB") on 10 April 2020, Indonesia had been through multiple phases of transitional PSBB with mixed success to curb the ongoing pandemic. The prolonged social restriction had inevitably impacted the overall business performance in Indonesia.



Indonesia - Green Office Park 1, BSD City

# FINANCIAL Review



UK - Warwick House



China - Taicang Yue Jiang Nan

## UNITED KINGDOM PROPERTY DIVISION ("UK DIVISION")

### REVENUE (\$\$ MILLION)

2020:	2019: 35.6
<b>36.9</b>	2018: 40.7

### EBITDA (\$\$ MILLION)

2020:	2019: 26.2
<b>24.9</b>	2018: 29.5

The UK division owns three Grade A office investment properties in Central London being Alphabet Building, an iconic freehold prime commercial building with a net leasable area of 247,670 square feet ("sq ft"), Warwick House, a freehold property in the Soho area with a net leasable area of 47,044 sq ft and Horseferry Building, a freehold property with a total net leasable area of 180,600 sq ft, which comprises 163,761 sq ft of Grade A office accommodation and 16,839 sq ft of retail frontage space. All of our UK investment properties

are leased on 'Triple Net Lease' agreements, i.e. tenants would bear all operating costs relating to the leased premises, including building taxes, insurances and maintenance costs. Outside of Indonesia, the UK division is the Group's next most sizeable and profitable division.

The division recorded a revenue of S\$36.9 million, an increase of 3.7% over FY2019. The increase in revenue was derived mainly from the upwards rent review and uplift completed in Horseferry Building amounting to S\$1.4 million. However, EBITDA drop by S\$1.3 million compared to FY2019 due to provision for expected credit losses from affected retail tenants in Alphabet and Horseferry Building following the COVID-19 situation in London where the local government restricts the movement of its citizens. Lower net finance cost, deriving from falling interest rates that resulted in lower interest expense, coupled with higher revenue recognition contributed to the higher net profit attributable to the owners of the company of S\$1.7 million in FY2020 compared to S\$0.9 million in FY2019.

## CHINA PROPERTY DIVISION ("CHINA DIVISION")

### REVENUE (\$\$ MILLION)

2020:	2019: 0.5
<b>0.2</b>	2018: 1.7

### EBITDA (\$\$ MILLION)

2020:	2019: 1.1
<b>1.6</b>	2018: 6.0

As China division has entirely sold its previous mixed-use developments in Chengdu and Shenyang (save for 138 strata-titled car park lots in Chengdu as of 31 December 2020), its revenue decreased from S\$0.5 million in FY2019 to S\$0.2 million in FY2020. Despite the lower revenue, the division achieved a higher EBITDA of S\$1.6 million in FY2020 against S\$1.1 million in FY2019. The Group is currently co-invested in a mixed-use joint development in Chengdu City and holds a 30.0% equity stake in a pure residential joint development in Taicang City, both with Rongqiao Group.



Indonesia - Nuvasa Bay, Batam

achieved an occupancy rate of 19.1% for FY2020, down 24.8 percentage point from the previous year.

The golf business in Malaysia and Batam also suffered from a lack of international golfers due to closed borders. In FY2020, Palm Resort Golf & Country Club recorded a 42.0% drop in golf rounds from 117,187 rounds in FY2019 to 67,950 rounds. Likewise, Palm Springs Golf & Country Club in Batam experienced a 48.2% reduction in overall golf rounds from 39,102 rounds in FY2019 to 20,244 rounds in FY2020. However, the decline in revenue from the resort and golfing business was mitigated by higher sales revenue from Nuvasa Bay development project.

Despite the drastic efforts taken to contain operating expenses including retrenchments and down-sizing of operations, EBITDA dropped due to significantly lower revenue recognised. The debt restructuring of borrowings from related parties outside the division contributed to lower net finance cost, coupled with forex gain resulted in lower net loss of S\$7.0 million in FY2020 compared to the net loss of S\$8.1 million in FY2019.

China division recorded a lower net loss of S\$5.1 million in FY2020 compared to a net loss of S\$9.8 million in FY2019. This was mainly due to foreign exchange gain in FY2020 compared to a loss in FY2019 from the strengthening of RMB and lower tax expenses.

Malaysia, and Palm Springs Golf & Country Club in Batam, Indonesia. The Batam golf course and its surrounding land bank has been rebranded to Nuvasa Bay, Batam's first luxury integrated residential and mixed-use development. The first phase of Nuvasa Bay, The Nove, comprise of three condominium towers, landed houses and land plots with an area of approximately 5.1 hectares.

Revenue declined by 43.6% year-on-year to S\$9.2 million as closure of international borders and movement restrictions have negatively impacted most of AFP Land Group's business units which are related to the badly-hit tourism and hospitality sector. Le Grandeur Palm Resort Johor was selected as one of the quarantine centres from 13 April to 4 May 2020 and secured 2,451 room nights during the period. However, with the Malaysian government imposing various stages of "Movement Control Order" that demanded non-essential businesses to cease physical operations and restricted the movement of its citizens, the resort

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

**REVENUE (S\$ MILLION)**

2020:	2019: 16.3
<b>9.2</b>	2018: 15.7

**EBITDA (S\$ MILLION)**

2020:	2019: (0.2)
<b>(2.8)</b>	2018: 0.6

AFP Land Group owns Palm Resort Golf & Country Club and Le Grandeur Palm Resort Johor,

# OPERATIONS *Review*

2020 was an unprecedented challenging year owing to the global spread of COVID-19 that led the world economy into a recession by forcing countries into lockdown, disrupting global supply chain and limiting the movements of goods and people. Governments and Central Banks worldwide responded aggressively with expansionary fiscal and monetary policy to cushion the economic downturn's devastating effect. The Group was not spared from the pandemic and has responded swiftly to the downturn with a combination of prudent financial measures and directed marketing initiatives to steer us through this challenging period.

Despite restrictions imposed during the pandemic year, the Group concluded three strategic collaborations in 2020 with overseas partners by leveraging on our accumulated brand equity. The first was a collaboration with Sumitomo Forestry, Kumagai Gumi and Harjohn Timber to jointly develop a mixed-use residential and commercial project in Kuningan, within the Golden Triangle CBD in Jakarta. The second was a strategic partnership with Mitbana Pte Ltd, a joint venture fund management company of Mitsubishi Corporation and Surbana Jurong, to foster the creation of smart and sustainable TODs over a land area of 100 hectares in BSD City. The third was a joint venture with Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development ("JOIN") to jointly source and originate specific infrastructure projects, pooling together opportunities primarily for Japanese companies to participate and engage in overseas infrastructure business, particularly in Indonesia, which will contribute positively to our township developments.

## INDONESIA

Indonesia registered a negative GDP for the first time in 20 years since the Asian financial crisis. The economy recorded a GDP

contraction of 2.19% in the last quarter of 2020, showing signs of economic recovery from the earlier slump of 5.32% contraction in the second quarter of 2020 and 3.49% in the third quarter of 2020 driven by a partial recovery in consumption – including a significant increase in public spending – investment and net exports. On 18 February 2021, Bank Indonesia announced a further cut of the benchmark rate to 3.5%, a new low since its introduction in 2016, and allowing up to 100.0% LTV ratios for residential property loans/financing. Together with easing mortgage loan disbursement to property developers, these initiatives are expected to give a much-needed lift to the Indonesia property sector.

Looking back in March 2020, the Group launched a "Move-in-Quickly" program, offering discounts and subsidies to customers seeking to own a home during the pandemic period. This 10-month marketing program, coupled with numerous subsequent quality project launches spurred our principal listed Indonesian subsidiary, BSDE, to

**“By analysing future trends and nurturing a pro-innovation culture, the Group envisioned BSD City as the “First Integrated Smart Digital City” in Indonesia with a mature digital ecosystem.”**



Indonesia - Sinar Mas Land Plaza, BSD City

achieved IDR6.2 trillion or 90.0% of its full-year 2020 marketing sales target of IDR7.2 trillion. Our other key Indonesian listed subsidiary, DMAS, managed to exceed expectations by achieving IDR2.39 trillion in marketing sales against a marketing sales target of IDR2.0 trillion in 2020. Looking forward to 2021, Group is cautiously optimistic of the sector recovery, with BSDE setting a marketing sales target of IDR7.0 trillion and DMAS setting IDR2.0 trillion.



## 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 comprised of 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 Greater Jakarta by toll roads and railways.

Rapid technological advancement and digitalisation have disrupted the way many traditional businesses operate. By analysing future trends and nurturing a pro-innovation culture, the Group envisioned BSD City as 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-hectare 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 Apple Inc., Binar Academy, Huawei, MyRepublic, Sale Stock, Orami, EV Hive, Techpolitan, Purwadhika, Geeks Farm, Plug and Play Indonesia.

Since Apple Inc. opened its first Asia-based iOS Developer Academy in BSD City back in May 2018, the academy had successfully produced two batches of alumni, with the latest batch of students graduating in January 2020. The academy equip students with skills and knowledge to develop applications and harness technologies to solve real life issues.

Following the successful collaboration with Apple Inc. to set up an iOS Developer Academy in BSD City, the Group has further enhanced BSD City as an education hub by welcoming Monash University, Indonesia’s first international foreign-owned university. Located in Green Office Park 9, the esteemed Australian university will offer research-intensive postgraduate programs for Master’s and PhD degrees and Executive programs, and Micro-Credentials. In addition, Monash University will also work closely with local universities through several partnership programs and research collaborations.



Indonesia - Kota Deltamas

# OPERATIONS *Review*

**“Grand Wisata Bekasi launched a new cluster, “O2 Essential Home”, with resounding responses from the millennial generation and young families.”**

## **Kota Deltamas**

Kota Deltamas is a 3,185-hectare 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. Building on the joint expertise and network of Sinarmas Land and Sojitz Corporation, Kota Deltamas has transformed into an integrated modern township development with its master developer, DMAS, becoming a publicly 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 proximity to major transportation and international logistics hub such as Tanjung Priok International Port and Soekarno-Hatta International Airport and

being situated along the Jakarta-Cikampek toll road, one of the key transportation infrastructures in Indonesia, has made Kota Deltamas an ideal location for businesses and consumers.

Despite the challenging economic climate, foreign investors continue to be attracted by Indonesia’s strong fundamentals, huge market potential, ease of doing business and increasing infrastructure developments. As a result, Kota Deltamas delivered a stellar marketing sales performance by exceeding its 2020 full year target, achieved mostly through industrial land sales to automotive related, food and beverage, logistics, warehousing, and data centre companies. Looking ahead, Kota Deltamas expects demand from the automotive industry and data centre to stay robust, especially with the growth of digital industries. Supporting the principles of work, live, play, Kota Deltamas will also set aside land areas to develop residential and



Indonesia - Grand Wisata

commercial facilities, which include schools, retail malls, sports and recreational centres for the workers and residents in Kota Deltamas.



## RESIDENTIAL AND SHOPHOUSES

### 92 Avenix, BSD City

Located in phase 2 of BSD City, 92 Avenix's commercial estates embodied a "Hype Community Complex" design concept which is targeted at today's millennials as a meeting place for social gathering and business, fuelling entrepreneurship enthusiasm among young people. 92 Avenix is situated right next to Atmajaya University and the iconic Avani residential area. It comes with four different specifications, from 32 to 50 sqm land area and building area ranging from 67 to 85 sqm. The 92 units were priced between IDR1.4 and 2.1 billion. BSDE had fully sold all units and contributed IDR133.0 billion in pre-sales revenue.

### Freja Suites, BSD City

Designed with millennial entrepreneurs and business owners in mind, BSDE launched Freja Suites, a cluster within the Freja collection. Located within phase 2 of BSD City and well-situated next to prestigious amenities, Freja Suites is fully furnished with smart home technologies. Freja Suites offers 211 units with a price range from IDR1.4 to 1.6 billion per unit with 68 sqm of building area and land area ranging from 50 to 60 sqm. All the units were snapped up, contributing IDR175.0 billion in pre-sales revenue.

### Impresahaus, BSD City

The key to success is to stay relevant with the times and Impresahaus is a testimony of that commitment. Situated in a new cluster in Tabebuya area, these 3-floor luxury units incorporated the latest double living concept, which easily allows for different functions under one roof, especially with "Work-from-Home" arrangement expected to continue



Indonesia - NAVA Park, BSD City

into the post COVID-19 era. Similar to the rest of Tabebuya offerings, Impresahaus will be handed over to homeowners in a fully furnished condition, with every corner being fully utilised. Impresahaus offers 128 units with a price range from IDR1.5 to 1.7 billion per unit with building area of 88 sqm and land area of 60 sqm. All units were sold out and contributed pre-sales amounting to IDR42.0 billion.

### "Inspirahaus" and "Inspirahaus R", BSD City

Designed by renowned Indonesian architect, Denny Gondo, and famous interior designer, Joke Roos from Studio Air Putih, "Inspirahaus" and "Inspirahaus R" were highly sought-after by homebuyers who snapped up all the units within days of the official launch. Located within Tabebuya area, this prime offering is surrounded by a full spectrum of prestigious amenities, with direct connection to Indonesia Convention and Exhibition - ICE in BSD City. Inspirahaus and Inspirahaus R offer a compact residential concept and will come fully furnished with stylish modern fixtures and furniture.

### Lyndon 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 heart of BSD City, NAVA Park covers a 68-hectare site and incorporates 10 hectares of botanical gardens, a 3.5-hectare lake and a 2.5-hectare Country Club. In 2020, NAVA Park launched a new cluster by the name of "Lyndon". With a land area of more than 10,000 sqm, Lyndon is equipped with facilities like a 1.8km jogging track, pavilion shelter seating area and multi-purpose garden. Lyndon offers 30 units in the first launch with a price range of IDR15.0 to 31.0 billion per unit with building area from 465 to 601 sqm and land area from 396 to 717 sqm.

### O2 Essential Home, Grand Wisata Bekasi

Grand Wisata Bekasi launched a new cluster, "O2 Essential Home", with resounding responses from the millennial generation and young families. Apart from its location at the heart of Grand Wisata Bekasi, O2 Essential Home was designed with comfort and functionality in mind. With increasing number of people working from home, this prime estate offers the convenience of a home and workspace under one roof. Every unit comes fully furnished with a compact living solution and equipped with stylish modern fixtures and furniture.

# OPERATIONS

## Review

### O2 + Urban Pop, Grand Wisata Bekasi

Riding on the roaring success from O2 Essential Home in Grand Wisata Bekasi, BSDE launched "O2 + Urban Pop". Just 15-minute drive away from Jakarta via the Jakarta - Cikampek direct toll gate (KM 21), O2 + Urban Pop carries the same design concept and functionality as O2 Essential Home. Delivered fully furnished, O2 + Urban Pop offers 83 units with price starting from IDR0.9 to 1.0 billion each, with 55 sqm building area and 60 sqm land area respectively. The first batch of 63 units was fully sold out and contributed pre-sales amounting to IDR66.0 billion.

### YC Hub, BSD City

Expecting a younger demographics group of entrepreneurs and tech workers settling next to Digital Hub, BSDE launched "YC Hub", with YC standing for "Youth Community". These trendy shophouses will form a community area and it is only steps away from Digital Hub, Green Office Park and surrounded by commercial and education centres including The Breeze Mall, AEON Mall, Prasetiya Mulya University, Atmajaya University, and Indonesia Convention and Exhibition – ICE. YC Hub consist of five specification shophouses to suit various business needs. It ranges from 32 to 54 sqm land area and building area from 67 to 124 sqm. All 94 units were fully sold and contributed pre-sales amounting to IDR147.0 billion.

### Zena at the Mozia, BSD City

Zena at the Mozia, is an innovative offering that consists of co-living and share houses within an integrated 6-hectare area. Created to meet the growing need for creative usage of living and working spaces, Zena offers the occupants endless possibilities to meet their respective needs. It is strategically located within a five-minute drive from/to "Serpong-Legok" toll road (under construction till 2021) and less than 15-minute drive from/to the Cisauk train station. There was a total of 83 co-living units with building area



Indonesia - Indonesia Convention Exhibition, BSD City

ranging from 71 to 103 sqm and a land area of 35 sqm and 64 share houses available with a building area of 103 sqm and a land area of 35 sqm. All co-living units and share houses units were fully sold.



### COMMERCIAL AND RETAIL

#### Sinar Mas Land Plaza, Jakarta / Surabaya / Medan

The prolonged lockdown and severe impact to the economy have forced many businesses to downsize, relocate or foreclose their office space. This is the first time since 1999 Asian financial crisis that demand for Jakarta office space has contracted, and inevitably resulted in a reduction in occupancy and rental rates.

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, within walking distance to government offices, embassies, hotels and shopping malls. Despite the lower demand for office spaces, Sinar Mas Land Plaza – Jakarta maintained resilience and reported

a slightly decreased occupancy rate of 89.0% (2019: 92.0%).

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 IDR113,960 per sqm in 2020 (2019: IDR98,867 per sqm) and witnessed a drop in the occupancy rate to 52.0% (2019: 76.0%). Sinar Mas Land Plaza – Medan, a 10-storey office tower with a net leasable area of 27,689 sqm, recorded a marginal drop in occupancy rate to 55.0% (2019: 56.0%), and a similar decline in the average monthly rental rate to IDR128,184 per sqm (2019: IDR129,868 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



Indonesia - Kota Deltamas Marketing Office

Zone ("KITIC") dedicated to manufacturers and investors from China for their Indonesian operations.

**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-hectare 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.

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.

Due to safe distancing measures in 2020, no physical exhibitions or activities were allowed on site. However, ICE was still able to facilitate virtual exhibitions and events such as Bride Story Online Wedding Fair and Trade Expo Indonesia 2020 Virtual Exhibition.



**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 with 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.

GIIC is one of the handfuls of selected industrial estates with the Direct Construction After Investment Facility ("KLIK") granted by the Investment Coordinating Board ("BKPM"). With KLIK, customers can do away with layers of red tapes and carry out their construction immediately after their investments are in place.

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 particular area for a specific purpose, such as the 200 hectares China-Indonesia Economic & Trade Cooperation



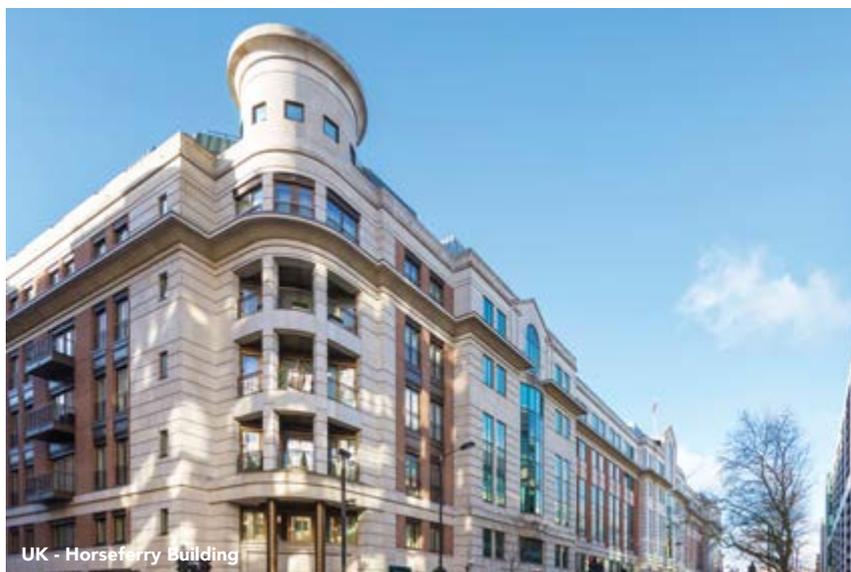
**HOSPITALITY & LEISURE**

**Rooms Inc. Hotel**

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 millennials, 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 a lower occupancy rate of 49.6% in 2020 (2019: 77.5%).

# OPERATIONS

## Review



### UNITED KINGDOM

Political uncertainty may have eased after Brexit was formalised as UK enters into a transition period. But COVID-19 pandemic quickly spiralled into a social and economic crisis that has wreaked havoc, especially firms, and jobs in the travel, leisure, hospitality, and retail sector after the UK government announced total lockdown. As a result, the UK economy shrank by a staggering 9.9% in 2020 as coronavirus restrictions hit output.

The UK economy showed signs of recovery as it posted a 1.0% fourth-quarter GDP growth following wide-ranging central banks and governments' interventions and sentiments boosted by vaccine breakthroughs in November. However, the country took a fresh blow in late December as a new strain of coronavirus was discovered in Britain that led to the UK government placing parts of the country into a stricter lockdown.

Despite the ongoing pandemic and uncertainties, Central London office market stayed resilient as both investors and owners alike remain confident of the UK's long-term fundamentals. The Group's commercial Grade A

office spaces in all of our three buildings achieved close to full occupancy throughout 2020.



### COMMERCIAL AND RETAIL

#### 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. Warwick House is 100.0% occupied by Digital Unlimited Group Limited, a media firm on a triple net lease.

#### Alphabeta Building

Located in Shoreditch, the iconic Alphabeta Building offers a net leasable area of 247,670 sq ft. Acquired in October 2015 and 99.0% occupied by multiple tenants on triple net leases, the building offers a distinctive office experience mimetic of Shoreditch's renowned contemporary and fashionable 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 fully operational in mid-2022.

#### 33 Horseferry Road

Acquired in June 2017, 33 Horseferry Road ("Horseferry Building") is a freehold commercial building in Victoria, London, located less than 300-metres from River Thames. Horseferry Building 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. Further divided into ten retail units, the ground floor also offers 16,839 sq ft of retail space along its generous 150-metres frontage to Horseferry Road. 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 with the most recent contractual rental uplift completed in December 2020.

In total, SML's UK property portfolio in Central London has a combined net leasable area of 475,314 sq ft of strategically located freehold commercial space which are valued at S\$981.2 million as of 31 December 2020.

### CHINA

The Group has partnered with Rongqiao Group, a Fuzhou-based real estate group which ranks amongst the Top 50 real estate companies in China, to develop two projects in China. The first project is Chengdu Yue Rong Cheng (成都•悦蓉城) a commercial and residential project in Xindu District, Chengdu City. Chengdu Yue Rong Cheng consist 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. The second project is Taicang Yue Jiang Nan (太仓悦江南), a pure residential project in Taicang City, Jiangsu Province. With a total development area of 122,344 sqm over a site area of 49,359 sqm, Taicang Yue Jiang Nan features 838 residential units, with approximately half sold as bare unfurnished units and the other half furnished with a modern Chinese interior theme.

Our previous wholly-owned Chengdu project, Li Shui Jin Du (丽水金都), sits on 4.8-hectare of land located in Xindu district. This high-rise mixed-use project has fully sold the residential and retail components. As of 31 December 2020, this project is still left with 138 car park lots unsold.

## JOHOR, MALAYSIA



### HOSPITALITY & LEISURE

#### Le Grandeur Palm Resort Johor and Palm Resort Golf & Country Club

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.

In 2020, the hospitality business which relies heavily on overseas travellers was hampered by the border controls and movement restrictions. As a result, Le Grandeur Palm Resort Johor registered a steep drop in occupancy rate to 19.1% in 2020, compared to 43.9% the previous year. With less international golfers, the golf club recorded a total of 67,950 rounds of golf in 2020 (2019: 117,187). Despite the drop, Palm Resort Golf & Country Club maintained its leadership position as the golf course with the most golf rounds played in Johor.

## BATAM, INDONESIA

In 2019, the Indonesian government announced that Batam Island would transform from a free-trade zone to a special economic zone. Shortly after, the 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 underscored the growing importance of Batam as a business gateway into Indonesia and the foreseeable demand for residential and commercial development in the area.



### HOSPITALITY & LEISURE

#### Palm Springs Golf & Country Club

Palm Springs Golf & Country Club is regarded as one of the best golf courses Batam has to offer. Yet in 2020, the closing of international borders and restriction on domestic travel resulted in the golf club recorded a lower total of 20,244 golf rounds (2019: 39,102).



### RESIDENTIAL AND SHOPHOUSES

#### Nuvasa Bay

The Group unveiled the master plan to develop 228 hectares of land flanking the Nongsa coastline in 2015 as Batam's first luxury integrated residential and mixed-use development. Located in and amongst a 27-hole international championship golf course and equipped with commercial facilities, hotels and high-end residential property, Nuvasa Bay offers both residents and tourists a balanced and premier lifestyle.

Since then, the Group launched Nuvasa Bay's first two towers residential development, The Nove, with an overwhelming response from homebuyers and investors alike. The first condominium tower,

"Kaina Tower", launched in 2017 and sold 97.0% of the units to date. The second condominium tower, "Kalani Tower" was launched in 2018 and sold 44.0% of the units to date. There were also plots of land available within the development open for sale.

Since SML announced the collaboration with Citramas Group in February 2019 to develop a digital economy hub within Nongsa, much has been done to plan and build this digital city. While the pandemic has slowed things down, the outcome of this collaboration – Nongsa D-Town was successfully launched on 2 March 2021 at a virtual event officiated by Singapore and Indonesia's economic ministers. Located in Batam, this 62-hectare development aims to digitally bridge tech companies and talents in Singapore and Indonesia and will have the capacity to house more than 8,000 tech talents when completed. The joint development appointed Surbana Jurong, an Asia-based urban and infrastructure consultancy group, as the master planner to develop a concept master plan of the new "digital downtown".

## AUSTRALIA

In December 2019, the Group made its maiden investment in Australia by acquiring a A\$40.0 million stake in Mapletree Australia Commercial Office Trust ("MASCOT"). MASCOT owns 10 Grade A office assets 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 as of 31 December 2020. With an total net lettable area of 157,936 sqm, the portfolio is leased to reputable occupiers from well-diversified industries such as technology, media and telecom, government agencies, mining, oil and gas. As of 31 December 2020, the portfolio's occupancy rate stands at 86.6% with a WALE of 3.1 years. Since its inception to 31 December 2020, MASCOT has delivered an annualised cash distribution yield of 7.5%.

# INVESTOR *Relations*



At SML, we believe that information should be communicated in a timely and transparent manner to build stakeholder confidence. Our investor relations (“IR”) team is committed in ensuring that our stakeholders are well-informed of the Group’s operations, business strategies and a balanced view of our financial performance.

## **PROACTIVE ENGAGEMENT THROUGH REGULAR DIALOGUES**

SML’s management and the IR team proactively conduct regular dialogues with the investment community to promote interest and raise the Group’s awareness through various communication platforms and events, such as investor conferences, one-on-one and group meetings, analyst and media briefings, conference calls and site visits to our key projects. During our semi-annual financial results briefings to external financial analysts and media, the management will provide updates on the property market where our developments are located, key operational developments and financial performance. Such

engagement allows them to better understand the Group’s strategic directions and provide a channel for our management to receive feedback and suggestions on areas of concerns and improvements.

However, the ongoing COVID-19 pandemic has drastically changed the way the IR team conducts the abovementioned engagements during normal circumstances. By leveraging on technology and embracing digitalisation, the IR team organised virtual meetings through video conferencing and tele-conference platforms to keep our stakeholders abreast of the Group’s happenings.

AGM and Extraordinary General Meetings are essential platforms for shareholders to communicate and interact with the Board of Directors and senior management. Due to the ongoing pandemic, the 2020 AGM was held virtually on 27 April 2020. Through the adaptation of technology, the Group catered to the shareholders’ convenience while facilitating easy participation. At the beginning of the meeting, the Group’s CFO presented the Group’s

operations and financial performance for the financial year. Shareholders were given the opportunity to communicate their views and engage the Board and Management on the Group’s business activities and financial performance by pre-submitting their questions before the AGM. At the 2020 AGM, voting was carried out only by proxy given to the Chairman of the Meeting. Results of the voting were released on SGXNET after the 2020 AGM; the Minutes of the 2020 AGM was also released on SGXNET within one month of the event.

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](mailto:investor@sinarmasland.com.sg) or by post to 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535.

## **CONSISTENT DISCLOSURES AND GOVERNANCE**

All material information and accompanying press releases are announced promptly on SGXNET to ensure timely disclosure of the Group’s intent and corporate actions. We also keep our stakeholders informed through print, broadcast and digital media and email alerts to those registered on our mailing list.

The Group remains committed to uphold high standards of corporate governance. In 2020, SML was recognised for its excellence in corporate governance, transparency, sustainability and shareholder communications, scoring a respectable 84 points and a ranking of 75 (amongst over 600 listed companies in Singapore) in the Singapore Governance and Transparency Index (“SGTI”). SGTI assesses listed companies on their corporate governance disclosure and practices, as well as the timeliness, accessibility and transparency of financial results announcement.

# AWARDS AND *Accolades*

At a Glance  
Corporate Governance  
▶ Management Review  
Portfolio Details  
Financial and Other Information



## THE EDGE SINGAPORE CENTURION CLUB 2020

### Sinar Mas Land Limited

Winner of Company of the Year  
(Real Estate Sector)

Winner of Growth in Profit  
After Tax over Three Years  
(Real Estate Sector)

Winner of Highest Profit After  
Tax Growth (Real Estate Sector)



## WORLD BRANDING AWARDS 2020

### Sinar Mas Land

Brand of the Year  
2020-2021 - Property Developer  
(Indonesia National Award)



## BCI ASIA AWARD 2020

### Sinar Mas Land

Top 10 Developers 2020  
Indonesia



## INDONESIA PUBLIC RELATION AWARD 2020

### Sinar Mas Land

Popular Property & Construction  
Company for Collaboration  
Activity Strategy



## FORBES INDONESIA 50 BEST OF THE BEST AWARDS 2020

### PT Duta Pertiwi Tbk

Top 50 Listed Company  
in Indonesia



## PROPERTY GURU INDONESIA PROPERTY AWARD 2020

### Sinar Mas Land

Best Developer Award 2020

Best Millennial Housing  
Development – Imajihaus at  
Greenwich Park (BSD City)

Best Housing Development –  
Caelus at Greenwich Park (BSD City)

Best High-End Housing  
Development – Caelus at  
Greenwich Park (BSD City)



## PROPERTY GURU ASIA PROPERTY AWARDS 2020

### Sinar Mas Land

Best Developer Award 2020  
(Indonesia)

Best Housing Development  
(Indonesia) – Caelus at  
Greenwich Park by BSD City



## ICONOMICS PUBLIC RELATION AWARD 2020

### Sinar Mas Land

Indonesia Corporate Branding  
PR Award 2020 – Property  
Category

Indonesian CSR Brand Equity  
Award 2020 – Property  
Category



## FIABCI INDONESIA REI EXCELLENCE AWARDS 2020

### Sinar Mas Land

Gold Winner for Green Office  
Park 1 Building – Office Building  
category



## MIX MARCOMM INDONESIA'S BEST CORPORATE SUSTAINABILITY AWARD 2020

### Sinar Mas Land

The Top 5 Digital Social Marketing  
– Sekolah Menyenangkan – GSM

The Top 5 Responsible Business  
Practices – Sekolah Pasar Rakyat

# CORPORATE *Social Responsibility*

Corporate Social Responsibility (“CSR”) took on new significance in 2020 as the toll of COVID-19 ravages the life of millions around the world. CSR initiatives was perceived as a signal of a company’s value and priorities, and are even more critical now in light of the current events. The Group recognised that actions taken today would have a lasting impact on how communities, customers and employees view the business. Therefore, we continue to support sustainable development by integrating social and environmental responsibility across our operations and taking action as a leader in Indonesia’s real estate industry. We stay committed in enhancing the environment and natural habitats, improving our employees’ well-being and the social communities we serve. Given the restriction imposed by the pandemic, the Group observed all necessary safety protocols when pressing ahead with the various initiatives such as those listed below.

The four key focus discussed below form the pillar of our sustainability vision and strategy.

## **BEST IN CLASS REAL ESTATE**

Our “Best in Class Real Estate” pillar is the core value of SML. We are committed to provide state-of-the-art facilities and services of the highest quality to our customers, stakeholders and communities at large. Our developments and properties provide safe, accessible and convenient spaces that allow people to live, work and play in comfort, thereby contributing to the positive socio-economic environment in areas where we operate. In particular, our new developments and city planning support the area’s regeneration through increased access to economic activities, thereby building a healthier and more resilient local economy.

### **Providing Excellent Facilities and Services**

SML strives to provide premium quality product and services to our customers. Each stage is subjected to stringent selection and quality control, from the planning stage to after-sales services. Our customers and tenants can rest assured, knowing that no cost was spared as we ensure only quality products are handed over to our customers. Regular maintenance of building

equipment was also thoroughly conducted, ensuring the health and safety of the users.

In SML, we believe that our human capital is vital in providing the best products and customer experience. By focusing on our employees’ well-being and professional growth, we strive to be an Indonesian employer of choice. Our commitment to our employees’ well-being is demonstrated through our policies and initiatives which are driven by our Human Capital team.

### **Attention to Customers and Occupational Health and Safety**

SML prioritises occupational health and safety (“OHS”) for 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. During the COVID-19 pandemic, SML had implemented numerous measures to support the safe reopening of businesses and public spaces, such as visible markings on the floor to facilitate physical distancing and upgrading to sensor faucets in toilets



Solar panels on the roof of QBig BSD City

# “We continue to support sustainable development by integrating social and environmental responsibility across our operations and taking action as a leader in Indonesia’s real estate industry.”

and pantries to reduce touchpoint in between usage. Several other initiatives were also employed to protect our staff against infection risk such as erecting acrylic partitions and implementing an alternating work schedule to reduce physical contact among team members.

### Setting Programs to Achieve Sustainable Development

As a leader and pioneer of green buildings development in Indonesia, we stay committed to develop a sustainable city guided by the Smart City theme to incorporate the “Green” concept into our products. Digital initiatives such as city information management system, traffic management system, transportation system and customer care are intricately woven to form an efficient infrastructure to provide a high standard of living for our residents.

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

### Compliance to All Related Regulatory Requirements

We adopted a zero-tolerance approach towards non-compliance of regulations throughout the

organisation and placed a strong emphasis on complying with the regulatory frameworks set up on the national and regional level. These include land acquisition regulations, operational permits, design and construction, finance and accounting, labour laws, customer protection, and environmental frameworks.



### CLIMATE CHANGE AND THE ENVIRONMENT

“Climate Change and The Environment” is one of the pillars dedicated to this crucial global issue and our contribution to global climate resilience. As one of the largest real estate developers in a climate-sensitive country such as Indonesia, the Group is acutely aware of the need to mitigate and adapt to climate change. Our industry is a significant contributor to Green-House Gas (“GHG”) emissions, and we are committed to manage our GHG emissions to do our part in addressing this global challenge, as well as contributing to Indonesia’s commitments under the Paris Climate Agreement.

### Optimising Building Operation to Achieve Clean Environment

SML is always seeking new initiatives to optimise our building efficiency in order to create a greener 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 common outdoor walkways. In addition, our QBig BSD City retail development has installed solar panels on the roof to harness the power of renewable energy. Such efforts serve as a testament to our continuous effort to greenify our developments.

Also, we have embarked on a sustainability program with specific responsibilities assigned to staff across all parts of the organisation. We believe that through this program, we will be able to 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 vital 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 ongoing initiatives are as follows:

- BSD Link bus services to expand its operations to cover the entire BSD City in the near future;
- Partnering with Grab, a Southeast Asia super app, to provide smart and clean mobility solutions;
- Cooperating with inter-regional public transport providers in Greater Jakarta;
- Cisauk Train Station revitalisation to provide easy access for train passengers to get from the station to BSD City via BSD Intermoda Modern Market.

# Social Responsibility

“The Group continue to echo the importance of Climate Change with various programs to remind and encourage green behaviour and habits to our employees and the broader communities.”

### Providing and Maintaining Green Open Space

SML has always include green open space in every development master plan. This practice aligns with our endeavour for sustainable development and complementing our green buildings with green spaces.

Throughout the year, the Group continue to echo the importance of Climate Change with various programs to remind and encourage green behaviour and habits to our employees and the broader communities. For example, the Group held the 17th BSD City Green Festival virtually to bring together activists and the general public to raise awareness of pertinent environmental issues. KIIC also conducted a Green Campaign event, a seed planting activity to increase greenery in the surrounding communities. There was a total of 21,500 seeds planted consisting of vegetables, herbs and greenery seeds.

### Responsible Waste Management Program

We have coordinated with the local government to handle waste issues and collaborated with Tzu Chi Foundation in Indonesia since 2019 to gradually socialise and normalise plastic usage reduction 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.



### SUSTAINABLE COMMUNITY

We believe that a community can and should grow with the businesses operating within and around it. The wider community is a vital contributor to our success; therefore, we remain committed in our contribution back to the society.

### Engagement Program for All Stakeholders

We build relationships with our stakeholders through proactive and regular engagements in a mutually beneficial way.

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.



Le Grandeur Palm Resort Johor - Giving out festive goodies to underprivileged families during Lunar New Year period



### Improving Community Welfare in Surrounding Development Area

We continue to make strategic investments into local infrastructures and community engagement to benefit the local stakeholders.

In 2020, we continued to press ahead with initiatives to provide work opportunities, enhance skills and community outreach programs within the communities. Some of our initiatives are as follow:

- IT Programming Scholarship with Techpolitan to students who live around BSD City to support our digital transformation effort and channelling them to potential employers;
- Improve Tangsel women community's welfare with BSD Knowledge Housecraft Centre;
- Conducted a series of training programs partnering with Pasar Rakyat School at BSD City for Micro, Small & Medium Enterprises ("MSMEs") to enhance their skills.

In Malaysia, 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 the Chinese Lunar New Year period;
- As a member of the Malaysian Association of Hotels and in collaboration with Kechara Soup Kitchen Society, 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.



### EDUCATIONAL PATRONAGE

Finally, "Educational Patronage" demonstrates our promise to elevate education levels and increase opportunities for our local communities. SML believes that knowledge and education are essential ingredients for our society's sustainable development. We also firmly believe that education is not a privilege afforded by a few but a right for all, independent of their gender or age.

#### Initiating Program to Support Knowledge Enhancement

One of the essential pre-requisites for social progress and developing a sustainable society is education. We believe that we can pave a promising future for the Group's employees and communities by enhancing their education and knowledge. On that belief, SML has started exploring ways to upskill our people and to build the best talent pool within our communities.

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 stand by the belief in ensuring equal opportunities and access to an education system by providing essential educational resources and facilities, as well as enhancing current teaching methods. To improve education level within our communities, the Group has engaged in the following initiative in 2020:

- Gerakan Sekolah Menyenangkan ("GSM") – Fun School Movement to change teachers, students, and



**Banten Dyslexia Event 2 Seminar for GSM teachers**

society's mindsets to equalise and bridge the gaps between different school classifications. In 2021, the GSM program will change to Bina Sekolah Program;

- Conducted educational seminar "Banten Dyslexia Event 2" to GSM teachers, providing valuable insights and methods to better understand and educate dyslexic children.



*For more details on our corporate social responsibility initiatives, please refer to SML's Sustainability Report 2020 to be published later.*

# HUMAN *Capital*



Temperature check at the entrance of each building

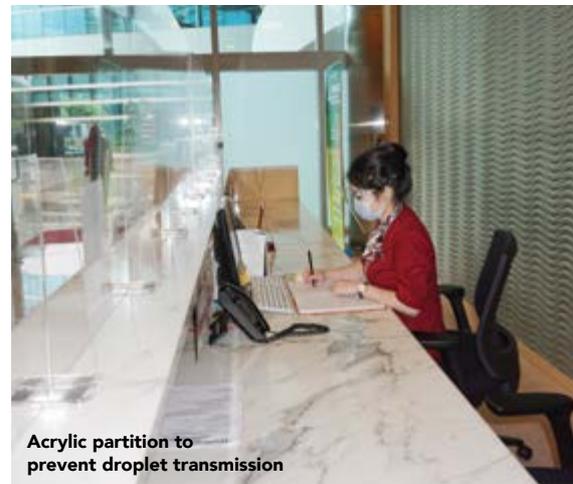
“The Group recognises health challenges faced by staff on a daily-basis, and their well-being continues to be our top priority.”

COVID-19 has ushered in a new normal, resetting business practises and redefining work processes in a way unheard of just a year ago with the pandemic accelerating the pace of digital transformation to support remote working. Companies worldwide, including the Group, are working hard to put policies and procedures in place to deal with the disruption, making significant changes in the way staff used to work as they adapt to this paradigm shift.

#### EMPLOYEE PHYSICAL AND MENTAL HEALTH

The Group recognises health challenges faced by staff on a daily-basis, and their well-being continues to be our top priority. The Group’s Crisis Management Committee (“CMC”) implemented various safety measures throughout the respective business units to mitigate staff’s infection risk. Daily monitoring of cases and contact tracing were also reported in the Management Report.

The Group introduced safety protocols such as Work-from-Home (“WFH”) initiatives for non-essential frontline employees. Team members were split into smaller teams and



Acrylic partition to prevent droplet transmission

are required to abide strictly to the alternating work schedule to minimise unnecessary contact among colleagues. Acrylic partitions were installed at work desks to act as barriers, with weekly sanitisation and disinfection of office area. On top of that, every office building is only allowed a maximum 50.0% of the original workforce capacity to ensure appropriate social distancing. To further enhance employee safety, medical-grade surgical masks were

provided to employees when they are required to work in the office. For frontline workers, a daily dose of vitamins was provided, and a monthly COVID-19 test was administered to detect any possible infection. In addition, the Group provide swab tests and in-patient treatments for employees and their families who were tested positive of COVID-19. Awareness education on health protocols and government regulations relating to the prevention and handling of COVID-19 were actively communicated to all employees through infographics, posters, email distribution, and building public announcement system.

During the pandemic, the seismic shift in working environment and movement restriction regulation introduced by the government to minimise social interaction have undoubtedly raised anxiety and undue stress. The Group recognises that employees' mental health and engagement are becoming more crucial than before. It was imperative to maintain employees' morale in order to stay positive during this challenging period. Hence, the Group organised numerous virtual activities such as competitions, motivational talks and activities such as Independence Day of the Republic of Indonesia "A Thousand Dreams, One Million Challenges, One Willpower", National Batik Day "This Is My Batik, Where's Your Batik?", Heroes' Day and Indonesia Women Day "Voices for Women", to continue engaging our employees and minimise the gap caused by social distancing. In addition, the Group set up a COVID-19 Help Desk to counsel and render assistance to employees that were tested positive for COVID-19.

### RESKILLING AND UPSKILLING

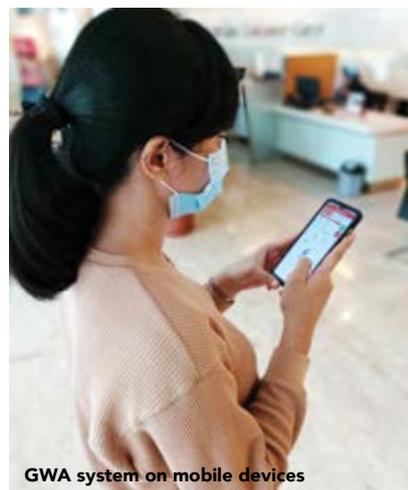
Winston Churchill, the Prime Minister of the United Kingdom during the Second World War, famously quoted, "Never waste a good crisis". While COVID-19 disrupted business landscape and post many new challenges, the Group saw the opportunity to better prepare our people for the next stage of growth

when the economy starts to recover after the pandemic subside. The Group understands that continuous learning and constant development should not cease because of the pandemic. Without the physical classroom setting, we moved our learning and development programs onto virtual e-Learning platform, offering ten internal online learning modules that covers a wide range of topics such as Finance, Sales, Compliance and Changing Mindset.

With the help of external organisers, the Group have organised more than a hundred online learning opportunities in the form of webinars, group discussions and workshops. The speakers were both domestic and international practitioners, consultants and academic professors with a wealth of knowledge and experiences. We believe that this continuous learning culture ensures that the Group is well-equipped and prepared to seize any future opportunities.

### CONTINUOUS DIGITALISATION

As an early adopter of digital transformation, the Group is well-position to ride on the accelerated pace of digital transformation forced by the pandemic. An example will be the introduction of Geo Work Attendance ("GWA") system. GWA allows employees to check-in into work premises without the need to



GWA system on mobile devices

physically touch a surface, reducing the risk of contamination. The new system was fully implemented in June 2020.

To efficiently monitor the inventory level and distribution of the medical-grade surgical masks, the Group has developed an e-Logistic database which can be accessed from any project location thus providing real-time status of the current inventory level. This database is developed with just-in-time ("JIT") inventory management system that ensure a minimum inventory level is always being maintained, factoring in the total time needed from ordering of the masks to the actual delivery, ensuring no overlapping or distribution gap to any designated location.

Facing an increasingly challenging talent war for our current and future needs, digitalisation and automated recruitment processes are becoming more essential to align with a new generation of tech-savvy workforce. Millennials and Gen Z's working habit differ that of the previous generations, as they seek the flexibility and ability to work from anywhere with their gadget on hand. These preferences have become more apparent in light of the current pandemic situation. Hence, riding on the success of our 2019 web-based e-Recruitment system, the Group launched an e-Recruitment mobile application in 2020. This new mobile application was designed to enhance user's experience with quick and easy access to the available job openings and descriptions, a preliminary video interview feature to screen for suitable candidates in the early stage of the selection process. The implementation of the e-Recruitment mobile application has strengthen the Group's branding as a modern technology fronting real estate developer and help supports the Group's human resources needs to achieve our business target.

*For more details on our human capital initiatives, please refer to SML's Sustainability Report 2020 to be published later.*

# NETWORK OF *Operations*

## PORTFOLIO OVERVIEW



**5** City & Township Properties



**15** Hotels, Resort & Golf Courses



**1** Convention Centre



**23** Retail & Trade Centres



**23** Residential Properties



**17** Commercial Properties



**3** Industrial Properties

Total Assets (\$\$)  
**8,066.7 million**

Revenue (\$\$)  
**910.5 million**

Across  
**24 cities**

Over  
**46 million sqm**  
of prime land bank

**1 Goal**  
**Building for A Better Future**

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

<b>BSD City</b> Serpong, Tangerang, West Java, Indonesia	
A mixed-use township that includes residential, commercial development, infrastructure, public utilities, facilities and amenities	
<b>PROJECT SITE AREA (SQM):</b> 46,847,800	
<b>REMAINING SITE AREA (SQM):</b> 21,213,354	
<b>EXPECTED COMPLETION DATE:</b> 2035	
<b>EFFECTIVE INTEREST HELD (%):</b> 60.1%	



### Grand City Balikpapan

Balikpapan, Kalimantan, Indonesia

A residential and commercial project in Balikpapan

**PROJECT SITE AREA (SQM):**  
2,700,000

**REMAINING SITE AREA (SQM):**  
1,795,530

**EXPECTED COMPLETION DATE:**  
2029

**EFFECTIVE INTEREST HELD (%):**  
75.8%



### 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):**  
4,955,387

**EXPECTED COMPLETION DATE:**  
2025

**EFFECTIVE INTEREST HELD (%):**  
28.5%



### Kota Deltamas

Bekasi Regency, West Java, Indonesia

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

**PROJECT SITE AREA (SQM):**  
31,850,000

**REMAINING SITE AREA (SQM):**  
8,710,000

**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):**  
795,074

**EXPECTED COMPLETION DATE:**  
2025

**EFFECTIVE INTEREST HELD (%):**  
53.2%



**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):**  
 4,060,000

**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 Sinarmas Land and Itochu Corporation

**PROJECT SITE AREA (SQM):**  
 13,890,000

**REMAINING SITE AREA (SQM):**  
 500,000

**EXPECTED COMPLETION DATE:**  
 2021

**EFFECTIVE INTEREST HELD (%):**  
 49.9%

# PROPERTY *Portfolio*



## RESIDENTIAL PROPERTIES

<b>Nuvasa Bay</b> Nongsa, Batam, Indonesia	
Batam's first luxury integrated residential and mixed-use development within Palm Springs Golf & Country Club	
<b>REMAINING SITE AREA (SQM):</b> 2,280,000	
<b>EXPECTED COMPLETION DATE:</b> 2032	
<b>EFFECTIVE INTEREST HELD (%):</b> 65.0%	



### Aerium at Taman Permata Buana

Jl. Kembangan, West Jakarta, Indonesia

A prestigious residence that consist of two premium apartments and townhouses

**REMAINING SITE AREA (SQM):**  
-

**EXPECTED COMPLETION DATE:**  
-

**EFFECTIVE INTEREST HELD (%):**  
25.0%



### 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 (%):**  
33.0%



### Banjar Wijaya

Jl. Cipondoh Raya, Tangerang, West Java, Indonesia

A residential development with extensive facilities that include shopping areas, health centres, kindergartens and sports club

**REMAINING SITE AREA (SQM):**  
93,000

**EXPECTED COMPLETION DATE:**  
-

**EFFECTIVE INTEREST HELD (%):**  
53.2%



### 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%



### Klaska Residences

Jl. Jagir Wonokromo, Surabaya, Indonesia

A luxury residential property offers resortstyle facilities with a smart home system

**REMAINING SITE AREA (SQM):**  
25,603

**EXPECTED COMPLETION DATE:**  
2025

**EFFECTIVE INTEREST HELD (%):**  
53.2%

				
<b>Kusuma Sentral Kencana</b> Rasuna Said, Jakarta, Indonesia	<b>Legenda Wisata</b> Cibubur, Greater Jakarta, Indonesia	<b>NAVA Park</b> BSD City, Indonesia	<b>Savasa</b> Bekasi Regency, West Java, Indonesia	<b>Southgate</b> Jl. Raya Tanjung Barat, Indonesia
A mixed-use residential and commercial development in prime Jakarta CBD	A luxury residential project in Cibubur	A premium luxury residential development jointly developed with Hongkong Land	A joint venture development with PanaHome	Exquisite family homes with amenities impeccably designed to complement the 21st century lifestyle in Simatupang
<b>REMAINING SITE AREA (SQM):</b> –	<b>REMAINING SITE AREA (SQM):</b> 109,000	<b>REMAINING SITE AREA (SQM):</b> 310,744	<b>REMAINING SITE AREA (SQM):</b> 320,000	<b>REMAINING SITE AREA (SQM):</b> –
<b>EXPECTED COMPLETION DATE:</b> 2025	<b>EXPECTED COMPLETION DATE:</b> –	<b>EXPECTED COMPLETION DATE:</b> 2025	<b>EXPECTED COMPLETION DATE:</b> 2033	<b>EXPECTED COMPLETION DATE:</b> 2021
<b>EFFECTIVE INTEREST HELD (%):</b> 26.7%	<b>EFFECTIVE INTEREST HELD (%):</b> 53.2%	<b>EFFECTIVE INTEREST HELD (%):</b> 30.6%	<b>EFFECTIVE INTEREST HELD (%):</b> 28.1%	<b>EFFECTIVE INTEREST HELD (%):</b> 53.2%

				
<b>Taicang Yue Jiang Nan</b> Chengxiang Town, Taicang City, China	<b>Taman Permata Buana</b> Jl. Kembangan, West Jakarta, Indonesia	<b>The Elements Jakarta</b> Jl. Epicentrum Utama Raya, Indonesia	<b>The Zora</b> BSD City, Indonesia	<b>Upper West</b> BSD City, Indonesia
A residential development located approximately 50km north-west of Shanghai Hongqiao International Airport	A classic residential development in West Jakarta	A premium high-rise luxury apartment in CBD Kuningan	A luxury residential development jointly developed by BSDE and a group of consortium investors led by Mitsubishi Corporation	A vertical integration development of residential, retail and working spaces as a one-stop solution of living and working environment
<b>REMAINING SITE AREA (SQM):</b> –	<b>REMAINING SITE AREA (SQM):</b> 7,000	<b>REMAINING SITE AREA (SQM):</b> –	<b>REMAINING SITE AREA (SQM):</b> 98,815	<b>REMAINING SITE AREA (SQM):</b> 7,118
<b>EXPECTED COMPLETION DATE:</b> 2021	<b>EXPECTED COMPLETION DATE:</b> –	<b>EXPECTED COMPLETION DATE:</b> –	<b>EXPECTED COMPLETION DATE:</b> 2025	<b>EXPECTED COMPLETION DATE:</b> 2024
<b>EFFECTIVE INTEREST HELD (%):</b> 30.0%	<b>EFFECTIVE INTEREST HELD (%):</b> 42.6%	<b>EFFECTIVE INTEREST HELD (%):</b> 60.1%	<b>EFFECTIVE INTEREST HELD (%):</b> 24.0%	<b>EFFECTIVE INTEREST HELD (%):</b> 33.0%

# PROPERTY *Portfolio*



## COMMERCIAL

**Alphabeta Building**  
14-18 Finsbury Square, London, United Kingdom

An iconic office building in Shoreditch Area, London

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**APPROXIMATE NET LEASABLE AREA (SQM):**  
23,018

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**EFFECTIVE INTEREST HELD (%):**  
100%

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**TENURE/EXPIRY DATE:**  
Freehold



				
<p><b>33 Horseferry Road</b> 33 Horseferry Rd, Westminster, London, United Kingdom</p>	<p><b>Bakrie Tower</b> Jl. H.R. Rasuna Said, Indonesia</p>	<p><b>Green Office Park 1</b> Jl. BSD Green Office Park, BSD City, Indonesia</p>	<p><b>Green Office Park 9</b> Jl. BSD Green Office Park, BSD City, Indonesia</p>	<p><b>Indonesia Convention Exhibition</b> Jl. BSD Grand Boulevard, BSD City, Indonesia</p>
<p>An office building with retail frontage in Victoria, London</p>	<p>A 47-floor Grade A office building in Jakarta CBD, of which the Group owns 13 floors</p>	<p>A 5-storey office building in BSD City</p>	<p>A 5-storey office building in BSD City</p>	<p>The largest convention and exhibition centre in Indonesia</p>
<p><b>APPROXIMATE NET LEASABLE AREA (SQM):</b> 16,784</p>	<p><b>APPROXIMATE NET LEASABLE AREA (SQM):</b> 17,355</p>	<p><b>APPROXIMATE NET LEASABLE AREA (SQM):</b> 59,089</p>	<p><b>APPROXIMATE NET LEASABLE AREA (SQM):</b> 20,767</p>	<p><b>APPROXIMATE NET LEASABLE AREA (SQM):</b> 220,000</p>
<p><b>EFFECTIVE INTEREST HELD (%):</b> 100.0%</p>	<p><b>EFFECTIVE INTEREST HELD (%):</b> 60.1%</p>	<p><b>EFFECTIVE INTEREST HELD (%):</b> 60.1%</p>	<p><b>EFFECTIVE INTEREST HELD (%):</b> 60.1%</p>	<p><b>EFFECTIVE INTEREST HELD (%):</b> 29.4%</p>
<p><b>TENURE/EXPIRY DATE:</b> Freehold</p>	<p><b>TENURE/EXPIRY DATE:</b> Leasehold (March 2026)</p>	<p><b>TENURE/EXPIRY DATE:</b> Leasehold (July 2040)</p>	<p><b>TENURE/EXPIRY DATE:</b> Leasehold (July 2034)</p>	

 <p><b>MyRepublic Plaza</b> Jl. BSD Green Office Park, BSD City, Indonesia</p>	 <p><b>Sinar Mas Land Plaza - BSD City</b> Jl. BSD Green Office Park, BSD City, Indonesia</p>	 <p><b>Sinar Mas Land Plaza - Jakarta</b> Jl. M.H. Thamrin Kav. 51, Central Jakarta, Indonesia</p>	 <p><b>Sinar Mas Land Plaza - Jakarta</b> Jl. M.H. Thamrin Kav. 51, Central Jakarta, Indonesia</p>	 <p><b>Sinar Mas Land Plaza - Medan</b> Jl. Diponegoro, North Sumatra, Indonesia</p>
<p>A 5-storey office building in BSD City</p>	<p>A 4-storey building in BSD City</p>	<p>Tower I - a 12-storey office building, a basement level and a 7-storey carpark building</p>	<p>Tower II - a 39-storey office building with 3 basement levels Tower III - a 12-storey office building</p>	<p>A 10-storey office building and 3 basement levels</p>
<p><b>APPROXIMATE NET LEASABLE AREA (SQM):</b> 18,389</p>	<p><b>APPROXIMATE NET LEASABLE AREA (SQM):</b> 21,000</p>	<p><b>APPROXIMATE NET LEASABLE AREA (SQM):</b> 11,002</p>	<p><b>APPROXIMATE NET LEASABLE AREA (SQM):</b> 84,646</p>	<p><b>APPROXIMATE NET LEASABLE AREA (SQM):</b> 27,689</p>
<p><b>EFFECTIVE INTEREST HELD (%):</b> 60.1%</p>	<p><b>EFFECTIVE INTEREST HELD (%):</b> 60.1%</p>	<p><b>EFFECTIVE INTEREST HELD (%):</b> 69.7%</p>	<p><b>EFFECTIVE INTEREST HELD (%):</b> 64.1%</p>	<p><b>EFFECTIVE INTEREST HELD (%):</b> 69.7%</p>
<p><b>TENURE/EXPIRY DATE:</b> Leasehold (July 2034)</p>	<p><b>TENURE/EXPIRY DATE:</b> Leasehold (July 2034)</p>	<p><b>TENURE/EXPIRY DATE:</b> Leasehold (January 2039)</p>	<p><b>TENURE/EXPIRY DATE:</b> Leasehold (January 2030)</p>	<p><b>TENURE/EXPIRY DATE:</b> Leasehold (January 2026)</p>

 <p><b>Sinar Mas Land Plaza - Surabaya</b> Jl. Pemuda, Surabaya, Indonesia</p>	 <p><b>Sinarmas MSIG Tower</b> Jl. Jenderal Sudirman, South Jakarta, Indonesia</p>	 <p><b>Warwick House</b> 8 to 13 Great Pulteney Street and 13 to 23 (odd) Lexington Street, London, United Kingdom</p>	 <p><b>Wisma BCA BSD City</b> Jl. Kapten Soebianto Djohadikusumo, BSD City, Indonesia</p>
<p>A 20-storey office building, a basement level and 11-storey carpark building</p>	<p>A 48-storey office building and a basement</p>	<p>A quality office building in Soho London</p>	<p>A 5-storey office building</p>
<p><b>APPROXIMATE NET LEASABLE AREA (SQM):</b> 18,573</p>	<p><b>APPROXIMATE NET LEASABLE AREA (SQM):</b> 72,864</p>	<p><b>APPROXIMATE NET LEASABLE AREA (SQM):</b> 4,371</p>	<p><b>APPROXIMATE NET LEASABLE AREA (SQM):</b> 6,579</p>
<p><b>EFFECTIVE INTEREST HELD (%):</b> 69.7%</p>	<p><b>EFFECTIVE INTEREST HELD (%):</b> 60.1%</p>	<p><b>EFFECTIVE INTEREST HELD (%):</b> 100.0%</p>	<p><b>EFFECTIVE INTEREST HELD (%):</b> 60.1%</p>
<p><b>TENURE/EXPIRY DATE:</b> Leasehold (November 2023)</p>	<p><b>TENURE/EXPIRY DATE:</b> Leasehold (June 2044)</p>	<p><b>TENURE/EXPIRY DATE:</b> Freehold</p>	<p><b>TENURE/EXPIRY DATE:</b> Leasehold (July 2027)</p>

# PROPERTY *Portfolio*



## RETAIL & TRADE CENTRES

<p><b>The Breeze BSD City</b> Serpong, Tangerang, West Java, Indonesia</p>	
<p>A multi-award winning retail mall</p>	
<p><b>APPROXIMATE NET LEASABLE AREA (SQM):</b> 35,764</p>	
<p><b>EFFECTIVE INTEREST HELD (%):</b> 60.1%</p>	
<p><b>TENURE/EXPIRY DATE:</b> Leasehold (July 2034)</p>	

<p><b>AEON Mall BSD City</b> Jl. BSD Raya Utama, Indonesia</p>

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

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**APPROXIMATE NET LEASABLE AREA (SQM):**  
77,000

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**EFFECTIVE INTEREST HELD (%):**  
19.8%

<p><b>DP Mall Semarang</b> Jl. Pemuda, Semarang, Central Java, Indonesia</p>

Retail Mall in Semarang

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**APPROXIMATE NET LEASABLE AREA (SQM):**  
23,564

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**EFFECTIVE INTEREST HELD (%):**  
39.3%

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**TENURE (EXPIRY DATE):**  
Leasehold  
(August 2029)

<p><b>Epicentrum Walk Mall</b> Jl. H.R. Rasuna Said, Indonesia</p>

Retail Mall in Central Jakarta

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**APPROXIMATE NET LEASABLE AREA (SQM):**  
12,030

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**EFFECTIVE INTEREST HELD (%):**  
60.1%

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**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 (%):**  
 60.1%

**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 (%):**  
 75.8%

**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 (%):**  
 53.2% - 60.1%

**TENURE (EXPIRY DATE):**  
 Leasehold  
 (July 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 (%):**  
28.5%



### Kota Bunga

Cipanas, Bogor, West Java, Indonesia

Largest green resort in Puncak (Bogor's Summit)

**SITE AREA (SQM):**  
1,540,000

**EFFECTIVE INTEREST HELD (%):**  
53.2%



### 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 (%):**  
60.1%



### Pecatu

Pecatu Bali, Indonesia

A prime development site for hotel and resort

**SITE AREA (SQM):**  
803,540

**EFFECTIVE INTEREST HELD (%):**  
98.5%



**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%



**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 (%):**  
 88.7%



**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 (%):**  
 29.4%



**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%



**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 (%):**  
 39.3%



## FINANCIAL AND OTHER INFORMATION

- |  |  |
|--|--|
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| <b>83</b> Independent Auditor's Report                   | <b>95</b> Notes to the Financial Statements    |
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# DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

At a Glance  
Corporate Governance  
Management Review  
Portfolio Details  
► Financial and Other Information

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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 2020 and the statement of financial position of the Company as at 31 December 2020.

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 87 to 167 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 2020, 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  
Willy Shee Ping Yah @ Shee Ping Yan  
Lew Syn Pau  
Lim Jun Xiong, Steven (appointed on 6 May 2020)  
Ng Ee Peng (appointed on 6 May 2020)  
Rodolfo Castillo Balmater (retired on 27 April 2020)  
Kunihiko Naito (resigned on 27 April 2020)

## 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 (cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

## 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:

Name of directors in which interests are held	Holdings registered in the name of directors or their spouse or nominee		Holdings in which directors are deemed to have an interest	
	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
<b>Sinarmas Land Limited</b>	<u>Ordinary shares</u>			
Hong Pian Tee	1,787,000	2,153,300	-	-
Lim Jun Xiong, Steven	3,999	3,999	-	-
<b>Related Corporations</b>				
<u>PT Bumi Serpong Damai Tbk</u>	<u>Shares of IDR100 each</u>			
Franky Oesman Widjaja	63,150,000	63,150,000	44,686,140*	44,686,140*
Muktar Widjaja	63,150,000	96,426,700	44,686,140*	44,686,140*
<u>PT Duta Pertiwi Tbk</u>	<u>Shares of IDR500 each</u>			
Franky Oesman Widjaja	-	-	6,307,000*	6,307,000*
Muktar Widjaja	-	-	6,307,000*	6,307,000*
<u>PT Paraga Artamida</u>	<u>Shares of IDR1,000 each</u>			
Franky Oesman Widjaja	-	-	139,000,000*	125,899,500*
Muktar Widjaja	-	-	139,000,000*	139,000,000*
<u>PT Bhineka Karya Pratama</u>	<u>Shares of IDR1,000 each</u>			
Franky Oesman Widjaja	-	-	675,000*	-
Muktar Widjaja	-	-	675,000*	-
<u>PT Simas Tunggal Center</u>	<u>Shares of IDR1,000 each</u>			
Franky Oesman Widjaja	-	-	1,000,000*	900,000*
Muktar Widjaja	-	-	1,000,000*	900,000*
<u>PT Ekacentra Usahamaju</u>	<u>Shares of IDR1,000 each</u>			
Franky Oesman Widjaja	-	-	1*	1*
Muktar Widjaja	-	-	1*	1*
<u>PT Sinar Mas Teladan</u>	<u>Shares of IDR1,000 each</u>			
Franky Oesman Widjaja	-	-	555,000*	-
Muktar Widjaja	-	-	555,000*	-
<u>PT Masagi Propertindo</u>	<u>Shares of IDR1,000 each</u>			
Franky Oesman Widjaja	-	-	277,000*	277,000*
Muktar Widjaja	-	-	277,000*	277,000*
<u>PT Inti Tekno Sukses Bersama</u>	<u>Shares of IDR1,000,000 each</u>			
Franky Oesman Widjaja	-	-	1*	1*
Muktar Widjaja	-	-	1*	1*
<u>PT Wijaya Pratama Raya</u>	<u>Shares of IDR1,000 each</u>			
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.

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

Name of directors in <u>which interests are held</u>	Holdings registered in the name of <u>directors or their spouse or nominee</u>		Holdings in which directors are deemed <u>to have an interest</u>	
	At the beginning of the year or date of appointment <u>if later</u>	At the end <u>of the year</u>	At the beginning of the year or date of appointment <u>if later</u>	At the end <u>of the year</u>
<u>Global Prime Capital Pte. Ltd.</u>				
Lim Jun Xiong, Steven	US\$200,000	US\$200,000	-	-

There was no change in any of the above-mentioned interests between the end of the financial year and 21 January 2021.

### 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)
Willy Shee Ping Yah @ Shee Ping Yan	(appointed as AC member on 6 May 2020)
Lim Jun Xiong, Steven	(appointed as AC member on 6 May 2020)
Rodolfo Castillo Balmater	(ceased as AC member on 27 April 2020)
Kunihiko Naito	(ceased as AC member on 27 April 2020)

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:

- 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.
- 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.
- Reviewing the adequacy, effectiveness, independence, scope and results of the Group's internal audit function.
- Reviewing the scope and results of the external audit, and the independence and objectivity of the external auditors.
- 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.
- Reviewing the assurance from the Chief Executive Officer and the Chief Financial Officer on the financial records and financial statements of the Group.

# DIRECTORS' STATEMENT (cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

## **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

ROBIN NG CHENG JIET  
Director

15 March 2021

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SINARMAS LAND LIMITED

Company Registration No. 199400619R  
(Incorporated in Singapore)

At a Glance  
Corporate Governance  
Management Review  
Portfolio Details  
► Financial and Other Information

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## 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 2020, 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 2020 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)

<b><u>Key Audit Matters</u></b>	<b><u>How our audit addressed the key audit matters</u></b>
<p><u>Revenue recognition</u></p> <p>We refer to Note 3(y) and Note 5 to the financial statements.</p> <p>For the year ended 31 December 2020, the Group has recorded revenue from sale of development properties and other sources amounting to \$742,430,000 (2019: \$946,476,000) and \$168,046,000 (2019: \$226,395,000) respectively (Note 5).</p> <p>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.</p>	<p><u>Our audit response:</u></p> <p>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.</p> <p>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.</p> <p>We tested journal entries made to revenue recognition with reference to SFRS(I) 15 <i>Revenue from Contracts with Customers</i>.</p> <p><u>Our audit findings:</u></p> <p>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.</p>
<p><u>Valuation and classification of development properties</u></p> <p>We refer to Note 17 and Note 22 to the financial statements.</p> <p>As at 31 December 2020, the Group's total development properties amounted to \$3.0 billion (2019: \$3.1 billion) which are mainly located in its core market – Indonesia. These properties are stated at cost less any impairment losses.</p> <p>The properties held for sale of \$1,241,785,000 (2019: \$1,328,584,000) and properties under development for sale of \$1,790,478,000 (2019: \$1,764,906,000) were classified as current and non-current respectively.</p> <p>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.</p>	<p><u>Our audit response:</u></p> <p>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.</p> <p>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.</p> <p>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.</p> <p><u>Our audit findings:</u></p> <p>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.</p>

## 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

15 March 2021

# CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

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	<u>Note</u>	<u>2020</u> S\$'000	<u>2019</u> S\$'000
<b>Revenue</b>	5	910,476	1,172,871
Cost of sales		<u>(337,569)</u>	<u>(419,261)</u>
<b>Gross profit</b>		<u>572,907</u>	<u>753,610</u>
<b>Operating expenses</b>			
Selling expenses		(85,022)	(100,941)
General and administrative expenses		<u>(153,272)</u>	<u>(168,641)</u>
Total operating expenses		<u>(238,294)</u>	<u>(269,582)</u>
<b>Operating profit</b>		<u>334,613</u>	<u>484,028</u>
<b>Other income/(expenses)</b>			
Finance income	6	75,964	69,946
Finance costs	7	(195,858)	(173,840)
Foreign exchange gain/(loss)		3,238	(12,010)
Share of results of associated companies	19	(48,755)	6,099
Share of results of joint ventures	20	3,622	8,891
Other operating income	8	<u>9,886</u>	<u>11,431</u>
Other expenses, net		<u>(151,903)</u>	<u>(89,483)</u>
<b>Exceptional items</b>			
Gain on equity interest	42(b)	-	3,360
Negative goodwill	42(a),(b)	1,172	2,101
Gain on deconsolidation of subsidiaries	42(c),44(6)	36,712	-
Effect of restructuring of an associated company	19	-	368,240
Exceptional items, net		<u>37,884</u>	<u>373,701</u>
<b>Profit before income tax</b>	9	220,594	768,246
Income tax	10	<u>(44,663)</u>	<u>(43,862)</u>
<b>Total profit for the year</b>		<u>175,931</u>	<u>724,384</u>
<b>Attributable to:</b>			
Owners of the Company		100,663	387,516
Non-controlling interests		<u>75,268</u>	<u>336,868</u>
		<u>175,931</u>	<u>724,384</u>
<b>Earnings per share (cents)</b>			
Basic and diluted	11(a)	<u>2.37</u>	<u>9.11</u>

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

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

	<u>Note</u>	<u>2020</u> S\$'000	<u>2019</u> S\$'000
<b>Total profit for the year</b>		<u>175,931</u>	<u>724,384</u>
<b>Other comprehensive (loss)/income</b>			
<u>Items that will not be reclassified subsequently to profit or loss:</u>			
Actuarial gain/(loss) on post-employment benefits	12	9,799	(1,995)
Changes in fair value of equity investments at fair value through other comprehensive income		<u>49</u>	<u>-</u>
		<u>9,848</u>	<u>(1,995)</u>
<u>Items that may be reclassified subsequently to profit or loss:</u>			
Foreign currency translation differences:			
- arising from consolidation		(119,316)	296,501
- reclassification adjustments from deconsolidation of a subsidiary	44(6)	(18,289)	-
Share of other comprehensive income/(loss) of:			
- associated companies		72	(365)
- joint ventures		<u>(6)</u>	<u>(261)</u>
		<u>(137,539)</u>	<u>295,875</u>
<b>Total comprehensive income for the year</b>		<u>48,240</u>	<u>1,018,264</u>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		27,518	532,274
Non-controlling interests		<u>20,722</u>	<u>485,990</u>
		<u>48,240</u>	<u>1,018,264</u>

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

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

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	Note	<u>Group</u>		<u>Company</u>	
		<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
<b>Assets</b>					
<b>Current Assets</b>					
Cash and cash equivalents	13	1,403,851	1,090,335	5,307	15,931
Short-term investments	14	220,735	257,497	-	-
Trade receivables	15	19,207	117,616	-	-
Other current assets	16	410,002	349,373	53,435	53,218
Inventories, at cost		637	919	-	-
Properties held for sale	17	1,241,785	1,328,584	-	-
		<u>3,296,217</u>	<u>3,144,324</u>	<u>58,742</u>	<u>69,149</u>
<b>Non-Current Assets</b>					
Subsidiaries	18	-	-	2,408,443	2,304,330
Associated companies	19	490,267	561,091	-	-
Joint ventures	20	175,594	126,436	7	-
Long-term investments	21	228,947	89,275	-	-
Properties under development for sale	22	1,790,478	1,764,906	-	-
Investment properties	23	1,701,682	1,711,750	-	-
Property, plant and equipment	24	137,914	149,209	1,738	1,685
Long-term receivables and assets	25	9,375	48,044	-	-
Deferred tax assets	26	266	293	-	-
Intangible assets	27	235,946	162,215	-	-
		<u>4,770,469</u>	<u>4,613,219</u>	<u>2,410,188</u>	<u>2,306,015</u>
<b>Total Assets</b>		<u>8,066,686</u>	<u>7,757,543</u>	<u>2,468,930</u>	<u>2,375,164</u>

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

# STATEMENTS OF FINANCIAL POSITION (cont'd)

AS AT 31 DECEMBER 2020

		<u>Group</u>		<u>Company</u>	
	<u>Note</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
		S\$'000	S\$'000	S\$'000	S\$'000
<b><u>Liabilities and Equity</u></b>					
Current Liabilities					
Trade payables	28	106,006	48,786	-	-
Other payables and liabilities	29	729,721	709,781	348,184	347,152
Bonds and notes payable	30	456,052	-	-	-
Lease liabilities	31	1,091	811	189	203
Borrowings	32	205,596	63,174	-	-
Income taxes payable		8,343	10,093	-	-
		<u>1,506,809</u>	<u>832,645</u>	<u>348,373</u>	<u>347,355</u>
Non-Current Liabilities					
Bonds and notes payable	30	745,080	815,866	-	-
Lease liabilities	31	2,964	2,031	1,246	1,434
Borrowings	32	966,374	1,173,138	-	-
Long-term liabilities	33	267,014	235,180	-	-
Deferred tax liabilities	26	9	12	-	-
		<u>1,981,441</u>	<u>2,226,227</u>	<u>1,246</u>	<u>1,434</u>
Total Liabilities		<u>3,488,250</u>	<u>3,058,872</u>	<u>349,619</u>	<u>348,789</u>
Equity attributable to Owners of the Company					
Issued capital	35	2,057,844	2,057,844	2,057,844	2,057,844
Treasury shares	35	(170,567)	(170,460)	(170,567)	(170,460)
Foreign currency translation deficit		(1,443,296)	(1,364,330)	-	-
Other reserves		252,265	(22,322)	-	-
Fair value reserve		3,285	3,256	-	-
Retained earnings		<u>2,140,019</u>	<u>2,055,526</u>	<u>232,034</u>	<u>138,991</u>
		<u>2,839,550</u>	<u>2,559,514</u>	<u>2,119,311</u>	<u>2,026,375</u>
Non-controlling interests		<u>1,738,886</u>	<u>2,139,157</u>	-	-
Total Equity		<u>4,578,436</u>	<u>4,698,671</u>	<u>2,119,311</u>	<u>2,026,375</u>
<b>Total Liabilities and Equity</b>		<u>8,066,686</u>	<u>7,757,543</u>	<u>2,468,930</u>	<u>2,375,164</u>

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

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

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<b>Group</b>	← Attributable to Owners of the Company →						<b>Total</b>	<b>Non-Controlling Interests</b>	<b>Total Equity</b>
	<b>Issued capital</b>	<b>Treasury shares</b>	<b>Foreign currency translation deficit</b>	<b>Other reserves</b>	<b>Fair value reserve</b>	<b>Retained earnings</b>			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1.1.2020	2,057,844	(170,460)	(1,364,330)	(22,322)	3,256	2,055,526	2,559,514	2,139,157	4,698,671
Profit for the year	-	-	-	-	-	100,663	100,663	75,268	175,931
Foreign currency translation differences	-	-	(60,677)	-	-	-	(60,677)	(58,639)	(119,316)
Other comprehensive (loss)/income	-	-	(18,289)	5,792	29	-	(12,468)	4,093	(8,375)
Total comprehensive income/(loss) for the year	-	-	(78,966)	5,792	29	100,663	27,518	20,722	48,240
Dividends (Note 36)	-	-	-	-	-	(16,170)	(16,170)	-	(16,170)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	(117,039)	(117,039)
Capital subscribed by non-controlling shareholders	-	-	-	-	-	-	-	47	47
Changes in interest in subsidiaries (Note 42(c))	-	-	-	268,795	-	-	268,795	(286,544)	(17,749)
Deconsolidation a subsidiary (Note 42(c))	-	-	-	-	-	-	-	(17,457)	(17,457)
Share buy back and held as treasury shares (Note 35)	-	(107)	-	-	-	-	(107)	-	(107)
Balance at 31.12.2020	<u>2,057,844</u>	<u>(170,567)</u>	<u>(1,443,296)</u>	<u>252,265</u>	<u>3,285</u>	<u>2,140,019</u>	<u>2,839,550</u>	<u>1,738,886</u>	<u>4,578,436</u>

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 2020

<b>Group</b>	← Attributable to Owners of the Company →						<b>Total</b>	<b>Non-Controlling Interests</b>	<b>Total Equity</b>
	Issued capital	Treasury shares	Foreign currency translation deficit	Other reserves	Fair value reserve	Retained earnings			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
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 36)	-	-	-	-	-	(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 42(d))	-	-	-	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 CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

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	<u>Note</u>	<u>2020</u> S\$'000	<u>2019</u> S\$'000
<b>Cash flows from operating activities</b>			
Profit before income tax		220,594	768,246
Adjustments for:			
Depreciation of investment properties	23	39,870	36,390
Depreciation of property, plant and equipment	24	13,449	14,201
Interest expense	7	195,858	173,840
Gain on deconsolidation of subsidiaries		(36,712)	-
Gain on disposal of property, plant and equipment	8	(214)	(53)
Gain on disposal of an associated company	8	-	(1)
Loss on disposal of certain interest in a joint venture	8	48	-
Gain on equity interest	42(b)	-	(3,360)
Negative goodwill	42(a),(b)	(1,172)	(2,101)
Effect of restructuring of an associated company	19	-	(368,240)
Fair value gain on financial assets at FVPL	8	(7,365)	(5,641)
Share of results of associated companies	19	48,755	(6,099)
Share of results of joint ventures	20	(3,622)	(8,891)
Allowance for/(Write-back of) impairment loss on:			
Trade and non-trade receivables	8	6,986	7,670
Completed properties held for sale	9	(127)	(304)
Completed properties held for sale written off	8	-	366
Property, plant and equipment written off	8	53	-
Unrealised net foreign exchange (gain)/loss		(3,764)	6,751
Interest income	6	(75,964)	(69,946)
<b>Operating cash flows before working capital changes</b>		<u>396,673</u>	<u>542,828</u>
Changes in working capital:			
Trade receivables		92,634	(91,627)
Other current assets and receivables		(42,946)	(35,020)
Inventories		282	334
Trade payables		58,623	6,809
Other payables and liabilities		<u>24,255</u>	<u>74,452</u>
<b>Cash generated from operations</b>		529,521	497,776
Interest paid		(131,087)	(121,299)
Interest received		72,644	57,966
Tax paid		<u>(48,681)</u>	<u>(23,798)</u>
<b>Net cash generated from operating activities</b>		<u>422,397</u>	<u>410,645</u>

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

# CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2020

	<u>Note</u>	<u>2020</u> S\$'000	<u>2019</u> S\$'000
<b>Cash flows from investing activities</b>			
Acquisition of subsidiaries, net of cash acquired	42(a),(b)	(7,418)	(1,802)
Payment for acquisition of/additional investment in:			
Associated companies		(1,207)	(28,745)
Joint ventures		(2,027)	(10,388)
Cash outflow from deconsolidation of a subsidiary	42(c)	(48)	-
Payment for investment in financial assets, net		(103,292)	(158,674)
Increase in long-term receivables and assets		(7,572)	(45,104)
Proceeds from disposal of an associated company		-	3
Net cash flow arising from restructuring of an associated company	19	-	44,128
Proceeds from disposal of certain interest in a joint venture	42(c)	12,971	-
Proceeds from disposal of property, plant and equipment		348	80
Capital expenditure on investment properties		(25,444)	(43,043)
Capital expenditure on property, plant and equipment		(2,858)	(6,681)
Capital expenditure on properties under development and held for sale		(88,528)	(99,700)
Dividends from associated companies	19	10,604	82,849
Dividends from joint ventures	20	13,391	19,571
Payment for intangible assets	27	(78,689)	(147,238)
<b>Net cash used in investing activities</b>		<u>(279,769)</u>	<u>(394,744)</u>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings	34	25,560	297,348
Proceeds from issuance of bonds and notes	34	413,203	-
Capital subscribed by non-controlling shareholders		47	793
(Increase)/Decrease in time deposits pledged		(23,425)	10,803
Acquisition of additional interest in subsidiaries		(17,749)	(52)
Payments of borrowings	34	(87,851)	(45,081)
Payments of bonds and notes	34	-	(132,611)
Payments of dividends		(133,209)	(100,370)
Principal payments of lease liabilities	34	(1,752)	(1,093)
Payment for shares buy back	35	(107)	-
Payments of deferred bond charges	34	(5,995)	-
<b>Net cash generated from financing activities</b>		<u>168,722</u>	<u>29,737</u>
<b>Net increase in cash and cash equivalents</b>		311,350	45,638
<b>Cash and cash equivalents at the beginning of the year</b>		1,031,455	914,452
<b>Effect of exchange rate changes on cash and cash equivalents</b>		(21,259)	71,365
<b>Cash and cash equivalents at the end of the year</b>	13	<u>1,321,546</u>	<u>1,031,455</u>

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

# NOTES TO THE FINANCIAL STATEMENTS

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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 Securities Trading Limited (SGX-ST). 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 Note 44, Note 45 and Note 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 2020 were authorised for issue by the Board of Directors on 15 March 2021.

## 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 2020. The adoption of these 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.

The Group has elected to early adopt the amendments to SFRS(I) 16, *COVID-19 – Related Rent Concessions*, which introduces a practical expedient for a lessee to elect not to assess whether a rent concession is a lease modification, if all the following conditions are met:

- (i) the change in lease payments results in revised consideration for the lease that is substantially the same, or less than, the consideration for the lease immediately preceding the change;
- (ii) any reduction in lease payments affect only payments originally due on or before 30 June 2021; and
- (iii) there is no substantive change to other terms and conditions of the lease.

The Group has elected to apply the practical expedient to all property leases. As a result of applying the practical expedient, rent concession of \$41,000 was recognised as negative variable lease payments (i.e. reduction in the rental expenses) in the income statement for the year.

# NOTES TO THE FINANCIAL STATEMENTS

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

(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 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, <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to SFRS(I) 1-16, <i>Proceeds before Intended Use</i>	1 January 2022
Amendments to SFRS(I) 1-37, <i>Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022
Amendments to SFRS(I) 3, <i>Reference to the Conceptual Framework</i>	1 January 2022
Improvements to SFRS(I) 9, <i>Financial Instruments</i>	1 January 2022

The directors of the Company expect the adoption of the amendments and improvements to standards 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.

(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.

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

#### (c) Foreign Currency Transactions and Translation (cont'd)

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.

#### (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 Group applies the acquisition method to account for business combinations when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether an integrated set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create output. The Group has an option to apply a 'fair value concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test can be applied on a transaction-by-transaction basis. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable assets or group of similar identifiable assets. If the test is met, the set of activities and assets is determined not to be a business and no further assessment is needed. If the test is not met, or if the Group elects not to apply the test, a detailed assessment must be performed applying the normal requirements in SFRS(I) 3.

# NOTES TO THE FINANCIAL STATEMENTS

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

### (d) Basis of Consolidation (cont'd)

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.

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.

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

#### (e) Subsidiaries (cont'd)

Investment in subsidiaries in the financial statements of the Company are stated at cost, less any impairment losses. On disposal of investment in subsidiaries, the difference between the disposal proceeds and the carrying amounts of the interests are recognised in the income statement.

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 has elected to retain the fair value measurement applied by its quoted associated company which meets 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.

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.

# NOTES TO THE FINANCIAL STATEMENTS

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

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

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.

Investment in associated companies and joint ventures in the financial statements of the Company are stated at cost, less any impairment losses. On disposal of investment in associated companies or joint ventures, the difference between the disposal proceeds and the carrying amounts of the interests are recognised in the income statement.

### (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.

### (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.

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

#### (i) Investment Properties (cont'd)

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:

	<u>No. of years</u>
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.

#### (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.

# NOTES TO THE FINANCIAL STATEMENTS

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

### (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.

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.

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

#### (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: those to be measured at amortised cost, and those to be measured subsequently 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 significant 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 derecognition, are recognised in the income statement.

# NOTES TO THE FINANCIAL STATEMENTS

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## 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.

### 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. The Group recognised a financial liability when, and only when, the entity becomes a party to the contractual provisions of the instrument.

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

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

### (r) Leases

- *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.

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

(r) Leases (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.

(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.

(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.

# NOTES TO THE FINANCIAL STATEMENTS

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

### (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.

### (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.

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

#### (y) Revenue Recognition (cont'd)

- 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.
- 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.

Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred. In some circumstances such as in the early stages of a contract where the Group may not be able to reasonably measure its progress but expects to recover the contract costs incurred, contract revenue is recognised only to the extent of the contract costs incurred until such time when the Group can reasonably measure its progress.

Contract modifications that do not add distinct goods or services are accounted for as a continuation of the original contract and the change is recognised as a cumulative adjustment to revenue at the date of modification. Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

- 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.

# NOTES TO THE FINANCIAL STATEMENTS

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

### (y) Revenue Recognition (cont'd)

- 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) Government Grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants receivable are recognised as income over the periods necessary to match with the related costs which they are intended to compensate on a systematic basis. Government grants relating to expenses are shown separately under other operating income.

### (aa) 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.

### (ab) 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.

## 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. Estimates and assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

### Impact of COVID-19 to the Group

The COVID-19 pandemic has affected almost all countries of the world, and resulted in border closures, production stoppages, workplace closures, movement controls and other measures imposed by the various governments. The Group's significant operations are in Indonesia, United Kingdom and Malaysia, all of which have been affected by the spread of COVID-19 in 2020. The COVID-19 pandemic has also resulted in economic slowdown and created questions about the uncertainties relating to the impairment or recoverable amounts of certain assets. An assessment was made by management whether for the current financial year there were any indications that these assets may be impacted severely. If any such indications existed, an estimate was made of the realisable amount and/or fair value of the relevant assets.

The Group has considered the impact of COVID-19 in preparing its financial report. Information about critical estimates, assumptions and judgements for that have significant effect on the amounts recognised are as follows:

#### (a) Critical Accounting Estimates and Assumptions

##### Revenue from Contracts with Customers

The Group offers customers the option 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 the financing component using a discount rate based on the weighted average borrowing rate. While the Group believes that the assumptions are reasonable, a significant change in assumptions may materially affect the adjusted contract sum and financing component recognised.

For the year ended 31 December 2020, the Group recognised finance income and finance costs from contracts with customer amounting to \$42,000 (2019: \$143,000) and \$50,023,000 (2019: \$52,170,000) 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 2020, the Group's income taxes payable and income tax expense amounted to \$8,343,000 (2019: \$10,093,000) and \$44,663,000 (2019: \$43,862,000) respectively.

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

## 4 Critical Accounting Estimates, Assumptions and Judgements (cont'd)

### (a) Critical Accounting Estimates and Assumptions (cont'd)

#### Fair Value of Financial Assets at FVOCI, Financial Assets at FVPL and Investment in a Quoted Associated Company

At the end of each reporting period, the Group is required to reassess the fair value of financial assets at FVOCI, financial assets at FVPL and the underlying investments of the Group's quoted associated company, for which the Group has elected to retain the fair value measurement applied by it as disclosed in Note 19 to the financial statements.

In determining the appropriate fair value classified as Level 2 or Level 3 in the fair value hierarchy, the Group relies on fund statements from non-related fund managers and makes use of valuation models.

The fund managers and independent valuers determine the fair value of the investment portfolios using multiple valuation techniques including the price of recent transactions, market approach and discounted cash flow method. They make maximum use of observable market data as inputs to these valuation models, taking into consideration the impact of the COVID-19 pandemic by adopting a range of adjustments across the investment portfolios to reflect the current situation. The key unobservable inputs to the models of Level 3 instruments and the inter-relationship between these key unobservable inputs and fair value measurement are disclosed in Note 41 to the financial statements.

While the Group believes the assumptions are reasonable and appropriate, significant changes in the assumptions may materially affect the fair value recorded. As at 31 December 2020, the carrying amounts of the Group's financial assets at FVOCI, financial assets at FVPL and investment in a quoted associated company amounted to \$8,480,000 (2019: \$8,699,000), \$441,202,000 (2019: \$338,073,000) and \$332,713,000 (2019: \$400,191,000) 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 2020, the Group has recorded revenue from sale of development properties and other sources amounting to \$742,430,000 (2019: \$946,476,000) and \$168,046,000 (2019: \$226,395,000) respectively.

#### 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 2020, the carrying amounts of the Group's development properties that are classified as current assets and non-current assets was \$1,241,785,000 (2019: \$1,328,584,000) and \$1,790,478,000 (2019: \$1,764,906,000) respectively.

## 5 Revenue

	<u>Group</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Revenue from sale of development properties	742,430	946,476
Rental and related income	113,445	139,704
Revenue from hotel and golf operations	11,794	26,786
Revenue from service concession arrangements	11,285	11,645
Others	31,522	48,260
	<u>910,476</u>	<u>1,172,871</u>

During the financial year 2019, revenue from sale of development properties included sale of land parcels to associated companies and joint ventures of \$45,198,000 and \$23,160,000 respectively, on terms agreed between the parties. The Group had 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 gains of \$12,614,000 and \$6,643,000 were therefore adjusted against the share of results in associated companies and joint ventures respectively in the Group's income statements. There was no sale of development properties to associated companies and joint ventures during the current financial year.

## 6 Finance Income

	<u>Group</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Interest income from:		
Cash and cash equivalents	47,154	50,652
Finance lease	-	45
Financial assets at amortised cost	11,443	12,221
Financial assets at fair value through profit or loss	17,367	7,028
	<u>75,964</u>	<u>69,946</u>

The Group has interest income from cash and cash equivalents amounting to \$3,314,000 (2019: \$5,593,000) which has been netted against interest expense as the Group has the legal right to set-off the deposits against the borrowings.

## 7 Finance Costs

	<u>Group</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Interest expense on:		
Borrowings	56,915	52,949
Advance received on development properties	50,023	52,170
Lease liabilities	388	222
Bonds and notes payable		
- interest	82,946	64,046
- amortisation of discount on bonds (Note 30)	157	160
- amortisation of deferred bond charges (Note 30)	5,429	4,293
Finance Costs	<u>195,858</u>	<u>173,840</u>

The Group has interest expense on borrowings amounting to \$3,314,000 (2019: \$5,593,000) which has been netted against interest income as the Group has the legal right to set-off the borrowings against the deposits.

# NOTES TO THE FINANCIAL STATEMENTS

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## 8 Other Operating Income

The net other operating income includes the following income/(expenses):

	<u>2020</u> S\$'000	<u>Group</u> <u>2019</u> S\$'000
Property and estate management income, net	5,213	8,665
Management and lease co-ordination fees	6,196	4,980
Lease cancellation fees and penalty	4,450	4,024
Gain on disposal of property, plant and equipment	214	53
Gain on disposal of an associated company	-	1
Loss on disposal of certain interest in a joint venture	(48)	-
Allowance for impairment loss on trade and non-trade receivables	(6,986)	(7,670)
Completed properties held for sale written off	-	(366)
Property, plant and equipment written-off	(53)	-
Government grant income	489	-
Fair value gain on financial assets at FVPL	<u>7,365</u>	<u>5,641</u>

During the current financial year, the Group recorded government grant income of \$489,000 (2019: Nil) related to various temporary wage support schemes introduced by the Singapore and Malaysia governments to help deal with the impact from COVID-19 pandemic.

## 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/(credit):

	<u>2020</u> S\$'000	<u>Group</u> <u>2019</u> S\$'000
Audit fees paid/payable to:		
Auditors of the Company	267	265
Auditors of the subsidiaries	652	648
Non-audit fees paid/payable to:		
Auditors of the Company	-	-
Write-back of impairment loss on completed properties held for sale	(127)	(304)
Cost of inventories recognised as an expense in cost of sales	<u>626</u>	<u>2,047</u>

## 10 Income Tax

	<u>Group</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Tax expense is made up of:		
Current income tax		
- current year	44,652	43,285
- under-provision in respect of prior years	27	508
	<u>44,679</u>	<u>43,793</u>
Deferred income tax (Note 26)	(16)	69
	<u>44,663</u>	<u>43,862</u>

Substantially all the Group's operations are located in Indonesia. Accordingly, the Indonesia statutory tax rate of 22% is used in the reconciliation of the tax expense and the product of accounting profit multiplied by the applicable tax rate. During the current financial year, the Indonesian corporate tax rate was reduced from 25% to 22%.

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:

	<u>Group</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Profit before income tax	220,594	768,246
Adjustments for:		
Share of results of associated companies	48,755	(6,099)
Share of results of joint ventures	(3,622)	(8,891)
	<u>265,727</u>	<u>753,256</u>
Tax calculated at a tax rate of 22% (2019: 25%)	58,460	188,314
Non-deductible items	23,153	15,820
Non-taxable items	(13,549)	(104,554)
Effect of different tax rate categories	(38,379)	(60,125)
Effect of reduction in tax rate (Note 26)	32	-
Utilisation of previously unrecognised deferred tax assets	(14)	(1,310)
Unrecognised deferred tax assets	4,068	4,866
Withholding tax on dividend distributed by subsidiaries	11,000	271
Under-provision in prior years' income tax	27	508
Deemed foreign tax credit	(147)	-
Others	12	72
	<u>44,663</u>	<u>43,862</u>

At the end of the reporting period, the amount of unutilised tax losses and capital allowances available for offsetting against future taxable profits are as follows:

	<u>Group</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Unutilised tax losses	184,339	180,622
Unabsorbed capital allowances	59,091	56,058
	<u>243,430</u>	<u>236,680</u>

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

## 10 Income Tax (cont'd)

The breakdown of unutilised tax losses and capital allowances are as follows:

	<u>Group</u>	
	<u>2020</u>	<u>2019</u>
	S\$'000	S\$'000
<u>Expiry dates:</u>		
31 December 2020	-	133
31 December 2021	4,080	4,805
31 December 2022	8,975	8,981
31 December 2023	10,368	10,725
31 December 2024	12,771	12,659
Thereafter	149,550	143,370
No expiry dates subject to terms and conditions	57,686	56,007
	<u>243,430</u>	<u>236,680</u>

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 2020, 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 \$93,221,000 (2019: \$90,647,000) have not been recognised for taxes that would be payable on the remittance to Singapore of unremitted retained earnings of \$932,208,000 (2019: \$906,468,000) 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 4,255,323,607 (2019: 4,255,862,496).

There is no dilution as the Company did not have any potential ordinary shares outstanding as at 31 December 2020 and 2019.

### (b) Net Asset Value Per Share

As at 31 December 2020, the net asset value per ordinary share based on the total equity and the existing issued share capital of 4,255,159,396 (2019: 4,255,862,496) ordinary shares (excluding treasury shares) is \$1.08 (2019: \$1.10).

## 12 Staff Costs and Retirement Benefit Obligations

	<u>Group</u>	
	<u>2020</u>	<u>2019</u>
	S\$'000	S\$'000
Staff costs:		
Wages and salary	55,182	57,901
Employer's contribution to defined contribution plans	800	1,094
Retirement benefit expenses	5,441	7,146
	<u>61,423</u>	<u>66,141</u>

### 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:

	<u>Group</u>	
	<u>2020</u>	<u>2019</u>
	%	%
Discount rate	6.0 – 7.2	7.2 – 7.8
Salary growth rate	7.0 – 10.0	7.0 – 10.0

The components of the retirement benefit expenses/(income) recognised in the Group's income statement are as follows:

	<u>Group</u>	
	<u>2020</u>	<u>2019</u>
	S\$'000	S\$'000
Current service costs	3,398	4,042
Past service costs	(1,534)	(68)
Interest costs	3,577	3,172
Retirement benefit expenses recognised in the income statement	<u>5,441</u>	<u>7,146</u>

The components of the retirement benefit income/(expenses) recognised in other comprehensive income are as follows:

	<u>Group</u>	
	<u>2020</u>	<u>2019</u>
	S\$'000	S\$'000
Actuarial gain/(loss) arising from changes in financial assumptions	8,826	(488)
Actuarial gain/(loss) arising from experience adjustment	1,000	(1,558)
Actuarial (loss)/gain arising from demographic assumptions	(27)	51
Net retirement benefit income/(expenses) recognised in other comprehensive income	<u>9,799</u>	<u>(1,995)</u>

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

## 12 Staff Costs and Retirement Benefit Obligations (cont'd)

Movements in the retirement benefits obligations are as follows:

	<u>Group</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000
At the beginning of the year	49,346	39,766
Acquisition of a subsidiary (Note 42(b))	-	8
Retirement benefit expenses/(income) for the year recognised in:		
- income statement	5,441	7,146
- other comprehensive income	(9,799)	1,995
Payments made during the year	(4,009)	(2,211)
Currency realignment	(1,580)	2,642
At the end of the year	<u>39,399</u>	<u>49,346</u>
Less: Current portion classified as current liabilities (Note 29)	<u>(973)</u>	<u>(1,078)</u>
Non-current portion (Note 33)	<u><u>38,426</u></u>	<u><u>48,268</u></u>

## 13 Cash and Cash Equivalents

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Cash on hand	1,297	654	2	2
Cash in banks	429,813	142,457	5,305	15,929
Time deposits	<u>972,741</u>	<u>947,224</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents in the statements of financial position	1,403,851	1,090,335	5,307	15,931
Time deposits pledged as security for credit facilities granted to the subsidiaries (Note 32)	<u>(82,305)</u>	<u>(58,880)</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents in the statement of cash flows	<u><u>1,321,546</u></u>	<u><u>1,031,455</u></u>	<u><u>5,307</u></u>	<u><u>15,931</u></u>

Cash and cash equivalents include balances with a related party of \$4,130,000 (2019: \$4,953,000). As at 31 December 2020, the Group has time deposits amounting to \$76,788,000 (2019: \$76,295,000) which have been netted against borrowings as the Group has the legal right and intention to set-off the deposits against the borrowings.

### 13 Cash and Cash Equivalents (cont'd)

Cash and cash equivalents are denominated in the following currencies:

	<b>Group</b>		<b>Company</b>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Indonesian Rupiah	1,006,137	973,680	-	-
United States Dollar	360,158	81,032	2,391	13,708
British Pound	28,178	25,708	36	1,952
Singapore Dollar	5,126	1,417	2,880	237
Australian Dollar	1,832	283	-	-
Malaysian Ringgit	1,756	2,852	-	-
Chinese Renminbi	579	5,282	-	34
Others	85	81	-	-
	<u>1,403,851</u>	<u>1,090,335</u>	<u>5,307</u>	<u>15,931</u>

The above time deposits earn interest at the following rates per annum:

	<b>Group</b>		<b>Company</b>	
	<u>2020</u> %	<u>2019</u> %	<u>2020</u> %	<u>2019</u> %
Indonesian Rupiah	4.0 – 7.0	3.5 – 9.3	-	-
United States Dollar	0.5 – 2.8	0.5 – 3.3	-	-
British Pound	0.02 – 0.03	0.7 – 0.8	-	-
Chinese Renminbi	-	3.2 – 3.8	-	-

### 14 Short-Term Investments

	<b>Group</b>		<b>Company</b>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Financial assets at FVPL:				
Quoted funds	37,962	51,060	-	-
Unquoted equity funds	4,254	24,890	-	-
Unquoted debt instruments	178,519	181,547	-	-
	<u>220,735</u>	<u>257,497</u>	<u>-</u>	<u>-</u>

As at 31 December 2019, the above quoted funds included a balance with a related party of \$20,282,000.

Short-term investments are denominated in the following currencies:

	<b>Group</b>		<b>Company</b>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Indonesian Rupiah	24,571	46,010	-	-
United States Dollar	182,773	211,487	-	-
Chinese Renminbi	13,391	-	-	-
	<u>220,735</u>	<u>257,497</u>	<u>-</u>	<u>-</u>

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## 15 Trade Receivables

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Third parties	23,538	118,591	-	-
Related parties	637	1,288	-	-
Associated companies	-	546	-	-
	<u>24,175</u>	<u>120,425</u>	<u>-</u>	<u>-</u>
Less: Loss allowance	<u>(4,968)</u>	<u>(2,809)</u>	<u>-</u>	<u>-</u>
	<u>19,207</u>	<u>117,616</u>	<u>-</u>	<u>-</u>

The Group's credit risk exposure in relation to trade receivables from contracts with customers is presented below:

<u>Group</u>	<u>2020</u>		<u>2019</u>	
	<u>Gross</u> S\$'000	<u>Loss</u> <u>allowance</u> S\$'000	<u>Gross</u> S\$'000	<u>Loss</u> <u>allowance</u> S\$'000
Not past due	4,083	-	103,299	-
Past due 0 – 3 months	7,771	(214)	7,942	(84)
Past due more than 3 months	<u>12,321</u>	<u>(4,754)</u>	<u>9,184</u>	<u>(2,725)</u>
	<u>24,175</u>	<u>(4,968)</u>	<u>120,425</u>	<u>(2,809)</u>

The Group's provision for loss allowance is based on past due as the Group's historical credit loss exposure does not show a significantly different loss pattern for different customer segments. Movements in the credit loss allowance for trade receivables during the year are as follows:

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
At the beginning of the year	2,809	4,324	-	-
Allowance for impairment loss	2,169	97	-	-
Write-back of impairment loss	(32)	(180)	-	-
Receivables written off against allowance	-	(1,405)	-	-
Currency realignment	<u>22</u>	<u>(27)</u>	<u>-</u>	<u>-</u>
At the end of the year	<u>4,968</u>	<u>2,809</u>	<u>-</u>	<u>-</u>

Trade receivables are denominated in the following currencies:

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Indonesian Rupiah	17,096	116,467	-	-
British Pound	2,013	793	-	-
Others	<u>98</u>	<u>356</u>	<u>-</u>	<u>-</u>
	<u>19,207</u>	<u>117,616</u>	<u>-</u>	<u>-</u>

## 16 Other Current Assets

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Non-trade receivable from:				
Subsidiaries	-	-	54,603	54,152
Joint ventures	72	23,474	11	-
Associated companies	28,096	28,532	-	-
Related parties	79	81	-	-
Third parties	236,316	180,670	-	-
	<u>264,563</u>	<u>232,757</u>	<u>54,614</u>	<u>54,152</u>
Less: Loss allowance	<u>(15,641)</u>	<u>(10,414)</u>	<u>(1,253)</u>	<u>(989)</u>
	248,922	222,343	53,361	53,163
Prepayments	62,594	55,501	10	12
Purchase advances	97,153	71,017	-	-
Others	1,333	512	64	43
	<u>410,002</u>	<u>349,373</u>	<u>53,435</u>	<u>53,218</u>

Save 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 venture of \$20,978,000 bore interest at a rate of 8.5% per annum. During the current financial year, amounts receivable from a joint venture of \$22,688,000 has been converted into equity in the joint venture (Note 20).

As at 31 December 2020, the amounts receivable from associated companies of \$25,917,000 (2019: \$27,433,000) bear interest at a rate of 4.8% (2019: 4.8% to 9.0%) per annum and are repayable on demand. During the current financial year, amounts receivable from an associated company of \$2,938,000 has been converted into equity in the associated company (Note 19).

As at 31 December 2020, the amounts receivable from third parties of \$125,083,000 (2019: \$76,484,000) bear interest at rates ranging from 4.8% to 10.0% (2019: 10.0%) per annum and are repayable within twelve months.

As at 31 December 2020, the amounts receivable from subsidiaries of \$12,122,000 (2019: \$10,408,000) bear interest at rates ranging from 1.7% to 4.0% (2019: 4.0%) per annum and are repayable on demand.

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:

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
At the beginning of the year	10,414	2,871	989	918
Allowance for impairment loss	4,849	7,792	264	71
Write-back of impairment loss	-	(39)	-	-
Receivables written off against allowance	-	(103)	-	-
Currency realignment	378	(107)	-	-
At the end of the year	<u>15,641</u>	<u>10,414</u>	<u>1,253</u>	<u>989</u>

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## 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.

Other current assets are denominated in the following currencies:

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Indonesian Rupiah	168,869	163,277	-	-
Chinese Renminbi	185,049	130,400	4,328	2,767
British Pound	55,376	55,594	20,964	18,024
Singapore Dollar	91	62	2,002	2,232
United States Dollar	54	7	25,606	29,752
Others	563	33	535	443
	<u>410,002</u>	<u>349,373</u>	<u>53,435</u>	<u>53,218</u>

## 17 Properties Held for Sale

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Properties held for sale	<u>1,241,785</u>	<u>1,328,584</u>	<u>-</u>	<u>-</u>

The properties held for sale shown above is net of allowance for impairment loss of \$662,000 (2019: \$755,000).

As at 31 December 2020, there was no property held for sale (2019: \$8,438,000) pledged as security for bonds issued by a subsidiary and credit granted by banks to subsidiaries.

## 18 Subsidiaries

	<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Unquoted equity shares, at cost	1,481,878	1,290,695
Less: Impairment loss	<u>(100,000)</u>	<u>(100,000)</u>
	1,381,878	1,190,695
Interest-free loans receivable	<u>1,026,565</u>	<u>1,113,635</u>
	<u>2,408,443</u>	<u>2,304,330</u>

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 loans 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. Particulars of the subsidiaries are disclosed in Note 44 to the financial statements.

## 19 Associated Companies

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Interests in associated companies:				
Quoted investment in DIRE	332,713	400,191	-	-
Unquoted equity at equity account method	157,554	160,900	-	-
	<u>490,267</u>	<u>561,091</u>	<u>-</u>	<u>-</u>

The fair value basis applied by the associated company, Dana Investasi Real Estat Simas Plaza Indonesia (“DIRE”), to its underlying investments was determined by reference to the real estate valuation report prepared by an independent professional valuer and is classified under Level 2 of the fair value hierarchy (Note 41). Across the portfolio, the valuer adopted a range of adjustments to reflect the short-term impact of the current COVID-19 pandemic situation. These adjustments, which were made based on property-specific factors and considered each property’s tenancy mix, included increases in vacancy periods, increases in operating costs for common area cleaning and reduction in revenue growth rates. These have resulted in a negative valuation impact as at 31 December 2020 and the Group has therefore recognised its share of fair value loss recognised by DIRE amounting to \$45,627,000 (2019: fair value gain of \$8,035,000) as part of share of results of associated companies.

Movements in the net carrying amount in interests in associated companies are as follows:

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
At the beginning of the year	561,091	247,149	-	-
Share of results for the year	(48,755)	6,099	-	-
Share of other comprehensive income/(loss) for the year	72	(365)	-	-
Dividends received	(10,604)	(82,849)	-	-
Group’s contribution	4,145	28,745	-	-
Effect of restructuring of an associated company	-	320,956	-	-
Divestment	-	(2)	-	-
Reclassification from joint ventures	-	18,000	-	-
Currency realignment	(15,682)	23,358	-	-
At the end of the year	<u>490,267</u>	<u>561,091</u>	<u>-</u>	<u>-</u>

The above Group’s contribution included a conversion from loan to equity in an associated company of \$2,938,000 (2019: Nil) (Note 16).

As at 31 December 2020, the accumulated loss not recognised for an associated company amounted to \$14,199,000 (2019: \$10,819,000) as such loss is in excess of the Group’s interest in this associated company. Particulars of the associated companies are disclosed in Note 45 to the financial statements.

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## 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 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 resulted in an increase in investment in associated companies of \$320,956,000, of which details were as follows:

	<u>2019</u> 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	<u>368,240</u>
Proceeds from disposal of PLIN	508,312
Investment in associated companies	<u>(464,184)</u>
Net cash flow arising from restructuring of an associated company	<u><u>44,128</u></u>

Summarised financial information in respect of DIRE, a material associated company, 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:

	<u>2020</u> S\$'000	<u>2019</u> S\$'000
<u>DIRE:</u>		
Real estate investment portfolio	858,040	1,031,692
Current liabilities	<u>(1,165)</u>	<u>(1,030)</u>
Total (loss)/profit for the year	(144,561)	20,693
Other comprehensive income	764	128
Total comprehensive (loss)/income for the year	<u><u>(143,797)</u></u>	<u><u>20,821</u></u>
	<u>2020</u> S\$'000	<u>2019</u> S\$'000
<u>Others:</u>		
Total (loss)/profit for the year	(19,393)	27,755
Other comprehensive income/(loss)	208	(529)
Total comprehensive (loss)/income for the year	<u><u>(19,185)</u></u>	<u><u>27,226</u></u>

## 20 Joint Ventures

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
At the beginning of the year	126,436	142,250	-	-
Group's contribution	32,485	10,866	7	-
Reclassification from subsidiaries (Note 42(c)(i))	39,759	-	-	-
Reclassification to associated companies	-	(18,000)	-	-
Dilution of interest (Note 42(c)(i))	(13,019)	-	-	-
Derecognition (Note 42(b))	-	(7,452)	-	-
Share of profit for the year	3,622	8,891	-	-
Share of other comprehensive loss for the year	(6)	(261)	-	-
Dividends received	(13,391)	(19,571)	-	-
Currency realignment	(292)	9,713	-	-
	<u>175,594</u>	<u>126,436</u>	<u>7</u>	<u>-</u>

The above Group's contribution included a conversion from loan to equity in a joint venture of \$22,688,000 (2019: Nil) (Note 16) and a loan amounted to \$7,770,000 (2019: Nil) to PT Serpong Mas Telematika which was recognised as equity.

The details of the Group's joint ventures are as follows:

<u>Name of company and country of incorporation</u>	<u>Principal activities</u>	<u>Effective percentage of equity held by the Group</u>	
		<u>2020</u> %	<u>2019</u> %
Badan Kerja Sama, Pasar Pagi – ITC Mangga Dua Indonesia	Manage and operate shopping centre	21.28	17.39
BKS Binamaju Multikarsa Indonesia	Housing development	47.27	41.21
JOIN SML Investment Partners Pte. Ltd (a) Singapore	Investment holding	50.00	-
PT BSD Diamond Development Indonesia	Real estate development	24.03	19.63
PT Bumi Parama Wisesa Indonesia	Real estate development	30.64	25.03
PT Citra Sinar Global Indonesia	Property development	32.50	32.50
PT Duti Diamond Development Indonesia	Project management	15.96	13.04
PT Indonesia International Expo Indonesia	Property development	29.43	24.05

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## 20 Joint Ventures (cont'd)

The details of the Group's joint ventures are as follows:

<u>Name of company and country of incorporation</u>	<u>Principal activities</u>	<u>Effective percentage of equity held by the Group</u>	
		<u>2020</u> %	<u>2019</u> %
PT Itomas Kembangan Perdana Indonesia	Property management	25.00	17.74
PT Kusumasentral Kencana (Note 42(c)(i)) Indonesia	Property development	26.68	-
PT Panahome Deltamas Indonesia Indonesia	Real estate development	28.07	28.07
PT Serpong Mas Telematika (Note 42(a)(i)) Indonesia	Telecommunication	29.73	-
PT Sinar Artotel Indonesia Indonesia	Hotel and/or hotel management	24.03	19.63
PT Sinar Mitbana Mas (a) Indonesia	Real estate development	24.03	-
PT Syandana Berkat Usaha Indonesia	Real estate development	29.43	24.05

(a) During the current financial year, the Group established joint ventures JOIN SML Investment Partners Pte. Ltd and PT Sinar Mitbana Mas with contributions of \$7,000 and \$1,016,000 respectively.

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:

	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Total profit for the year	4,490	18,487
Other comprehensive loss	(44)	(401)
Total comprehensive income for the year	<u>4,446</u>	<u>18,086</u>

## 21 Long-Term Investments

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Financial assets at FVPL:				
Unquoted funds	220,467	80,576	-	-
Financial assets at FVOCI:				
Unquoted equity investments	8,480	8,699	-	-
	<u>228,947</u>	<u>89,275</u>	<u>-</u>	<u>-</u>

Long-term investments are denominated in the following currencies:

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
United States Dollar	180,114	42,816	-	-
Australian Dollar	40,353	37,760	-	-
Indonesian Rupiah	8,480	8,699	-	-
	<u>228,947</u>	<u>89,275</u>	<u>-</u>	<u>-</u>

## 22 Properties under Development for Sale

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Land held for development	<u>1,790,478</u>	<u>1,764,906</u>	<u>-</u>	<u>-</u>

As at 31 December 2020, certain land held for development of the Group amounting to \$99,008,000 (2019: \$105,516,000) have been pledged as security for bonds issued by a subsidiary and credit facilities granted by banks to the subsidiaries (Note 30 and Note 32).

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## 23 Investment Properties

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
<u>Cost:</u>				
At the beginning of the year	1,893,503	1,749,011	-	-
Additions	25,919	47,537	-	-
Transfer from:				
- Property, plant and equipment	-	5,474	-	-
- Properties under development for sale and held for sale	12,561	5,878	-	-
Currency realignment	(12,643)	85,603	-	-
At the end of the year	<u>1,919,340</u>	<u>1,893,503</u>	<u>-</u>	<u>-</u>
<u>Accumulated depreciation:</u>				
At the beginning of the year	181,753	135,973	-	-
Depreciation	39,870	36,390	-	-
Currency realignment	(3,965)	9,390	-	-
At the end of the year	<u>217,658</u>	<u>181,753</u>	<u>-</u>	<u>-</u>
Net carrying amount	<u>1,701,682</u>	<u>1,711,750</u>	<u>-</u>	<u>-</u>

As at 31 December 2020, certain investment properties of the Group amounting to \$943,960,000 (2019: \$949,323,000) has been pledged as security for credit facilities granted by banks to the subsidiaries (Note 32).

During the current financial year, borrowing costs of \$475,000 (2019: \$4,494,000) were capitalised into investment properties at a capitalisation rate of 7.9% (2019: 10.1%) per annum.

Investment properties are held mainly for use by tenants under operating leases. The following amounts are recognised in the Group's income statement:

	<u>Group</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Rental income	112,934	124,323
Direct operating expenses arising from investment properties that generated rental income	27,545	27,979
Property tax and other operating expenses arising from investment properties that did not generate rental income	<u>2,865</u>	<u>2,078</u>
Fair value of investment properties located in:		
Indonesia	1,750,960	1,614,909
United Kingdom	981,189	941,984
Singapore	5,200	5,200
China	1,071	1,023
Fair value classified under level 2 of fair value hierarchy (Note 41)	<u>2,738,420</u>	<u>2,563,116</u>

## 23 Investment Properties (cont'd)

The aggregate fair value of investment properties located in Indonesia was based on external valuation reports prepared by the independent appraisers 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 which have considered the short-term impact of COVID-19 pandemic situation. 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 the 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, Cushman & Wakefield Debenham Tie Leung Limited 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 were 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 were 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.

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## 24 Property, Plant and Equipment

<b>Group</b>	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
<b>Cost:</b>							
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 42(b))	-	-	-	-	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
Additions	-	9	312	2,234	2,265	1,097	5,917
Disposals	-	-	-	(374)	(1,199)	-	(1,573)
Termination of the lease contract	-	-	-	(38)	-	-	(38)
Reclassification	-	49	-	457	-	(506)	-
Written off	-	-	(121)	(106)	(127)	-	(354)
Currency realignment	(357)	(2,815)	(2,041)	(1,185)	(2,394)	(67)	(8,859)
At 31 December 2020	30,141	110,351	72,385	45,727	82,436	2,663	343,703
<b>Accumulated depreciation:</b>							
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
Depreciation	-	3,988	1,868	3,443	4,150	-	13,449
Disposals	-	-	-	(374)	(1,065)	-	(1,439)
Termination of the lease contract	-	-	-	(20)	-	-	(20)
Written off	-	-	(91)	(104)	(106)	-	(301)
Currency realignment	-	(1,467)	(1,222)	(518)	(2,094)	-	(5,301)
At 31 December 2020	-	60,752	51,264	24,925	68,848	-	205,789
<b>Net book value:</b>							
At 31 December 2020	30,141	49,599	21,121	20,802	13,588	2,663	137,914
At 31 December 2019	30,498	54,877	23,526	22,241	15,928	2,139	149,209

## 24 Property, Plant and Equipment (cont'd)

As at 31 December 2020, certain property, plant and equipment of the Group amounting to \$7,010,000 (2019: \$7,814,000) has been pledged as security for credit facilities granted by banks to the subsidiaries (Note 32).

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 \$3,059,000 (2019: \$1,126,000) acquired under leasing arrangements. The Group had terminated lease contract for certain plant, machinery and equipment which resulted in a derecognition of the carrying amount of right-of-use assets of \$18,000.

<u>Company</u>	<u>Leasehold improvements</u> S\$'000	<u>Plant and equipment</u> S\$'000	<u>Motor vehicles, furniture and fixtures</u> S\$'000	<u>Total</u> S\$'000
<u>Cost:</u>				
At 1 January 2019 and 31 December 2019	2,024	359	1,065	3,448
Addition	-	-	433	433
Disposal	-	-	(195)	(195)
At 31 December 2020	<u>2,024</u>	<u>359</u>	<u>1,303</u>	<u>3,686</u>
<u>Accumulated depreciation:</u>				
At 1 January 2019	332	357	758	1,447
Depreciation	188	1	127	316
At 31 December 2019	<u>520</u>	<u>358</u>	<u>885</u>	<u>1,763</u>
Depreciation	188	-	137	325
Disposal	-	-	(140)	(140)
At 31 December 2020	<u>708</u>	<u>358</u>	<u>882</u>	<u>1,948</u>
<u>Net book value:</u>				
At 31 December 2020	<u>1,316</u>	<u>1</u>	<u>421</u>	<u>1,738</u>
At 31 December 2019	<u>1,504</u>	<u>1</u>	<u>180</u>	<u>1,685</u>

## 25 Long-Term Receivables and Assets

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Loans receivable from a third party	-	43,865	-	-
Loans receivable from a joint venture	1,867	1,803	-	-
	<u>1,867</u>	<u>45,668</u>	<u>-</u>	<u>-</u>
Other long-term assets	7,508	2,376	-	-
	<u>9,375</u>	<u>48,044</u>	<u>-</u>	<u>-</u>

Long-term receivables and assets are denominated in the following currencies:

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Chinese Renminbi	-	43,865	-	-
Indonesian Rupiah	9,375	4,179	-	-
	<u>9,375</u>	<u>48,044</u>	<u>-</u>	<u>-</u>

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## 25 Long-Term Receivables and Assets (cont'd)

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 were unsecured, incurred interest at rate of 4.75% per annum and with a maturity date in 2021. 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

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Deferred tax assets	266	293	-	-
Deferred tax liabilities	(9)	(12)	-	-
Net	<u>257</u>	<u>281</u>	<u>-</u>	<u>-</u>

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.

The following amounts, determined after appropriate offsetting, are shown in the statement of financial position.

<u>Group</u>	<u>Retirement benefit obligations</u> S\$'000	<u>Accelerated tax depreciation</u> S\$'000	<u>Others</u> S\$'000	<u>Total</u> S\$'000
<u>Deferred tax assets/(liabilities)</u>				
At 1 January 2020	322	(29)	(12)	281
Credited to income statement (Note 10)	17	5	26	48
Effect of reduction in tax rate charged to income statement (Note10)	(35)	3	-	(32)
Currency realignment	(14)	2	(28)	(40)
At 31 December 2020	<u>290</u>	<u>(19)</u>	<u>(14)</u>	<u>257</u>
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	<u>322</u>	<u>(29)</u>	<u>(12)</u>	<u>281</u>

## 27 Intangible Assets

<u>Group</u>	<u>Goodwill</u> S\$'000	<u>Service concession arrangement</u> S\$'000	<u>Total</u> S\$'000
<u>Cost</u>			
At 1 January 2019	1,784	-	1,784
Acquisition of a subsidiary (Note 42(b))	-	13,039	13,039
Additions	-	147,238	147,238
Currency realignment	-	154	154
At 31 December 2019	1,784	160,431	162,215
Additions	-	78,689	78,689
Currency realignment	-	(4,958)	(4,958)
At 31 December 2020	1,784	234,162	235,946
<u>Accumulated amortisation</u>			
At 31 December 2019 and 2020	-	-	-
<u>Net carrying amount</u>			
At 31 December 2020	1,784	234,162	235,946
At 31 December 2019	1,784	160,431	162,215

In April 2016, PT Trans Bumi Serbaraja ("TBS"), 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. 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 \$11,285,000 (2019: \$11,645,000) in relation to construction during the year 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.

## 28 Trade Payables

Trade payables to third parties are denominated in the following currencies:

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Indonesian Rupiah	103,206	45,574	-	-
British Pound	1,288	1,637	-	-
Malaysian Ringgit	858	843	-	-
Others	654	732	-	-
	<u>106,006</u>	<u>48,786</u>	<u>-</u>	<u>-</u>

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## 29 Other Payables and Liabilities

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Payables to:				
Third parties	53,893	47,939	-	-
Related parties	1,962	4,206	23	23
Joint venture	-	478	-	-
Subsidiaries	-	-	347,327	346,299
Derivative payables	10,497	9,494	-	-
Interest payable	27,079	17,442	-	-
Other taxes payable	13,270	10,888	-	-
	<u>106,701</u>	<u>90,447</u>	<u>347,350</u>	<u>346,322</u>
Advances and deposits received on:				
- Development properties (Note 33)	508,361	506,746	-	-
- Rental and others	87,422	76,495	-	-
Estimated liabilities for improvements	6,268	6,455	-	-
Provision for claims	1,500	1,500	-	-
Accruals	17,632	26,143	735	722
Retirement benefit obligations (Note 12)	973	1,078	-	-
Others	864	917	99	108
	<u>729,721</u>	<u>709,781</u>	<u>348,184</u>	<u>347,152</u>

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:

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Indonesian Rupiah	662,216	664,578	52,696	54,376
United States Dollar	23,432	10,684	220,747	225,835
British Pound	17,130	18,454	10,569	3,480
Chinese Renminbi	16,852	972	13,440	12,842
Singapore Dollar	8,244	13,161	50,732	50,619
Others	1,847	1,932	-	-
	<u>729,721</u>	<u>709,781</u>	<u>348,184</u>	<u>347,152</u>

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:

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
At the beginning of the year	6,455	7,038	-	-
Amount incurred	-	(1,151)	-	-
Currency realignment	(187)	568	-	-
At the end of the year	<u>6,268</u>	<u>6,455</u>	<u>-</u>	<u>-</u>

### 30 Bonds and Notes Payable

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Zero Percent Convertible Bonds:				
IDR Bonds, due 2023	2,020	2,085	-	-
Less: Unamortised discount	(390)	(564)	-	-
	<u>1,630</u>	<u>1,521</u>	-	-
IDR Bonds:				
9% p.a. fixed rate, due 2021	58,813	60,688	-	-
9.25% p.a. fixed rate, due 2023	2,353	2,428	-	-
USD Notes:				
5.5% p.a. fixed rate, due 2023	352,836	355,846	-	-
7.25% p.a. fixed rate, due 2021	398,184	404,936	-	-
5.95% p.a. fixed rate, due 2025	398,184	-	-	-
	<u>1,212,000</u>	<u>825,419</u>	-	-
Less: Deferred bond charges	(10,868)	(9,553)	-	-
Total bonds and notes payable	<u>1,201,132</u>	<u>815,866</u>	-	-
Less: Current portion classified as current liabilities	(456,052)	-	-	-
Non-current portion	<u><u>745,080</u></u>	<u><u>815,866</u></u>	-	-

Movements in unamortised discount on bonds are as follows:

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
At the beginning of the year	564	671	-	-
Amortisation during the year	(157)	(160)	-	-
Currency realignment	(17)	53	-	-
At the end of the year	<u>390</u>	<u>564</u>	-	-

Movements in deferred bond charges are as follows:

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
At the beginning of the year	9,553	14,277	-	-
Additions	5,995	-	-	-
Amortisation during the year	(5,429)	(4,293)	-	-
Expensed off during the year	-	(1,011)	-	-
Currency realignment	749	580	-	-
At the end of the year	<u>10,868</u>	<u>9,553</u>	-	-
Less: Current portion	(945)	-	-	-
Non-current portion	<u><u>9,923</u></u>	<u><u>9,553</u></u>	-	-

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## 30 Bonds and Notes Payable (cont'd)

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. Save for the secured bonds below, the bonds and notes issued were unsecured. As at 31 December 2020, the secured bonds amounting to \$61,166,000 (2019: \$63,116,000) were secured by certain land under development for sale of the Group (Note 22). As at the end of the financial year, there is no breach of bond covenants.

## 31 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.

The carrying amounts of ROU assets classified within property, plant and equipment are as follows:

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Leasehold land and buildings/improvements	21,121	23,526	1,316	1,504
Plant, machinery and equipment	993	1,080	-	-
Motor vehicles, furniture and fixtures	225	179	36	124
	<u>22,339</u>	<u>24,785</u>	<u>1,352</u>	<u>1,628</u>

### 31 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 \$3,136,000 (2019: \$2,670,000). There were no additions to ROU assets for the Company during the current and previous financial years.

Depreciation charges on ROU assets classified within property, plant and equipment during the current financial year are as follows:

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Leasehold land and buildings/improvements	1,868	1,579	188	188
Plant, machinery and equipment	652	446	-	-
Motor vehicles, furniture and fixtures	849	753	88	88
	<u>3,369</u>	<u>2,778</u>	<u>276</u>	<u>276</u>

Amounts recognised in the consolidated income statement and statement of cash flows are as follows:

	<u>Group</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Expenses relating to low-value assets	<u>25</u>	<u>36</u>
Total cash outflows for leases	<u>2,140</u>	<u>1,315</u>

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
<u>Lease liabilities</u>				
Lease liabilities denominated in:				
Indonesian Rupiah	2,606	1,125	-	-
Singapore Dollar	1,449	1,684	1,435	1,637
Malaysian Ringgit	-	33	-	-
Total lease liabilities (Note 34)	<u>4,055</u>	<u>2,842</u>	<u>1,435</u>	<u>1,637</u>
Less: Current portion of lease liabilities	<u>(1,091)</u>	<u>(811)</u>	<u>(189)</u>	<u>(203)</u>
Non-current portion	<u>2,964</u>	<u>2,031</u>	<u>1,246</u>	<u>1,434</u>

The above lease liabilities of the Group and the Company include balances with a related party of \$1,418,000 (2019: \$1,580,000).

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## 32 Borrowings

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Secured borrowings denominated in:				
British Pound	575,346	566,604	-	-
Singapore Dollar	2,500	2,500	-	-
Indonesian Rupiah	403,454	478,891	-	-
	<u>981,300</u>	<u>1,047,995</u>	<u>-</u>	<u>-</u>
Unsecured borrowings denominated in:				
United States Dollar	125,467	125,798	-	-
Chinese Renminbi	44,913	43,819	-	-
Australian Dollar	20,290	18,700	-	-
	<u>1,171,970</u>	<u>1,236,312</u>	<u>-</u>	<u>-</u>
Less: Current portion classified as current liabilities	<u>(205,596)</u>	<u>(63,174)</u>	<u>-</u>	<u>-</u>
Non-current portion	<u>966,374</u>	<u>1,173,138</u>	<u>-</u>	<u>-</u>

As at 31 December 2020, the Group has borrowings amounting to \$76,771,000 (2019: \$76,306,000) which have been netted against deposits as the Group has the legal right to set-off the borrowings against the deposits.

The interest rates per annum for the above borrowings are as follows:

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> %	<u>2019</u> %	<u>2020</u> %	<u>2019</u> %
British Pound	1.4 – 2.4	2.2 – 3.1	-	-
Indonesian Rupiah	7.0	8.7 – 9.6	-	-
Singapore Dollar	1.9	3.2	-	-
Australian Dollar	4.5	4.5	-	-
Chinese Renminbi	4.8	4.8	-	-
United States Dollar	<u>3.0 – 7.6</u>	<u>3.0 – 7.6</u>	<u>-</u>	<u>-</u>

The scheduled maturities of the Group's borrowings are as follows:

<u>Year</u>	<u>IDR'million</u>	<u>Original Loan Currency</u>					<u>Singapore Dollar Equivalent</u>
		<u>GBP'000</u>	<u>S\$'000</u>	<u>USD'000</u>	<u>RMB'000</u>	<u>AUD'000</u>	<u>\$'000</u>
<u>As at 31 December 2020</u>							
Borrowings repayable in:							
2021	656,250	35,601	-	10,959	222,339	19,912	205,596
2022	2,056,250	159,702	-	34,500	-	-	526,885
2023	1,050,000	2,000	-	-	-	-	102,408
2024	525,000	121,979	2,500	49,448	-	-	337,081
Total	<u>4,287,500</u>	<u>319,282</u>	<u>2,500</u>	<u>94,907</u>	<u>222,339</u>	<u>19,912</u>	<u>1,171,970</u>
Current portion	<u>(656,250)</u>	<u>(35,601)</u>	<u>-</u>	<u>(10,959)</u>	<u>(222,339)</u>	<u>(19,912)</u>	<u>(205,596)</u>
Non-current portion	<u>3,631,250</u>	<u>283,681</u>	<u>2,500</u>	<u>83,948</u>	<u>-</u>	<u>-</u>	<u>966,374</u>

### 32 Borrowings (cont'd)

The scheduled maturities of the Group's borrowings are as follows:

Year	IDR'million	Original Loan Currency					Singapore Dollar Equivalent \$'000
		GBP'000	S\$'000	USD'000	RMB'000	AUD'000	
<u>As at 31 December 2019</u>							
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

Certain of the Group's time deposits, properties under development for sale, investment properties and property, plant and equipment have been pledged to banks to obtain the above secured borrowings (Note 13, Note 22, Note 23 and Note 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.

### 33 Long-Term Liabilities

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Advances and deposits received on development properties	663,052	631,780	-	-
Less: Current portion classified as current liabilities (Note 29)	(508,361)	(506,746)	-	-
Non-current liabilities	154,691	125,034	-	-
Retirement benefit obligations (Note 12)	38,426	48,268	-	-
Security deposits	10,938	9,732	-	-
Advances and deposits received on rental and others	62,959	52,146	-	-
	<u>267,014</u>	<u>235,180</u>	<u>-</u>	<u>-</u>

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## 33 Long-Term Liabilities (cont'd)

Long-term liabilities are denominated in the following currencies:

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Indonesian Rupiah	265,357	229,899	-	-
United States Dollar	<u>1,657</u>	<u>5,281</u>	<u>-</u>	<u>-</u>
	<u>267,014</u>	<u>235,180</u>	<u>-</u>	<u>-</u>

Advances and deposits received on development properties represent the contract liabilities relate to the Group's obligation to transfer goods or services to customers 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:

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Revenue recognised during the year	713,033	880,506	-	-
Increase due to cash received	<u>761,308</u>	<u>945,624</u>	<u>-</u>	<u>-</u>

As at 31 December 2020, the aggregate amount of transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations is \$1,197,431,000 (2019: \$1,416,391,000). The Group expects the above amounts to be recognised as revenue over the next one to seven years (2019: one to seven years).

## 34 Changes in Liabilities arising from Financing Activities

The reconciliation of movements of liabilities to cash flows arising from financing activities is as follows:

	<u>Bonds and notes payable</u> S\$'000	<u>Borrowings</u> S\$'000	<u>Lease liabilities</u> S\$'000
At 1 January 2020	815,866	1,236,312	2,842
Additions	413,203	25,560	-
Repayments	-	(87,851)	(1,752)
Payment of deferred bond charges	(5,995)	-	-
<u>Non-cash changes:</u>			
Amortisation of discount on bonds	157	-	-
Amortisation of deferred bond charges	5,429	-	-
New leases	-	-	3,059
Rent concession	-	-	(41)
Termination of the lease contract	-	-	(18)
Foreign exchange movement	(27,528)	(2,051)	(35)
At 31 December 2020	<u>1,201,132</u>	<u>1,171,970</u>	<u>4,055</u>

### 34 Changes in Liabilities arising from Financing Activities (cont'd)

	Bonds and notes <u>payable</u> S\$'000	<u>Borrowings</u> S\$'000	Lease <u>liabilities</u> S\$'000
At 1 January 2019	903,756	948,052	2,809
Additions	-	297,348	-
Repayments	(132,611)	(45,081)	(1,093)
<u>Non-cash changes:</u>			
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	<u>815,866</u>	<u>1,236,312</u>	<u>2,842</u>

### 35 Issued Capital and Treasury Shares

<u>Group and Company</u>	No. of ordinary shares		Amount	
	Issued capital	Treasury shares	Issued capital	Treasury shares
	'000	'000	S\$'000	S\$'000
Balance at 31 December 2019 and 1 January 2020	4,549,319	(293,457)	2,057,844	(170,460)
Treasury shares purchased	-	(703)	-	(107)
Balance at 31 December 2020	<u>4,549,319</u>	<u>(294,160)</u>	<u>2,057,844</u>	<u>(170,567)</u>

The Company acquired 703,100 of its own shares in the open market during the current financial year. These shares are held as treasury shares. The total amount paid to acquire the shares of \$107,000 was presented as a component within shareholders' equity.

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.

### 36 Dividends

	<u>Group and Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Final dividends paid in respect of the previous year of \$0.0038 (2019: \$0.002) per share	<u>16,170</u>	<u>8,512</u>

At the annual general meeting to be held on 28 April 2021, a first and final tax exempted (one tier) dividend of \$0.0009 per share, amounting to \$3,829,643.46 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 2021.

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## 37 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.

## 38 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:

	<u>Group</u>		<u>Company</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	S\$'000	S\$'000	S\$'000	S\$'000
i) Interest income from:				
Subsidiaries	-	-	1,739	2,518
Associated companies	1,341	1,057	-	-
Joint venture	116	1,278	-	-
Related parties	107	160	-	-
ii) Dividend income from subsidiaries	-	-	110,003	2,712
iii) Sales of goods and services				
Management fee from:				
Subsidiaries	-	-	3,074	3,018
Associated companies and joint ventures	4,332	2,901	-	-
Rental income from:				
Associated companies and joint ventures	535	1,029	-	-
Related parties	38,268	39,903	22	22
iv) Purchase of goods and services				
Insurance premium to a related party	3,410	3,512	-	-
Rental expense to:				
Subsidiaries	-	-	120	120

(b) The remuneration of key management personnel who are also directors are as follows:

	<u>Group</u>	
	<u>2020</u>	<u>2019</u>
	S\$'000	S\$'000
Directors' remuneration:		
Directors of the Company	10,216	12,679
Other key management personnel	4,680	5,256

Included in the above remuneration are post-employment benefits (represents the contributions to defined contribution plans) of \$60,436 (2019: \$55,061).

## 39 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 2019.

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 2020 and 2019 are as follows:

	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Borrowings (Note 32)	1,171,970	1,236,312
Bonds and notes payable (Note 30)	1,201,132	815,866
Lease liabilities (Note 31)	4,055	2,842
Total debt	<u>2,377,157</u>	<u>2,055,020</u>
Cash and cash equivalents (Note 13)	<u>(1,403,851)</u>	<u>(1,090,335)</u>
Net debt	<u>973,306</u>	<u>964,685</u>
Total equity	<u>4,578,436</u>	<u>4,698,671</u>
Gearing ratio	<u>21%</u>	<u>21%</u>

### (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 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 \$1,732,000 and \$1,273,000 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.

# NOTES TO THE FINANCIAL STATEMENTS

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## 39 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 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.

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:

	<u>2020</u> S\$'000	<u>2019</u> S\$'000
<u>Financial assets</u>		
Fixed rate	329,971	350,626
Variable rate	1,393,160	1,084,817
Non-interest bearing	<u>400,398</u>	<u>387,291</u>
	<u>2,123,529</u>	<u>1,822,734</u>
<u>Financial liabilities</u>		
Fixed rate	1,328,856	926,178
Variable rate	1,046,671	1,127,321
Non-interest bearing	<u>214,337</u>	<u>140,754</u>
	<u>2,589,864</u>	<u>2,194,253</u>

(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") 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.

### 39 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:

	<u>Group</u>	
	<u>2020</u>	<u>2019</u>
	S\$'000	S\$'000
SGD against functional currency of USD	16,114	16,329
USD against functional currencies of SGD, RM and IDR	<u>9,893</u>	<u>9,926</u>

##### (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.

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## 39 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:

	<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Corporate guarantees provided to financial institutions on borrowings of subsidiaries:		
- Total facilities	603,288	591,852
- Total outstanding	592,335	583,791

(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).

<u>Group</u>	Less than <u>1 year</u>	<u>1 to 5 years</u>	<u>Over 5 years</u>	<u>Total</u>
	S\$'000	S\$'000	S\$'000	S\$'000
<u>At 31 December 2020</u>				
Bonds and notes payable	509,735	860,738	-	1,370,473
Borrowings	247,286	1,007,521	-	1,254,807
Lease liabilities	1,430	1,789	3,274	6,493
Other financial liabilities	212,707	-	-	212,707
Total financial liabilities	971,158	1,870,048	3,274	2,844,480
<u>At 31 December 2019</u>				
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
<u>Company</u>				
<u>At 31 December 2020</u>				
Other financial liabilities	347,350	-	-	347,350
Lease liabilities	191	786	460	1,437
Financial guarantee contracts	78,641	513,694	-	592,335
	426,182	514,480	460	941,122
<u>At 31 December 2019</u>				
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

## 40 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:

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Future minimum lease receivable:				
Less than one year	82,344	84,649	-	-
One to two years	64,790	75,348	-	-
Two to three years	56,542	62,881	-	-
Three to four years	49,702	55,412	-	-
Four to five years	40,389	49,415	-	-
More than five years	210,736	246,346	-	-

### (b) Estimated expenditure committed but not provided for in the financial statements are as follows:

	<u>Group</u>		<u>Company</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Property development	160,919	179,073	-	-
Capital expenditure	11,635	9,062	-	-

## 41 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 and short-term lease liabilities 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, 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 2020 and 2019, the carrying amounts of the long-term receivables and long-term borrowings approximate their fair values.

### Fair Value Hierarchy

The Group categories fair value measurement using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 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
- Level 3: Unobservable inputs for the asset or liability

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## 41 Financial Instruments (cont'd)

### Fair Value Hierarchy (cont'd)

The following table gives information about how the fair values of the Group's financial assets are determined:

<u>Group</u>	<u>Level 1</u> S\$'000	<u>Level 2</u> S\$'000	<u>Level 3</u> S\$'000	<u>Total</u> S\$'000
<u>At 31 December 2020</u>				
Financial assets at FVOCI	-	-	8,480	8,480
Financial assets at FVPL	37,962	240,986	162,254	441,202
Total	<u>37,962</u>	<u>240,986</u>	<u>170,734</u>	<u>449,682</u>
<u>At 31 December 2019</u>				
Financial assets at FVOCI	-	-	8,699	8,699
Financial assets at FVPL	51,060	129,976	157,037	338,073
Total	<u>51,060</u>	<u>129,976</u>	<u>165,736</u>	<u>346,772</u>

### Methods and Assumptions Used to Determine Fair Values

The methods and assumptions used by management to determine fair values of financial assets and financial 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 values of unquoted funds and debt securities are determined by reference to fund statements provided by non-related fund manager.

(c) Level 3 fair value measurements

The fair values of financial assets at FVPL were determined by reference to price of recent transaction, discounted cash flow method and valuation report prepared by independent professional valuer.

The fair values of financial assets at FVOCI were determined by reference to valuation reports provided by independent external valuers.

#### 41 Financial Instruments (cont'd)

##### Methods and Assumptions Used to Determine Fair Values (cont'd)

##### (c) Level 3 fair value measurements (cont'd)

Details of valuation techniques are as follows:

- Discounted cash flow

As at 31 December 2020, the fair value of financial assets amounting to \$132,728,000 was made with reference to discounted cash flow method at a discount rate per annum of 6.0%. The estimated fair value increases as the estimated discount rate per annum decreases.

- Valuation reports

As at 31 December 2020, the fair value of financial assets amounting to \$38,006,000 (2019: \$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 1.65 to 2.86 (2019: 5.83 to 6.91).	The estimated fair value decreases as the ratio of projected GBV growth to invested capital multiple decreases.
Discount rate per annum of 13.0% to 14.7% (2019: 11.1%)	The estimated fair value increases as the estimated discount rate per annum decreases.

- Price of recent transaction

As at 31 December 2019, the fair value of financial assets 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.

Reconciliation of Level 3 fair value movements during the current financial year are as follows:

<u>Group</u>	<u>2020</u>		<u>2019</u>	
	<u>FVOCI</u> S\$'000	<u>FVPL</u> S\$'000	<u>FVOCI</u> S\$'000	<u>FVPL</u> S\$'000
At the beginning of the year	8,699	157,037	8,062	22,364
Net additions during the year	-	19,225	-	134,973
Changes in fair value recognised in:				
- other comprehensive income	49	-	-	-
- income statement	-	(3,079)	-	(22)
Currency realignment	(268)	(10,929)	637	(278)
At the end of the year	<u>8,480</u>	<u>162,254</u>	<u>8,699</u>	<u>157,037</u>

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## 42 Acquisition of Subsidiaries and Transactions with Non-controlling Interests

- (a) Acquisition of subsidiaries during the financial year 2020
- (i) On 19 October 2020, the Group through its subsidiaries, acquired the entire shareholdings of 82,525,000 shares in PT Serpong Mas Media ("SMM"), which holds an investment in a joint venture, PT Serpong Mas Telematika, for an aggregate consideration of IDR82.5 billion (equivalent to \$7,766,000). Following the acquisition, the Group holds 60.07% effective interest in SMM and recognised a negative goodwill of \$1,172,000 as an exceptional item in the consolidated income statement.

From the date of acquisition, it does not contribute significantly to the Group's revenue and profit before income tax. If the acquisition had occurred on 1 January 2020, 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, were as follows:

<u>Net assets acquired:</u>	<u>Fair value recognised on acquisition</u> S\$'000
Cash and cash equivalents	348
Receivables from joint venture	7,770
Other current assets	821
Other payables and liabilities	<u>(1)</u>
Total identifiable net assets	8,938
Less: Negative goodwill	<u>(1,172)</u>
Total purchase consideration	7,766
Less: Cash and cash equivalents acquired	<u>(348)</u>
Net cash outflow on acquisition of a subsidiary	<u>7,418</u>

- (ii) On 9 October 2020, the Group through its subsidiaries, acquired the entire shareholdings in the following entities for an aggregate consideration of IDR347.7 billion (equivalent to \$32,725,000).

<u>Entities</u>	<u>The Group's effective Interest</u>	<u>Consideration IDR' billion</u>
PT Bhumindo Repenas Jayautama ("BRJ")	95.13%	129.2
PT Cibubur Permai Lestari ("CPL")	95.13%	145.3
PT Gunung Indah Permai Lestari ("GIPL")	95.13%	<u>73.2</u>
		<u>347.7</u>

These purchase considerations were derived with reference to valuations performed by independent valuers on the assets owned by BRJ, CPL and GIPL and their respective management accounts. As these acquisitions did not qualify as business combinations, these are accounted for as an acquisition of assets. Included in the total consideration was IDR112.8 billion (equivalent to \$10,616,000) paid to a related party.

## 42 Acquisition of Subsidiaries and Transactions with Non-controlling Interests (cont'd)

### (b) 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 for the financial year 2019. 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 of \$6,720,000, based on an independent valuation report, were as follows:

<u>Net assets acquired:</u>	<u>Fair value recognised on acquisition S\$'000</u>
Cash and cash equivalents	6,909
Property, plant and equipment	7
Intangible assets	13,039
Long-term receivables	1,702
Other payables and liabilities	(24)
Income taxes payable	(1)
Long-term liabilities	(8)
Total identifiable net assets	<u>21,624</u>
Less: Transfer from investment in a joint venture	(7,452)
Less: Gain on equity interest	(3,360)
Less: Negative goodwill	<u>(2,101)</u>
Total purchase consideration	8,711
Less: Cash and cash equivalents acquired	<u>(6,909)</u>
Net cash outflow on acquisition of a subsidiary	<u><u>1,802</u></u>

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## 42 Acquisition of Subsidiaries and Transactions with Non-controlling Interests (cont'd)

- (c) Change in ownership interest in subsidiaries during the financial year 2020
- (i) On 24 February 2020, the Company entered into a joint venture agreement to jointly develop a mixed-used residential and commercial project in Kuningan, Jakarta. Pursuant to the agreement, the joint venture partner subscribed for new shares in PT Kusumasentral Kencana ("KSK"), a subsidiary of the Group, representing 28.00% of the enlarged share capital of KSK. Following this share issuance, the Group's effective interest in KSK decreased from 46.40% to 33.41%, resulting in KSK ceasing to be a subsidiary of the Group and was equity accounted for as a joint venture. An analysis of assets and liabilities which control was lost was as follows:

	<u>Group</u> <u>2020</u> S\$'000
Cash and cash equivalents	48
Properties held for sale	38,746
Other payables	(1)
Net assets	<u>38,793</u>
Less: Non-controlling interests	(17,457)
Add: Gain on deconsolidation of a subsidiary	<u>18,423</u>
Fair value of net assets deconsolidated	39,759
Less: Reclassification to investment in joint ventures (Note 20)	<u>(39,759)</u>
Consideration	-
Less: Cash and cash equivalents deconsolidated	<u>(48)</u>
Net cash outflow from deconsolidation of a subsidiary	<u>(48)</u>

Subsequently on 14 April 2020, the Group disposed 23,421 shares in KSK for a consideration of IDR132.5 billion (equivalent to \$12,971,000). The Group recognised a loss on disposal of \$48,000, with the Group's effective interest in KSK decreasing from 33.41% to 26.68%.

- (ii) On 28 May 2020, the Company subscribed for an additional 1,967,200,000 new shares in PAM for a consideration of IDR1,967.2 billion (equivalent to \$190,228,000). Following this share subscription, the Group increased its effective interest in PAM from 84.37% to 95.13%, thereby increasing its effective interest in BSDE from 49.08% to 55.34%. The Group recognised an increase in other reserves and a decrease in non-controlling interests of \$194,729,000.
- (iii) On 18 June 2020, the Group through its subsidiaries, subscribed for an additional 1,924,669,620 new shares in BSDE for an aggregate consideration of IDR1,231.8 billion (equivalent to \$120,592,000). Following this share subscription, the Group's effective interest in BSDE increased from 55.34% to 59.00%. The Group recognised an increase in other reserves and a decrease in non-controlling interests of \$59,059,000.

Subsequently in September 2020, the Group through its subsidiaries, acquired an additional 227,881,000 shares in BSDE for a total cash consideration of IDR182.0 billion (equivalent to \$16,741,000). Following this transaction, the Group's effective interest in BSDE increased from 59.00% to 60.03%. The Group recognised an increase in other reserves of \$12,727,000 and a decrease in non-controlling interests of \$29,468,000.

## 42 Acquisition of Subsidiaries and Transactions with Non-controlling Interests (cont'd)

- (c) Change in ownership interest in subsidiaries during the financial year 2020 (cont'd)
- (iv) On 25 November 2020, the Group through its subsidiary, subscribed for an additional 2,950,000 new shares in PT Wijaya Pratama Raja ("WPR") for a consideration of IDR3.0 billion (equivalent to \$278,000). Following this share subscription, the Group's effective interest in WPR increased from 39.06% to 39.29%. The Group recognised an increase in other reserves and a decrease in non-controlling interests of \$97,000.
- (v) On 18 December 2020, the Group through its subsidiaries, acquired additional shares in the following subsidiaries for an aggregate cash consideration of IDR10.7 billion (equivalent to \$1,008,000) from a related party.

<u>Subsidiaries</u>	<u>Increase in the Group's effective Interest</u>	<u>Consideration IDR' billion</u>
PT Bhineka Karya Pratama ("BKP")	From 81.32% to 95.13%	1.9
PT Simas Tunggal Center ("STC")	From 92.28% to 92.56%	0.8
PT Sinar Mas Teladan ("SMT")	From 68.59% to 69.65%	8.0
		10.7

Both BKP and STC also hold shares in BSDE. Following the above acquisitions of an additional interest, the Group's effective interest in BSDE increased from 60.03% to 60.07%. The Group recognised a net increase in other reserves of \$2,183,000 and a decrease in non-controlling interests of \$3,191,000.

- (d) 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 WPR for an aggregate consideration of IDR20.0 billion (equivalent to \$1,942,000). Following this share 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.

## 43 Segments Information

The Executive Committee ("Exco") is the Group's chief operating decision-maker and 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 and including Batam). 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).

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## 43 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, ownership and leasing of investment property in Singapore and financial assets as long-term investment in Australia. 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.

<u>Group</u>	Indonesia Property	International Property	United Kingdom Property	Others/ Eliminations	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>2020</u>					
Total revenue	864,298	9,487	36,899	-	910,684
Inter-segment revenue	(88)	(120)	-	-	(208)
Revenue from external customers	<u>864,210</u>	<u>9,367</u>	<u>36,899</u>	<u>-</u>	<u>910,476</u>
EBITDA	<u>464,623</u>	<u>629</u>	<u>24,904</u>	<u>(16,374)</u>	<u>473,782</u>
<u>Other Information</u>					
Additions to investment properties and property, plant and equipment	31,349	54	-	433	31,836
Depreciation expenses	(42,024)	(1,576)	(9,394)	(325)	(53,319)
Interest income	64,850	11,143	11	(40)	75,964
Interest expenses	(172,898)	(13,032)	(12,877)	2,949	(195,858)
Allowance for impairment loss on trade and non-trade receivables	(500)	(5,078)	(1,408)	-	(6,986)
Gain/(loss) on disposal of property, plant and equipment	164	(11)	-	61	214
Gain on deconsolidation of subsidiaries	36,712	-	-	-	36,712
Negative goodwill	1,172	-	-	-	1,172
Share of (loss)/profit of:					
Associated companies	(47,516)	(1,239)	-	-	(48,755)
Joint ventures	<u>3,731</u>	<u>(109)</u>	<u>-</u>	<u>-</u>	<u>3,622</u>
<u>Assets</u>					
Segment assets	6,389,722	422,654	967,835	(379,386)	7,400,825
Investment in:					
Associated companies	473,114	17,153	-	-	490,267
Joint ventures	174,432	1,162	-	-	175,594
Total assets	<u>7,037,268</u>	<u>440,969</u>	<u>967,835</u>	<u>(379,386)</u>	<u>8,066,686</u>
<u>Liabilities</u>					
Segment liabilities	<u>3,049,373</u>	<u>407,120</u>	<u>618,341</u>	<u>(586,584)</u>	<u>3,488,250</u>

#### 43 Segments Information (cont'd)

<u>Group</u>	Indonesia Property	International Property	United Kingdom Property	Others/ Eliminations	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>2019</u>					
Total revenue	1,120,500	16,947	35,636	-	1,173,083
Inter-segment revenue	(92)	(120)	-	-	(212)
Revenue from external customers	<u>1,120,408</u>	<u>16,827</u>	<u>35,636</u>	<u>-</u>	<u>1,172,871</u>
EBITDA	<u>594,622</u>	<u>794</u>	<u>26,173</u>	<u>(5,593)</u>	<u>615,996</u>
<u>Other Information</u>					
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/(loss) 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
<u>Assets</u>					
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	<u>6,704,096</u>	<u>380,346</u>	<u>955,574</u>	<u>(282,473)</u>	<u>7,757,543</u>
<u>Liabilities</u>					
Segment liabilities	<u>2,709,337</u>	<u>359,051</u>	<u>614,727</u>	<u>(624,243)</u>	<u>3,058,872</u>

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## 43 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 gain/(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:

	<u>2020</u> S\$'000	<u>2019</u> S\$'000
EBITDA for reportable segments	490,156	621,589
Other EBITDA	(16,374)	(5,593)
Depreciation expenses	(53,319)	(50,591)
Foreign exchange gain/(loss)	3,238	(12,010)
Interest expenses	(195,858)	(173,840)
Exceptional items	37,884	373,701
Share of results of associated companies	(48,755)	6,099
Share of results of joint ventures	3,622	8,891
Profit before income tax	<u>220,594</u>	<u>768,246</u>

The following table provides an analysis of the Group's revenue from business by geographical market, irrespective of the origin of the goods/services.

	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Indonesia	868,530	1,126,790
United Kingdom	36,899	35,636
Malaysia	4,824	9,907
China	223	538
Consolidated revenue	<u>910,476</u>	<u>1,172,871</u>

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:

	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Indonesia	2,955,929	2,880,282
United Kingdom	868,791	860,791
Malaysia	45,132	45,695
Singapore	3,476	3,475
China	200	213
Carrying amount of non-current non-financial assets	<u>3,873,528</u>	<u>3,790,456</u>
Indonesia	31,383	54,864
Singapore	433	17
Malaysia	15	454
China	5	9
Additions to investment properties and property, plant and equipment	<u>31,836</u>	<u>55,344</u>

#### 44 Subsidiaries

The details of the subsidiaries are as follows:

<u>Name of company and country of incorporation</u>	<u>Principal activities</u>	<u>Effective percentage of equity held by the Group</u>	
		<u>2020</u> %	<u>2019</u> %
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
Sinarmas Land Overseas Holding Pte. Ltd. Singapore	Investment holding	100.00	100.00
PT Indowisata Makmur (1) Indonesia	Property development	98.53	95.28
<b><u>United Kingdom Property Division</u></b>			
Agamemnon S.a r.l (1) Luxembourg	Investment holding	100.00	100.00
Alphabeta Limited Partnership (1) England and Wales	Property investment and development	100.00	100.00
Horseferry Property Limited (1) Guernsey	Property investment	100.00	100.00
SML Alpha S.a r.l (1) Luxembourg	Property investment holding	100.00	100.00
SML Brook England (HK) Limited (4c) Hong Kong	Investment holding	100.00	100.00
SML Great Pte Limited (1) Jersey	Property investment and development	100.00	100.00

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## 44 Subsidiaries (cont'd)

<u>Name of company and country of incorporation</u>	<u>Principal activities</u>	<u>Effective percentage of equity held by the Group</u>	
		<u>2020</u> %	<u>2019</u> %
SML Victoria Limited (1) Guernsey	Investment holding	100.00	100.00
Triton Court GP Ltd (1) England and Wales	General partner	100.00	100.00
Triton Court Nominee (Newco) Limited (1) England and Wales	Nominee Company	100.00	100.00
<b><u>Indonesia Property Division</u></b>			
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	60.07	49.08 <sup>5</sup>
Global Prime Treasury Pte. Ltd. Singapore	Treasury management and related services	60.07	49.08 <sup>5</sup>
Jermina Limited (6) Hong Kong	Investment holding	-	100.00
Linsville Limited (3) Cayman Islands	Investment holding	100.00	100.00
Sittingham Assets Limited (2) British Virgin Islands	Investment holding	100.00	100.00
PT Aneka Karya Amarta (1) Indonesia	Investment holding	95.13	84.37
PT Anekagriya Buminusa (1) Indonesia	Real estate development	53.20	43.47 <sup>5</sup>
PT Bhineka Karya Pratama (1), (Note 42(c)) Indonesia	Investment holding	95.13	72.12
PT Bhumindo Repenas Jayautama (4d), (Note 42(a)) Indonesia	Real estate development	95.13	-
PT Binamaju Grahamitra (1) Indonesia	Real estate development	95.13	84.37
PT Binamaju Mitra Sejati (1) Indonesia	Real estate development	63.03	54.96
PT Binasarana Muliajaya (4d) Indonesia	Provision of management and consultancy services	100.00	100.00

#### 44 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	Effective percentage of equity held by the Group	
		2020 %	2019 %
PT Bumi Indah Asri (1) Indonesia	Real estate development and investment holding	60.07	49.08 <sup>5</sup>
PT Bumi Karawang Damai (1) Indonesia	Real estate development	60.25	49.43 <sup>5</sup>
PT Bumi Megah Graha Asri (1) Indonesia	Real estate and property development	33.04 <sup>5</sup>	26.99 <sup>5</sup>
PT Bumi Megah Graha Utama (1) Indonesia	Real estate development	33.04 <sup>5</sup>	26.99 <sup>5</sup>
PT Bumi Paramudita Mas (1) Indonesia	Real estate development	60.07	49.08 <sup>5</sup>
PT Bumi Samarinda Damai (1) Indonesia	Real estate development	49.30 <sup>5</sup>	42.22 <sup>5</sup>
PT Bumi Sentra Selaras (1) Indonesia	Real estate development	60.07	49.08 <sup>5</sup>
PT Bumi Serpong Damai Tbk ("BSDE") (1), (Note 42(c)) Indonesia	Investment holding and development of houses and buildings	60.07	49.08 <sup>5</sup>
PT Bumi Tirta Mas (1) Indonesia	Real estate development	60.07	49.08 <sup>5</sup>
PT Bumi Wisesa Jaya (1) Indonesia	Real estate development	60.07	49.08 <sup>5</sup>
PT Cibubur Permai Lestari (4d), (Note 42(a)) Indonesia	Real estate development	95.13	-
PT Duta Cakra Pesona (1) Indonesia	Real estate development	60.07	49.08 <sup>5</sup>
PT Duta Dharma Sinarmas (1) Indonesia	Real estate development	30.64 <sup>5</sup>	25.03 <sup>5</sup>
PT Duta Karya Propertindo (3), (Note 45(5)) Indonesia	Property management	53.20	-
PT Duta Mitra Mas (1) Indonesia	Real estate development	60.07	49.08 <sup>5</sup>
PT Duta Pertiwi Tbk (1) Indonesia	Property development and investment holding	53.20	43.47 <sup>5</sup>
PT Duta Semesta Mas (1) Indonesia	Property development	53.20	43.47 <sup>5</sup>

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## 44 Subsidiaries (cont'd)

<u>Name of company and country of incorporation</u>	<u>Principal activities</u>	<u>Effective percentage of equity held by the Group</u>	
		<u>2020</u> %	<u>2019</u> %
PT Duta Usaha Sentosa (1) Indonesia	Real estate development	95.13	84.37
PT Ekacentra Usahamaju (1) Indonesia	Investment holding	95.12	84.36
PT Garwita Sentra Utama (1) Indonesia	Real estate development	60.07	49.08 <sup>5</sup>
PT Grahadipta Wisesa (1) Indonesia	Real estate development	75.85	64.96
PT Gunung Indah Permai Lestari (4d), (Note 42(a)) Indonesia	Real estate development	95.13	-
PT Inter Sarana Prabawa (1) Indonesia	Real estate development	95.13	84.37
PT Inti Tekno Sains Bandung (4d) Indonesia	Property management	100.00	100.00
PT Inti Tekno Sukses Bersama (4d) Indonesia	Educational and property development	100.00	100.00
PT Kanaka Grahaasri (1) Indonesia	Real estate development	53.20	43.47 <sup>5</sup>
PT Karawang Bukit Golf (1) Indonesia	Residential estate and country club and golf club development	88.70	84.77
PT Karawang Tatabina Industrial Estate (1) Indonesia	Industrial estate development	49.90 <sup>5</sup>	49.67 <sup>5</sup>
PT Karya Dutamas Cemerlang (1) Indonesia	Industrial estate development	95.12	84.36
PT Kembangan Permai Development (1) Indonesia	Real estate development	42.56 <sup>5</sup>	34.78 <sup>5</sup>
PT Kurnia Subur Permai (1) Indonesia	Real estate development	53.20	43.47 <sup>5</sup>
PT Kusumasentral Kencana (1), (Note 42(c)(i)) Indonesia	Property development	-	46.40 <sup>5</sup>
PT Laksya Prima Lestari (1) Indonesia	Real estate development	60.07	49.08 <sup>5</sup>
PT Masagi Propertindo (1) Indonesia	Property development	94.87	84.14

#### 44 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	Effective percentage of equity held by the Group	
		2020	2019
		%	%
PT Mekanusa Cipta (1) Indonesia	Real estate development	53.20	43.47 <sup>5</sup>
PT Metropolitan Transcities Indonesia (1) Indonesia	Investment holding	95.13	84.37
PT Misaya Properindo (1) Indonesia	Real estate development	53.20	43.47 <sup>5</sup>
PT Mitrakarya Multiguna (1) Indonesia	Real estate development	43.62 <sup>5</sup>	35.65 <sup>5</sup>
PT Mustika Candraguna (1) Indonesia	Property development	69.65	57.81
PT Mustika Karya Sejati (1) Indonesia	Real estate development	53.20	43.47 <sup>5</sup>
PT Pangeran Plaza Utama (1) Indonesia	Real estate development	53.20	43.47 <sup>5</sup>
PT Paraga Artamida (1), (Note 42(c)) Indonesia	Investment holding and provision of consultancy services	95.13	84.37
PT Pastika Candra Pertiwi (1) Indonesia	Real estate development	60.07	49.08 <sup>5</sup>
PT Pembangunan Deltamas (1) Indonesia	Property and real estate development	57.30	57.30
PT Permata Kirana Lestari (4d) Indonesia	Property development	95.13	84.37
PT Perwita Margasakti (1) Indonesia	Property development	53.20	43.47 <sup>5</sup>
PT Phinisi Multi Properti (1) Indonesia	Real estate development	40.85 <sup>5</sup>	33.37 <sup>5</sup>
PT Phinisindo Zamrud Nusantara (1) Indonesia	Property development	41.22 <sup>5</sup>	33.68 <sup>5</sup>
PT Praba Selaras Pratama (1) Indonesia	Real estate development and investment holding	60.07	49.08 <sup>5</sup>
PT Prestasi Mahkota Utama (1) Indonesia	Real estate development	53.20	43.47 <sup>5</sup>
PT Prima Sehati (1) Indonesia	Real estate development	53.20	43.47 <sup>5</sup>
PT Puradelta Lestari Tbk (1) Indonesia	Property and real estate development	57.28	57.28

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## 44 Subsidiaries (cont'd)

<u>Name of company and country of incorporation</u>	<u>Principal activities</u>	<u>Effective percentage of equity held by the Group</u>	
		<u>2020</u> %	<u>2019</u> %
PT Putra Alvita Pratama (1) Indonesia	Real estate development	28.47 <sup>5</sup>	23.27 <sup>5</sup>
PT Putra Prabukarya (1) Indonesia	Real estate development	53.20	43.47 <sup>5</sup>
PT Putra Tirta Wisata (1) Indonesia	Property management	28.47 <sup>5</sup>	23.27 <sup>5</sup>
PT Royal Oriental (1) Indonesia	Property development	64.06	54.06
PT Saranapapan Ekasejati (1) Indonesia	Real estate development	53.19	43.47 <sup>5</sup>
PT Satwika Cipta Lestari (1) Indonesia	Real estate development	60.07	49.08 <sup>5</sup>
PT Sentra Selaras Lestari (1) Indonesia	Real estate development and investment holding	60.07	49.08 <sup>5</sup>
PT Sentra Talenta Utama (1) Indonesia	Real estate development and investment holding	60.07	49.08 <sup>5</sup>
PT Serpong Mas Media (4d), (Note 42(a)) Indonesia	Investment holding	60.07	-
PT Simas Tunggal Center (1), (Note 42(c)) Indonesia	Investment holding	92.56	81.84
PT Sinar Mas Teladan (1), (Note 42(c)) Indonesia	Property development	69.65	57.81
PT Sinar Mas Wisesa (1) Indonesia	Real estate development	75.84	64.96
PT Sinar Medikamas Invesindo (1) Indonesia	Health care	60.07	49.08 <sup>5</sup>
PT Sinar Pertiwi Megah (1) Indonesia	Real estate development	60.07	49.08 <sup>5</sup>
PT Sinar Usaha Mahitala (1) Indonesia	Real estate development	60.07	49.08 <sup>5</sup>
PT Sinar Usaha Marga (1) Indonesia	Real estate development	83.54	72.70
PT Sinarwijaya Ekapratista (1) Indonesia	Real estate development	53.20	43.47 <sup>5</sup>
PT Sinarwisata Lestari (1) Indonesia	Hotel	53.20	43.47 <sup>5</sup>

#### 44 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	Effective percentage of equity held by the Group	
		2020 %	2019 %
PT Sinarwisata Permai (1) Indonesia	Hotel	53.20	43.47 <sup>5</sup>
PT Sumber Arusmulia (1) Indonesia	Investment holding	100.00	100.00
PT Sumber Makmur Semesta (1) Indonesia	Real estate development	60.07	49.08 <sup>5</sup>
PT Surya Inter Wisesa (1) Indonesia	Real estate development	60.07	49.08 <sup>5</sup>
PT Trans Bumi Serbaraja (1) Indonesia	Development and operation of toll roads	60.07	49.08 <sup>5</sup>
PT Transbsd Balaraja (1) Indonesia	Development and operation of toll roads	60.07	49.08 <sup>5</sup>
PT Wahana Swasa Utama (1) Indonesia	Real estate development	60.07	49.08 <sup>5</sup>
PT Wijaya Pratama Raya (1), (Note 42(c)) Indonesia	Property development	39.32 <sup>5</sup>	31.94 <sup>5</sup>
<b><u>China Property Division</u></b>			
AFP China Ltd (1) Mauritius	Investment holding	100.00	100.00
AFP (Shanghai) Co., Ltd (4b) People's Republic of China	Provision of management services	100.00	100.00
Chengdu Sinarmas New Century Investment Co., Ltd (4b) People's Republic of China	Investment holding	100.00	100.00
Shining Gold Real Estate (Chengdu) Co., Ltd (4b) People's Republic of China	Property investment and development	100.00	100.00
Shining Gold Real Estate (Shenyang) Co., Ltd (4b) People's Republic of China	Property investment and development	100.00	100.00
Sinarmas Land (HK) Limited (4c) Hong Kong	Investment holding	100.00	100.00
Zhuhai Huafeng Management and Consultancy Co., Ltd. (4b) People's Republic of China	Investment holding	100.00	100.00

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

## 44 Subsidiaries (cont'd)

<u>Name of company and country of incorporation</u>	<u>Principal activities</u>	<u>Effective percentage of equity held by the Group</u>	
		<u>2020</u> %	<u>2019</u> %
<b><u>AFP Land Division</u></b>			
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
AFP Land (Malaysia) Sdn Bhd (4e) 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 (4e) 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 (1) Indonesia	Resort development and operation	65.00	65.00
Palm Resort Berhad (4e) 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 (1) 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 (4e) Malaysia	Dormant	99.22	99.22
Sankei Pte Ltd Singapore	Dormant	100.00	100.00

#### 44 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 Da Hua Certified Public Accountants LLP, a member firm of Moore Global Network Limited and Zhonghua Certified Public Accountants LLP for the financial year 2020 and 2019 respectively.
  - (c) SHL CPA Limited, Certified Public Accountants (Practising)
  - (d) Freddy & Rekan
  - (e) BP Associates LLP
- (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) Jermina Limited has been voluntarily dissolved in September 2020. Following the dissolution, the Group deconsolidated Jermina Limited and recognised a gain on deconsolidation of \$18,289,000 as an exceptional item in the consolidated income statement.
- (7) As at 31 December 2020, the accumulated non-controlling interests is \$1,738,886,000 (2019: \$2,139,157,000), of which \$1,428,429,000 (2019: \$1,770,821,000) is for 4.87% (2019: 15.63%) non-controlling interests in PT Paraga Artamida and its subsidiaries ("Paraga Group") and \$248,432,000 (2019: \$295,518,000) is for 42.72% (2019: 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.

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

## 44 Subsidiaries (cont'd)

Notes: (cont'd)

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:

	<u>Paraga Group</u>		<u>PDL Group</u>	
	<u>2020</u> S\$'000	<u>2019</u> S\$'000	<u>2020</u> S\$'000	<u>2019</u> S\$'000
Non-current assets	3,173,197	2,993,589	338,909	422,179
Current assets	2,770,122	2,586,563	352,116	385,308
Non-current liabilities	1,354,589	1,440,852	2,841	3,976
Current liabilities	<u>1,187,088</u>	<u>743,689</u>	<u>112,354</u>	<u>111,357</u>
Revenue	587,227	787,750	248,732	253,552
Profit for the year	70,715	532,986	113,644	105,868
Total comprehensive (loss)/income for the year	<u>(6,885)</u>	<u>455,175</u>	<u>94,762</u>	<u>170,150</u>
Profit allocated to NCI	26,456	283,859	48,526	45,216
Dividends paid to NCI	<u>16,255</u>	<u>5,452</u>	<u>90,784</u>	<u>83,506</u>
Cash inflows from operating activities	132,048	200,660	272,359	189,220
Cash (outflows)/inflows from investing activities	(137,557)	(205,649)	2,477	(13)
Cash inflows/(outflows) from financing activities	296,502	(64,625)	(208,702)	(196,618)
Net increase/(decrease) in cash and cash equivalents	<u>290,993</u>	<u>(69,614)</u>	<u>66,134</u>	<u>(7,411)</u>

## 45 Associated Companies

<u>Name of company and country of incorporation</u>	<u>Principal activities</u>	<u>Effective percentage of equity held by the Group</u>	
		<u>2020</u> %	<u>2019</u> %
Dana Investasi Real Estat Simas Plaza Indonesia (2a) Indonesia	Real estate investment	23.33	19.06 <sup>4</sup>
PT AMSL Delta Mas (2a) Indonesia	Property development	19.82 <sup>4</sup>	16.20 <sup>4</sup>
PT AMSL Indonesia (2a) Indonesia	Property development	19.82 <sup>4</sup>	16.20 <sup>4</sup>
PT Citraagung Tirtajatim (1) Indonesia	Property development	21.28	17.39 <sup>4</sup>

#### 45 Associated Companies (cont'd)

Name of company and country of incorporation	Principal activities	Effective percentage of equity held by the Group	
		2020 %	2019 %
PT Duta Karya Propertindo ("DKP"), (3),(5) Indonesia	Property management	-	21.74
PT Harapan Anang Bakri & Sons (1) Indonesia	Industrial estate development	47.57	42.18
PT Indonesia Internasional Graha (1) Indonesia	Property management	29.43	24.05
PT Keikyu Itomas Indonesia (2e) Indonesia	Property development	5.32 <sup>4</sup>	4.35 <sup>4</sup>
PT Maligi Permata Industrial Estate (1) Indonesia	Industrial estate development	47.57	42.19
PT Matra Olahcipta (1) Indonesia	Property development	26.60	21.74
PT Plaza Indonesia Mandiri (2a) Indonesia	Hotels and apartment	29.12	23.79
PT Sahabat Duta Wisata (2b) Indonesia	Property development	11.39 <sup>4</sup>	9.31 <sup>4</sup>
PT Sahabat Kota Wisata (2b) Indonesia	Property development	21.28	17.39 <sup>4</sup>
PT Serasi Niaga Sakti (1) Indonesia	Real estate development	47.57	42.19
PT Wira Perkasa Agung (2c) Indonesia	Investment holding	28.03	24.73
Taicang Rongguan Real Estate Development Co., Ltd (2d) People's Republic of China	Real estate development	30.00	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
  - (b) Amir Abadi Jusuf, Aryanto, Mawar & Rekan
  - (c) Freddy & Rekan
  - (d) Mazars Certified Public Accountants LLP
  - (e) Heliantono dan Rekan
- (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) Following the completion of the transfer of remaining interest in DKP at a consideration of IDR225 (equivalent to \$0.02), DKP is now accounted for as a subsidiary.

# SHAREHOLDING STATISTICS

AS AT 11 MARCH 2021

<b>ISSUED AND FULLY PAID-UP CAPITAL</b> (including treasury shares)	: S\$2,057,844,076.04
<b>NO. OF SHARES ISSUED (A)</b> (excluding treasury shares and subsidiary holdings)	: 4,255,159,396
<b>NO. OF TREASURY SHARES HELD (B)</b>	: 294,159,800
<b>NO. OF SUBSIDIARY HOLDINGS HELD (C)</b>	: NIL
<b>PERCENTAGE OF (B) AND (C) AGAINST (A)</b>	: 6.91%
<b>CLASS OF SHARES</b>	: Ordinary shares
<b>VOTING RIGHTS</b>	: 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	212	2.48	9,824	0.00
100 - 1,000	1,059	12.39	733,909	0.02
1,001 - 10,000	5,112	59.80	22,652,405	0.53
10,001 - 1,000,000	2,135	24.97	111,329,226	2.62
1,000,001 & ABOVE	31	0.36	4,120,434,032	96.83
<b>Total</b>	<b>8,549</b>	<b>100.00</b>	<b>4,255,159,396</b>	<b>100.00</b>

## TWENTY LARGEST SHAREHOLDERS

Name of Shareholders	No. of Shares	%
FLAMBO INTERNATIONAL LIMITED	1,956,330,941	45.98
RAFFLES NOMINEES (PTE.) LIMITED	1,100,025,367	25.85
UOB KAY HIAN PTE LTD	581,021,910	13.66
CITIBANK NOMINEES SINGAPORE PTE LTD	235,749,439	5.54
GOLDEN MOMENT LIMITED	125,000,000	2.94
OCBC SECURITIES PRIVATE LTD	24,002,729	0.56
MOHAMED SALLEH S/O KADIR MOHIDEEN SAIBU MARICAR	15,733,500	0.37
DBS NOMINEES PTE LTD	14,846,542	0.35
PHILLIP SECURITIES PTE LTD	8,671,331	0.20
TAN NG KUANG	6,385,000	0.15
UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	5,284,842	0.12
DIANAWATI TJENDERA	5,000,000	0.12
CHEE SWEE HENG	4,440,000	0.10
MAYBANK KIM ENG SECURITIES PTE. LTD.	3,694,791	0.09
DBS VICKERS SECURITIES (S) PTE LTD	3,405,641	0.08
TAN KAH BOH ROBERT @ TAN KAH BOO	3,300,000	0.08
CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	3,137,082	0.07
BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	2,641,666	0.06
OCBC NOMINEES SINGAPORE PTE LTD	2,546,682	0.06
TAN JOON YANG	2,500,000	0.06
<b>Total</b>	<b>4,103,717,463</b>	<b>96.44</b>

# SHAREHOLDING STATISTICS (cont'd)

AS AT 11 MARCH 2021

At a Glance  
Corporate Governance  
Management Review  
Portfolio Details  
► Financial and Other Information

## SUBSTANTIAL SHAREHOLDERS

Name	No. of Shares in which they have an Interest				Total Percentage (Direct and Deemed Interest) %(1)
	Direct Interest	Percentage %(1)	Deemed Interest	Percentage %(1)	
GOLDEN MOMENT LIMITED ("Golden Moment")	1,034,863,840	24.32	-	-	24.32
FLAMBO INTERNATIONAL LIMITED ("Flambo") <sup>(2)</sup>	1,956,330,941	45.98	1,034,863,840	24.32	70.30
THE WIDJAJA FAMILY MASTER TRUST(2) ("WFMT(2)") <sup>(3)</sup>	-	-	2,991,194,781	70.30	70.30

### Notes:

- <sup>(1)</sup> Percentage calculated based on 4,255,159,396 issued shares (excluding treasury shares and subsidiary holdings).
- <sup>(2)</sup> The deemed interest of Flambo arises from its interest in 1,034,863,840 shares held by its wholly-owned subsidiary, Golden Moment, in the Company.
- <sup>(3)</sup> The deemed interest of WFMT(2) arises from its interest in 1,956,330,941 shares held by Flambo and 1,034,863,840 shares held by Golden Moment in the Company.

Based on the information available to the Company as at 11 March 2021, approximately 29.63% 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 the Republic of Singapore)  
Company Registration No. 199400619R

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting (the “**AGM**”) of Sinarmas Land Limited (the “**Company**” or “**SML**”) will be held by electronic means on **Wednesday, 28 April 2021 at 10.00 a.m.** (Singapore time) to transact the following business:

### AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the year ended 31 December 2020 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\$0.0009 per ordinary share for the year ended 31 December 2020. **(Resolution 2)**
3. To approve Directors’ Fees of S\$474,222 for the year ended 31 December 2020. (FY2019: S\$465,000) **(Resolution 3)**
4. To re-appoint the following Directors retiring pursuant to Regulation 97 of the Constitution of the Company:
  - (i) Mr. Lim Jun Xiong, Steven **(Resolution 4)**
  - (ii) Mr. Ng Ee Peng **(Resolution 5)**

{please see note 1}
5. To re-appoint the following Directors retiring pursuant to Rule 720(5) of the listing manual (“**Listing Manual**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”):
  - (i) Mr. Ferdinand Sadeli **(Resolution 6)**
  - (ii) Mr. Robin Ng Cheng Jiet **(Resolution 7)**
  - (iii) Mr. Hong Pian Tee **(Resolution 8)**

{please see note 1}

### **Two-Tier Voting Process for Mr. Hong Pian Tee**

6. Pursuant to Rule 210(5)(d)(iii)(A) of the Listing Manual which will take effect from 1 January 2022, members of the Company to approve the continued appointment of Mr. Hong Pian Tee, as an Independent Director, this Resolution 9 to remain in force until the earlier of his retirement or resignation as a Director or the conclusion of the third AGM following the passing of this Resolution 9. **(Resolution 9)**  
{please see notes 1, 2 and 3}
7. Contingent upon the passing of Resolution 9 above, pursuant to Rule 210(5)(d)(iii)(B) of the Listing Manual which will take effect from 1 January 2022, members of the Company, excluding the Directors, the Chief Executive Officer, and their associates, to approve the continued appointment of Mr. Hong Pian Tee, as an Independent Director, this Resolution 10 to remain in force until the earlier of his retirement or resignation as a Director or the conclusion of the third AGM following the passing of this Resolution 10. **(Resolution 10)**  
{please see notes 1, 2 and 3}
8. To re-appoint Moore Stephens LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 11)**

# NOTICE OF ANNUAL GENERAL MEETING (cont'd)

## AS SPECIAL BUSINESS

9. To consider and, if thought fit, to pass with or without any amendments, the following resolutions as Ordinary Resolutions:

### **Renewal of the Share Issue Mandate**

- 9A. "That pursuant to Section 161 of the Companies Act, Cap 50 and the Listing Rules of the SGX-ST, 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 4} **(Resolution 12)**

### **Renewal of the Share Purchase Mandate**

- 9B. "(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 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

- (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 5}* **(Resolution 13)**

#### **Renewal of the Interested Person Transactions Mandate**

- 9C. "(a) That pursuant to Chapter 9 of the Listing Manual of the SGX-ST, approval be and is hereby given to the Company, its subsidiaries and associated companies that are not listed on the SGX-ST 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 6}*, 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 7}* **(Resolution 14)**

By Order of the Board

Robin Ng Cheng Jiet  
Director  
7 April 2021  
Singapore

# NOTICE OF ANNUAL GENERAL MEETING (cont'd)

## Notes:

- (i) Due to the current COVID-19 pandemic, to minimise physical interactions and COVID-19 transmission risks, the AGM will be held by electronic means.
  - (ii) In view thereof, members will not be able to attend the AGM in person. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the AGM are set out hereinbelow. This Notice of AGM can be accessed on the SGXNET website at the URL <https://www.sgx.com/securities/company-announcements>. Any reference to a time of day is made by reference to Singapore time.
  - (iii) As the AGM will be held by electronic means, a member of the Company will be able to observe the proceedings of the AGM through a "live" webcast ("**Live Webcast**") via his/her/its mobile phones, tablets or computers or listen to the AGM proceedings through a "live" audio feed ("**Audio Only Means**") via telephone. In order to do so, a member of the Company who wishes to watch the Live Webcast or listen via the Audio Only Means must register by **10.00 a.m. on Sunday, 25 April 2021**, at the URL <https://globalmeeting.bigbangdesign.co/sinarmasland/>. Following authentication of his/her/its status as members of the Company, authenticated members of the Company will receive email instructions by **10.00 a.m. on Tuesday, 27 April 2021**, on how to access the Live Webcast and Audio Only Means to observe the AGM proceedings.
  - (iv) A member of the Company who registers to watch the Live Webcast or listen via the Audio Only Means may also submit questions related to the resolutions to be tabled for approval at the AGM. To do so, all questions must be submitted by **10.00 a.m. on Sunday, 25 April 2021** via the following:
    - (a) pre-registration link at URL <https://globalmeeting.bigbangdesign.co/sinarmasland/>; or
    - (b) email to [investor@sinarmasland.com.sg](mailto:investor@sinarmasland.com.sg).
- The Company will endeavor to address all substantial and relevant questions received from members prior to the AGM, and publish its response on the SGXNET at URL <https://www.sgx.com/securities/company-announcements>.
- (v) If a member of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the AGM ("**Chairman**") as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM. In appointing the Chairman as proxy, a member of the Company (whether individual or corporate), must give specific instructions as to voting, or abstentions from voting, in the proxy form, failing which the appointment will be treated as invalid.
  - (vi) The Chairman, as proxy, need not be a member of the Company.
  - (vii) The instrument appointing the Chairman as proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must:
    - (a) if sent personally or by post, be deposited at the registered office address of the Company at 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535; or
    - (b) if submitted electronically, by email to the Company at [investor@sinarmasland.com.sg](mailto:investor@sinarmasland.com.sg)

in either case, by **10.00 a.m. on Sunday, 25 April 2021** being not less than seventy-two (72) hours before the time appointed for holding the AGM (or at any adjournment thereof) and in defaults the instrument of proxy shall not be treated as valid.

In view of the current COVID-19 pandemic and the related safe distancing measures which may make it difficult for members of the Company to submit completed proxy forms by post or in person, members of the Company are strongly encouraged to submit completed proxy forms electronically via email.

- (viii) The instrument appointing the Chairman as proxy must be under the hand of the appointor or his/her/its attorney duly authorized in writing. Where the instrument appointing the Chairman as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorized officer, failing which the instrument of proxy may be treated as invalid.
- (ix) Investors who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act, Cap. 50), including investors holding through Central Provident Fund ("**CPF**") and Supplementary Retirement Scheme ("**SRS**"), who wish to appoint the Chairman as proxy, should contact their relevant intermediaries (which would include, in the case of CPF and SRS investors, their respective CPF Agent Banks and SRS Operators) through which they hold such shares, to submit their votes at least seven (7) working days before the time appointed for the holding of the AGM.

#### **Additional Notes relating to the Notice of AGM:**

1. Please refer to sections on Board of Directors and Corporate Governance Report in the Annual Report 2020 for further information on each of Mr. Lim Jun Xiong, Steven ("**Mr. Lim**"), Mr. Ng Ee Peng, Mr. Ferdinand Sadeli, Mr. Robin Ng Cheng Jiet, and Mr. Hong Pian Tee ("**Mr. Hong**").

Upon his re-appointment, Mr. Lim will remain as a member of the Audit Committee of the Company. Upon his re-appointment, Mr. Hong will remain as the Chairman of the Audit Committee of the Company. The Nominating Committee and Board have determined that each of Mr. Lim and Mr. Hong is independent.

2. The proposed Resolutions 9 and 10 are being sought, in anticipation of Rule 210(5)(d)(iii) of the Listing Manual, which will take effect from 1 January 2022. Rule 210(5)(d)(iii) of the Listing Manual provides that the continued appointment of an independent director who has been on the Board for an aggregate period of more than 9 years, must be sought and approved in separate resolutions by (A) all members; and (B) members, excluding Directors, Chief Executive Officer and their associates.
3. Effective January 2022, Mr. Hong would have served 9 years in aggregate. In anticipation of Rule 210(5)(d)(iii) of the Listing Manual which will take effect from 1 January 2022, Mr. Hong has offered himself for 2-tier members' approval, and the Company is proposing to seek the requisite members' approval by a 2-tier voting process for Mr. Hong to continue to serve as an Independent Director, until the earlier of his retirement or resignation, or the conclusion of the third AGM following the passing of both Resolutions 9 and 10. Consequently, subject to the passing of both Resolutions 9 and 10, Mr. Hong will continue to serve as an Independent Director, until the earlier of his retirement or resignation, or the conclusion of the third AGM following the passing of both Resolutions 9 and 10. In the absence of the requisite members' approval of both Resolutions 9 and 10, Mr. Hong will be designated as a Non-independent Director with effect from 1 January 2022.
4. Resolution 12, 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 Resolution 12 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 Resolution 12 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 Resolution 12 is passed and (b) any subsequent bonus issue, consolidation or subdivision of shares.

5. Resolution 13, 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

# NOTICE OF ANNUAL GENERAL MEETING (cont'd)

revoked or varied by the Company at a general meeting, expire at the next annual general meeting.

6. 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.
7. Resolution 14, 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 LIMITED**

(Incorporated in the Republic of Singapore)  
Company Registration No. 199400619R

# ANNUAL GENERAL MEETING PROXY FORM

I/We, \_\_\_\_\_ (Name)

\_\_\_\_\_ (NRIC/ Passport/ Company Registration Number)

of \_\_\_\_\_ (Address)

being a member/members of Sinarماس Land Limited (the "**Company**") hereby appoint the Chairman of the Meeting ("**Chairman**") as my/our proxy/proxies to vote for me/us on my/our behalf at the annual general meeting of the Company (the "**AGM**" or "**Meeting**") to be held by electronic means on **Wednesday, 28 April 2021 at 10.00 a.m.** (Singapore time), and at any adjournment thereof in the following manner as specified below.

**NOTE:** Voting on all resolutions will be conducted by poll. If you wish to exercise 100% of your votes "**For**" or "**Against**" a resolution, please indicate with an "X" in the corresponding box against the resolution. If you wish to "**Abstain**" from voting on a resolution, please indicate with an "X" in the corresponding box against that resolution. If you wish to split your votes, please indicate the number of votes "**For**" and/or "**Against**" and/or "**Abstain**" in the corresponding box against that resolution. In the absence of specific directions, the appointment of the Chairman as your proxy will be treated as invalid.

**(Please indicate your vote "For" or "Against" or "Abstain" with an "X" within the box provided.)**

No.	Resolutions	For	Against	Abstain
	<b>ORDINARY BUSINESS</b>			
1	Adoption of Audited Financial Statements for the year ended 31 December 2020 together with the Directors' Statement and Auditors' Report			
2	Declaration of First and Final Dividend for the year ended 31 December 2020			
3	Approval of Directors' Fees for the year ended 31 December 2020			
4	Re-appointment of Mr. Lim Jun Xiong, Steven			
5	Re-appointment of Mr. Ng Ee Peng			
6	Re-appointment of Mr. Ferdinand Sadeli			
7	Re-appointment of Mr. Robin Ng Cheng Jiet			
8	Re-appointment of Mr. Hong Pian Tee			
9	Approval by members for the continued appointment of Mr. Hong Pian Tee as an independent director, for purposes of Rule 210(5)(d)(iii)(A) of the Listing Manual of the Singapore Exchange Securities Trading Limited			
10	Approval by members, excluding the Directors, the Chief Executive Officer and their associates, for the continued appointment of Mr. Hong Pian Tee as an independent director, for purposes of Rule 210(5)(d)(iii)(B) of the Listing Manual of the Singapore Exchange Securities Trading Limited			
11	Re-appointment of Auditors			
	<b>SPECIAL BUSINESS</b>			
12	Renewal of the Share Issue Mandate			
13	Renewal of the Share Purchase Mandate			
14	Renewal of the Interested Person Transactions Mandate			

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2021

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**

**ANNUAL GENERAL MEETING  
PROXY FORM**

Affix  
Stamp  
Here

**The Company Secretary  
SINARMAS LAND LIMITED**  
108 Pasir Panjang Road  
#06-00 Golden Agri Plaza  
Singapore 118535

2<sup>nd</sup> 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. Due to the current COVID-19 pandemic, to minimise physical interactions and COVID-19 transmission risks, a member of the Company will not be able to attend the AGM in person. A member of the Company (whether individual or corporate) must appoint the Chairman as his/her/its proxy to vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. In appointing the Chairman as proxy, a member of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in respect of each of the resolutions in the proxy form, failing which the appointment of the Chairman as your proxy for that resolution will be treated as invalid.
3. This proxy form is not valid for use by investors holding shares in the Company through relevant intermediaries (as defined in Section 181 of the Companies Act, Chapter 50) ("**Investors**") (including investors holding through Central Provident Fund ("**CPF**") and Supplementary Retirement Scheme ("**SRS**") ("**CPF/SRS Investors**") and shall be ineffective for all intents and purposes if used or purported to be used by them. An Investor who wishes to vote should instead approach his/her relevant intermediary as soon as possible to specify his/her voting instructions. A CPF/SRS Investor who wishes to vote should approach his/her CPF Agent Bank or SRS Operator at least 7 working days before the date of the AGM to submit his/her vote.

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4. This proxy form, duly completed and signed, must be submitted to the Company **not less than seventy-two (72) hours before the time appointed for the AGM** in the following manner:
  - (a) by depositing a physical copy at the registered office address of the Company at 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535; or
  - (b) if submitted electronically, by email to the Company at [investor@sinarmasland.com.sg](mailto:investor@sinarmasland.com.sg).

In view of the current COVID-19 pandemic and the related safe distancing measures which may make it difficult for members of the Company to submit proxy forms by post or in person, members of the Company are strongly encouraged to submit completed proxy forms electronically via email.

5. This instrument appointing a proxy must be signed under the hand of the appointor or of his attorney duly authorised in writing. Where this instrument appointing a proxy is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised in writing. Where this instrument appointing a proxy is executed by an attorney on behalf of the appointor, the power of attorney or other authority appointing the attorney, if any, or a notarially certified copy thereof must be attached with this instrument.
6. 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 7 April 2021.

# 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 Investment Officer

**Robin Ng Cheng Jiet**  
Executive Director and  
Chief Financial Officer

**Hong Pian Tee**  
Lead Independent Director

**Willy Shee Ping Yah  
@ Shee Ping Yan**  
Independent Director

**Lew Syn Pau**  
Independent Director

**Lim Jun Xiong, Steven**  
Independent Director

**Ng Ee Peng**  
Independent Director

## AUDIT COMMITTEE

**Hong Pian Tee**  
(Chairman)

**Willy Shee Ping Yah  
@ Shee Ping Yan**

**Lim Jun Xiong, Steven**

## NOMINATING COMMITTEE

**Hong Pian Tee**  
(Chairman)

**Franky Oesman Widjaja**

**Lim Jun Xiong, Steven**

## REMUNERATION COMMITTEE

**Willy Shee Ping Yah  
@ Shee Ping Yan**  
(Chairman)

**Hong Pian Tee**

**Lim Jun Xiong, Steven**

## 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](http://www.sinarmasland.com)

