# FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::FULL YEARLY RESULTS

## Issuer & Securities

Issuer/ Manager
SINARMAS LAND LIMITED

Securities
SINARMAS LAND LIMITED - SG1E97853881 - A26

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No

## Announcement Details

Announcement Title
Financial Statements and Related Announcement

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Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)
Sinarmas Land Limited has released its unaudited financial results for the fourth quarter and full year ended 31 December 2018. Please refer to the following attachments in relation thereto:-

(1) Unaudited consolidated financial statements for the year ended 31 December 2018;
(2) Press Release; and
(3) Financial Results Presentation.

## Additional Details

For Financial Period Ended
31/12/2018

## Attachments

SML%20FY2018%20Results-%20Final.pdf

SML_Q4%202018_News%20Release.pdf

SML_4Q%202018_Presentation%20Deck.pdf

Total size =3389K MB

**SINARMAS LAND LIMITED (REG. NO. 199400619R)**

## Full Year Financial Statement And Dividend Announcement

**PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS**

**1(a) An income statement and statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year**

**UNAUDITED CONSOLIDATED INCOME STATEMENT**
**FOR THE YEAR ENDED 31 DECEMBER 2018**

| | Full Year 2018 S$'000 | (Restated) Full Year 2017 S$'000 | Change % | 4th Qtr 2018 S$'000 | (Restated) 4th Qtr 2017 S$'000 | Change % |
|---|---|---|---|---|---|---|
| **Revenue** | 864,134 | 1,347,437 | (35.9) | 276,168 | 583,914 | (52.7) |
| Cost of sales | (266,028) | (362,161) | (26.5) | (99,453) | (172,757) | (42.4) |
| **Gross profit** | 598,106 | 985,276 | (39.3) | 176,715 | 411,157 | (57.0) |
| **Operating expenses** | | | | | | |
| Selling expenses | (100,954) | (99,487) | 1.5 | (24,972) | (30,574) | (18.3) |
| General and administrative expenses | (164,205) | (176,956) | (7.2) | (45,575) | (56,291) | (19.0) |
| Total operating expenses | (265,159) | (276,443) | (4.1) | (70,547) | (86,865) | (18.8) |
| **Operating profit** | 332,947 | 708,833 | (53.0) | 106,168 | 324,292 | (67.3) |
| **Other income/(expenses)** | | | | | | |
| Finance income | 51,038 | 34,862 | 46.4 | 16,989 | 13,500 | 25.8 |
| Finance costs | (151,316) | (130,779) | 15.7 | (38,621) | (51,260) | (24.7) |
| Foreign exchange gain/(loss) | 5,655 | (22,616) | n.m. | 39,957 | (1,711) | n.m. |
| Share of results of associated companies | 11,297 | 14,487 | (22.0) | 8,677 | 3,229 | 168.7 |
| Share of results of joint ventures | (3,735) | (45,228) | (91.7) | (1,666) | (2,747) | (39.4) |
| Other operating income | 23,359 | 12,675 | 84.3 | 4,157 | 6,636 | (37.4) |
| Other (expenses)/income, net | (63,702) | (136,599) | (53.4) | 29,493 | (32,353) | n.m. |
| **Exceptional item** | | | | | | |
| Gain on disposal of a subsidiary | - | 109,441 | (100.0) | - | 109,441 | (100.0) |
| **Profit before income tax** | 269,245 | 681,675 | (60.5) | 135,661 | 401,380 | (66.2) |
| Income tax | (40,123) | (52,320) | (23.3) | (16,132) | (21,029) | (23.3) |
| **Profit for the year/period** | 229,122 | 629,355 | (63.6) | 119,529 | 380,351 | (68.6) |
| **Attributable to:** | | | | | | |
| Owners of the Company | 119,028 | 353,892 | (66.4) | 58,617 | 233,894 | (74.9) |
| Non-controlling interests | 110,094 | 275,463 | (60.0) | 60,912 | 146,457 | (58.4) |
| | 229,122 | 629,355 | (63.6) | 119,529 | 380,351 | (68.6) |

**Notes**:
(1) Certain comparative figures have been restated to account for retrospective adjustments arising from the adoption of SFRS(I) 15. Please refer to Note 5 for further details.
(2) n.m. – not meaningful.

## UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018

| | Full Year 2018 S$'000 | (Restated) Full Year 2017 S$'000 | 4th Qtr 2018 S$'000 | (Restated) 4th Qtr 2017 S$'000 |
|---|---|---|---|---|
| **Profit for the year/period** | 229,122 | 629,355 | 119,529 | 380,351 |
| **Other comprehensive income:** | | | | |
| Items that will not be reclassified subsequently to profit or loss: | | | | |
| Actuarial gain/(loss) on post employment benefit | 4,942 | (7,273) | 4,942 | (7,262) |
| Share of other comprehensive income/(loss) of: | | | | |
| - associated companies | 657 | (515) | 145 | (234) |
| - joint ventures | 47 | (71) | 46 | (71) |
| Changes in fair value of equity instruments at fair value through other comprehensive income | 6,486 | - | 6,486 | - |
| Items that may be reclassified subsequently to profit or loss: | | | | |
| Foreign currency translation differences | (414,556) | (301,147) | (43,983) | (2,551) |
| Changes in fair value of available-for-sale financial assets | - | 240 | - | 23 |
| **Total comprehensive (loss)/income for the year/period** | (173,302) | 320,589 | 87,165 | 370,256 |
| **Total comprehensive income attributable to:** | | | | |
| Owners of the Company | (82,732) | 219,843 | 35,373 | 228,704 |
| Non-controlling interests | (90,570) | 100,746 | 51,792 | 141,552 |
| | (173,302) | 320,589 | 87,165 | 370,256 |

## ADDITIONAL INFORMATION

**Earnings before income tax, non-controlling interests, interest on borrowings, depreciation, foreign exchange gain/(loss), exceptional item and share of results of associated companies and joint ventures ("EBITDA")**

| | Full Year 2018 S$'000 | (Restated) Full Year 2017 S$'000 | Change % | 4th Qtr 2018 S$'000 | (Restated) 4th Qtr 2017 S$'000 | Change % |
|---|---|---|---|---|---|---|
| **Earnings before income tax, non-controlling interests, interest on borrowings, depreciation, foreign exchange gain/(loss), exceptional item and share of results of associated companies and joint ventures ("EBITDA")** | 460,160 | 804,162 | (42.8) | 139,983 | 358,088 | (60.9) |
| Interest on borrowings | (151,316) | (130,779) | 15.7 | (38,621) | (51,260) | (24.7) |
| Depreciation | (52,816) | (47,792) | 10.5 | (12,669) | (13,660) | (7.3) |
| Foreign exchange gain/(loss) | 5,655 | (22,616) | n.m. | 39,957 | (1,711) | n.m. |
| Share of results of associated companies | 11,297 | 14,487 | (22.0) | 8,677 | 3,229 | 168.7 |
| Share of results of joint ventures | (3,735) | (45,228) | (91.7) | (1,666) | (2,747) | (39.4) |
| Exceptional item | - | 109,441 | (100.0) | - | 109,441 | (100.0) |
| **Profit before income tax** | 269,245 | 681,675 | (60.5) | 135,661 | 401,380 | (66.2) |

**Notes**:

(1) Certain comparative figures have been restated to account for retrospective adjustments arising from the adoption of SFRS(I) 15. Please refer to Note 5 for further details.

(2) n.m. – not meaningful.

**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year**

**UNAUDITED STATEMENTS OF FINANCIAL POSITION**
**AS AT 31 DECEMBER 2018**

| | Group | | | Company | |
|---|---|---|---|---|---|
| | | (Restated) | (Restated) | | |
| | 2018 | 2017 | 2016 | 2018 | 2017 |
| | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 |
| **Assets** | | | | | |
| Current Assets | | | | | |
| Cash and cash equivalents | 984,135 | 930,287 | 867,276 | 2,062 | 31,276 |
| Short-term investments | 47,028 | 21,730 | 12,942 | - | - |
| Trade receivables | 26,049 | 33,461 | 31,124 | - | - |
| Other current assets | 249,262 | 309,748 | 388,368 | 35,285 | 25,925 |
| Inventories, at cost | 1,253 | 1,338 | 1,348 | - | - |
| Properties held for sale | 1,224,017 | 1,230,153 | 1,265,641 | - | - |
| | 2,531,744 | 2,526,717 | 2,566,699 | 37,347 | 57,201 |
| Non-Current Assets | | | | | |
| Subsidiaries | - | - | - | 2,300,326 | 2,111,660 |
| Associated companies | 247,149 | 266,378 | 265,247 | - | - |
| Joint ventures | 142,262 | 143,289 | 119,942 | - | - |
| Long-term investments | 129,555 | 2,182 | 2,400 | - | - |
| Properties under development for sale | 1,664,855 | 1,755,445 | 1,793,858 | - | - |
| Investment properties | 1,613,038 | 1,656,565 | 1,077,139 | - | - |
| Property, plant and equipment | 147,461 | 178,097 | 195,777 | 309 | 434 |
| Long-term receivables | 82,354 | 25,189 | 52,026 | 54,648 | - |
| Deferred tax assets | 332 | 464 | 389 | - | - |
| Goodwill | 1,784 | 1,784 | 1,784 | - | - |
| | 4,028,790 | 4,029,393 | 3,508,562 | 2,355,283 | 2,112,094 |
| **Total Assets** | 6,560,534 | 6,556,110 | 6,075,261 | 2,392,630 | 2,169,295 |

**Note**:
Certain comparative figures have been restated to account for retrospective adjustments arising from the adoption of SFRS(I) 15. Please refer to Note 5 for further details.

**UNAUDITED STATEMENTS OF FINANCIAL POSITION**
**AS AT 31 DECEMBER 2018** (cont'd)

| | Group | | | Company | |
|---|---|---|---|---|---|
| | | (Restated) | (Restated) | | |
| | 2018 | 2017 | 2016 | 2018 | 2017 |
| | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 |
| **Liabilities and Equity** | | | | | |
| Current Liabilities | | | | | |
| Trade payables | 41,977 | 42,331 | 39,307 | - | - |
| Other payables and liabilities | 628,779 | 715,096 | 655,463 | 364,176 | 117,673 |
| Bonds and notes payable | 39,200 | 176,934 | 71,024 | - | - |
| Obligations under finance lease | 357 | 4,390 | 7,150 | 40 | 40 |
| Borrowings | 35,870 | 26,837 | 46,191 | - | - |
| Income taxes payable | 4,177 | 4,584 | 6,542 | - | - |
| | 750,360 | 970,172 | 825,677 | 364,216 | 117,713 |
| Non-Current Liabilities | | | | | |
| Bonds and notes payable | 864,556 | 542,144 | 723,275 | - | - |
| Obligations under finance lease | 57 | 454 | 5,271 | 57 | 97 |
| Borrowings | 912,182 | 774,194 | 506,006 | - | - |
| Long-term liabilities | 250,060 | 239,534 | 211,886 | - | - |
| Deferred tax liabilities | 12 | 14 | 9 | - | - |
| | 2,026,867 | 1,556,340 | 1,446,447 | 57 | 97 |
| Total Liabilities | 2,777,227 | 2,526,512 | 2,272,124 | 364,273 | 117,810 |
| Equity attributable to Owners of the Company | | | | | |
| Issued capital | 2,057,844 | 2,057,844 | 2,057,844 | 2,057,844 | 2,057,844 |
| Treasury shares | (170,460) | (170,460) | (170,460) | (170,460) | (170,460) |
| Foreign currency translation deficit | (1,514,239) | (1,306,515) | (1,176,417) | - | - |
| Goodwill on consolidation | (62,122) | (62,122) | (62,122) | - | - |
| Asset revaluation reserve | 6,518 | 6,518 | 6,518 | - | - |
| Other reserves | 40,437 | 33,645 | 25,982 | - | - |
| Fair value reserve | 3,256 | 188 | 91 | - | - |
| Retained earnings | 1,676,598 | 1,588,687 | 1,276,928 | 140,973 | 164,101 |
| | 2,037,832 | 2,147,785 | 1,958,364 | 2,028,357 | 2,051,485 |
| Non-controlling interests | 1,745,475 | 1,881,813 | 1,844,773 | - | - |
| Total Equity | 3,783,307 | 4,029,598 | 3,803,137 | 2,028,357 | 2,051,485 |
| **Total Liabilities and Equity** | 6,560,534 | 6,556,110 | 6,075,261 | 2,392,630 | 2,169,295 |

**Note**:
Certain comparative figures have been restated to account for retrospective adjustments arising from the adoption of SFRS(I) 15. Please refer to Note 5 for further details.

### 1(b)(ii) Aggregate amount of group's borrowings and debt securities

| | As at 31/12/2018 | | | As at 31/12/2017 | | |
|---|---|---|---|---|---|---|
| | Secured S$'000 | Unsecured S$'000 | Total S$'000 | Secured S$'000 | Unsecured S$'000 | Total S$'000 |
| Amount repayable in one year or less, or on demand | 75,427 | - | 75,427 | 206,095 | 2,066 | 208,161 |
| Amount repayable after one year | 906,849 | 869,946 | 1,776,795 | 821,923 | 494,869 | 1,316,792 |
| **Total** | **982,276** | **869,946** | **1,852,222** | **1,028,018** | **496,935** | **1,524,953** |

### Details of any collateral

Certain time deposits, properties under development for sale, investment properties, and property, plant and equipment have been pledged to the creditors to obtain the above secured borrowings.

### 1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS**
**FOR THE YEAR ENDED 31 DECEMBER 2018**

| | Full Year 2018 S$'000 | (Restated) Full Year 2017 S$'000 |
|---|---|---|
| **Cash flows from operating activities** | | |
| **Profit before income tax** | 269,245 | 681,675 |
| Adjustments for: | | |
| Depreciation | 52,816 | 47,792 |
| Interest expense | 151,316 | 130,779 |
| Gain on disposal of investment properties | (1,416) | - |
| Gain on disposal of property, plant and equipment | (148) | (42) |
| Gain on disposal of a subsidiary | - | (109,441) |
| Fair value gain on derivative payable | (781) | (6,387) |
| Loss on disposal of a subsidiary | 9 | - |
| Share of results of associated companies | (11,297) | (14,487) |
| Share of results of joint ventures | 3,735 | 45,228 |
| Allowance for/(Write-back of) impairment loss on: | | |
| Trade and other receivables | 1,392 | (52) |
| Long-term receivables | 13,802 | - |
| Completed properties held for sale written off | - | 11,687 |
| Changes in fair value of financial assets at fair value through profit or loss | (12,550) | (115) |
| Unrealised foreign exchange (gain)/loss, net | (9,853) | 23,775 |
| Interest income | (51,038) | (34,862) |
| **Operating cash flows before working capital changes** | 405,232 | 775,550 |
| Changes in working capital: | | |
| Trade receivables | 6,241 | (921) |
| Other current assets and receivables | 16,748 | (9,093) |
| Inventories | 85 | 10 |
| Trade payables | (354) | 3,048 |
| Other payables and liabilities | (80,912) | (46,545) |
| **Cash generated from operations** | 347,040 | 722,049 |

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS**
**FOR THE YEAR ENDED 31 DECEMBER 2018** (cont'd)

| | Full Year 2018 S$'000 | (Restated) Full Year 2017 S$'000 |
|---|---|---|
| **Cash generated from operations** | 347,040 | 722,049 |
| Interest paid | (96,927) | (69,068) |
| Interest received | 45,358 | 31,622 |
| Tax paid | (7,443) | (69,470) |
| **Net cash generated from operating activities** | 288,028 | 615,133 |
| | | |
| **Cash flows from investing activities** | | |
| Acquisition of an associated company | (1,530) | (4) |
| Acquisition of additional interest in associated companies | - | (49,441) |
| Acquisition of joint ventures | - | (12,740) |
| Acquisition of additional interest in a joint venture | (4,900) | (43,200) |
| Proceeds from disposal of a subsidiary, net of cash disposed of | (8) | 161,452 |
| Investment in financial assets, net | (213,470) | (9,608) |
| Proceeds from disposal of investment properties | 2,327 | - |
| Proceeds from disposal of property, plant and equipment | 179 | 45 |
| Acquisition of and capital expenditure on investment properties | (86,403) | (455,621) |
| Capital expenditure on property, plant and equipment | (6,113) | (15,211) |
| Capital expenditure on properties under development and held for sale | (203,217) | (243,914) |
| Dividends from associated companies and joint ventures | 11,480 | 49,507 |
| **Net cash used in investing activities** | (501,655) | (618,735) |
| | | |
| **Cash flows from financing activities** | | |
| Proceeds from borrowings | 282,212 | 508,437 |
| Proceeds from issuance of bonds and notes | 384,080 | 93,142 |
| (Increase)/Decrease in time deposits pledged | (4,973) | 1,059 |
| Payments of borrowings | (98,368) | (254,905) |
| Payments of bonds and notes | (157,500) | (105,284) |
| Payments of dividends | (46,027) | (93,193) |
| Payments of obligations under finance leases | (4,181) | (6,475) |
| Capital subscribed by non-controlling shareholders | 829 | 5,090 |
| Acquisition of additional interest in a subsidiary | (450) | (6,025) |
| Subsidiary share buy-back | (25,920) | - |
| **Net cash generated from financing activities** | 329,702 | 141,846 |
| | | |
| **Net increase in cash and cash equivalents** | 116,075 | 138,244 |
| **Cash and cash equivalents at the beginning of the year** | 865,577 | 801,507 |
| **Effect of exchange rate changes on cash and cash equivalents** | (67,200) | (74,174) |
| **Cash and cash equivalents at the end of the year (See Note Below)** | 914,452 | 865,577 |

**Note:**
Cash and cash equivalents consist of cash on hand and balances with banks and comprise the following:

| | As at 31/12/2018 S$'000 | As at 31/12/2017 S$'000 |
|---|---|---|
| Cash on hand, cash in banks and time deposits | 984,135 | 930,287 |
| Less: Time deposits pledged | (69,683) | (64,710) |
| | 914,452 | 865,577 |

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

## UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| Group | Issued capital S$'000 | Treasury shares S$'000 | Foreign currency translation deficit S$'000 | Goodwill on consolidation S$'000 | Asset revaluation reserve S$'000 | Other reserves S$'000 | Fair value reserve S$'000 | Retained earnings S$'000 | Total S$'000 | **Non-Controlling Interests** S$'000 | **Total Equity** S$'000 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | ← Attributable to Owners of the Company | | | | | | | | → | | |
| Balance at 31.12.2017 as previously reported | 2,057,844 | (170,460) | (1,306,524) | (62,122) | 6,518 | 32,034 | 188 | 1,613,672 | 2,171,150 | 1,914,046 | 4,085,196 |
| Effect of adoption of SFRS(I) 15 | - | - | 9 | - | - | 1,611 | - | (24,985) | (23,365) | (32,233) | (55,598) |
| Balance at 31.12.2017 as restated | 2,057,844 | (170,460) | (1,306,515) | (62,122) | 6,518 | 33,645 | 188 | 1,588,687 | 2,147,785 | 1,881,813 | 4,029,598 |
| Effect of adoption of SFRS(I) 9 | - | - | - | - | - | - | (95) | (1,326) | (1,421) | - | (1,421) |
| Balance at 1.1.2018 | 2,057,844 | (170,460) | (1,306,515) | (62,122) | 6,518 | 33,645 | 93 | 1,587,361 | 2,146,364 | 1,881,813 | 4,028,177 |
| Profit for the year | - | - | - | - | - | - | - | 119,028 | 119,028 | 110,094 | 229,122 |
| Foreign currency translation differences | - | - | (207,724) | - | - | - | - | - | (207,724) | (206,832) | (414,556) |
| Other comprehensive income | - | - | - | - | - | 2,801 | 3,163 | - | 5,964 | 6,168 | 12,132 |
| Total comprehensive (loss)/income for the year | - | - | (207,724) | - | - | 2,801 | 3,163 | 119,028 | (82,732) | (90,570) | (173,302) |
| Dividends | - | - | - | - | - | - | - | (29,791) | (29,791) | - | (29,791) |
| Dividends paid to non-controlling shareholders | - | - | - | - | - | - | - | - | - | (16,236) | (16,236) |
| Capital subscribed by non-controlling shareholders | - | - | - | - | - | - | - | - | - | 829 | 829 |
| Changes in interest in subsidiaries | - | - | - | - | - | 3,991 | - | - | 3,991 | (30,361) | (26,370) |
| Balance at 31.12.2018 | 2,057,844 | (170,460) | (1,514,239) | (62,122) | 6,518 | 40,437 | 3,256 | 1,676,598 | 2,037,832 | 1,745,475 | 3,783,307 |

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY** (cont'd)

| | Attributable to Owners of the Company | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Issued capital | Treasury shares | Foreign currency translation deficit | Goodwill on consolidation | Asset revaluation reserve | Other reserves | Fair value reserve | Retained earnings | Total | **Non-Controlling Interests** | **Total Equity** |
| **Group** | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 |
| Balance at 1.1.2017 as previously reported | 2,057,844 | (170,460) | (1,174,116) | (62,122) | 6,518 | 25,982 | 91 | 1,299,834 | 1,983,571 | 1,871,725 | 3,855,296 |
| Effect of adoption of SFRS(I) 15 | - | - | (2,301) | - | - | - | - | (22,906) | (25,207) | (26,952) | (52,159) |
| Balance at 1.1.2017 as restated | 2,057,844 | (170,460) | (1,176,417) | (62,122) | 6,518 | 25,982 | 91 | 1,276,928 | 1,958,364 | 1,844,773 | 3,803,137 |
| Profit for the year | - | - | - | - | - | - | - | 353,892 | 353,892 | 275,463 | 629,355 |
| Foreign currency translation differences | - | - | (130,098) | - | - | - | - | - | (130,098) | (171,049) | (301,147) |
| Other comprehensive (loss)/income | - | - | - | - | - | (4,048) | 97 | - | (3,951) | (3,668) | (7,619) |
| Total comprehensive income/(loss) for the year | - | - | (130,098) | - | - | (4,048) | 97 | 353,892 | 219,843 | 100,746 | 320,589 |
| Dividends | - | - | - | - | - | - | - | (42,133) | (42,133) | - | (42,133) |
| Dividends paid to non-controlling shareholders | - | - | - | - | - | - | - | - | - | (51,060) | (51,060) |
| Capital subscribed by non-controlling shareholders | - | - | - | - | - | - | - | - | - | 5,090 | 5,090 |
| Changes in interest in subsidiaries | - | - | - | - | - | 11,711 | - | - | 11,711 | (17,736) | (6,025) |
| Balance at 31.12.2017 as restated | 2,057,844 | (170,460) | (1,306,515) | (62,122) | 6,518 | 33,645 | 188 | 1,588,687 | 2,147,785 | 1,881,813 | 4,029,598 |

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

| **The Company** | **Issued capital S$'000** | **Treasury shares S$'000** | **Retained earnings S$'000** | **Total S$'000** |
|---|---|---|---|---|
| Balance at 31.12.2017 as previously reported | 2,057,844 | (170,460) | 164,101 | 2,051,485 |
| Effect of adoption of SFRS(I) 9 | - | - | (845) | (845) |
| Balance at 1 January 2018 | 2,057,844 | (170,460) | 163,256 | 2,050,640 |
| Profit for the year, representing total comprehensive income for the year | - | - | 7,508 | 7,508 |
| Dividends paid | - | - | (29,791) | (29,791) |
| Balance at 31 December 2018 | 2,057,844 | (170,460) | 140,973 | 2,028,357 |
| | | | | |
| Balance at 1 January 2017 | 2,057,844 | (170,460) | 207,229 | 2,094,613 |
| Loss for the year, representing total comprehensive loss for the year | - | - | (995) | (995) |
| Dividends paid | - | - | (42,133) | (42,133) |
| Balance at 31 December 2017 | 2,057,844 | (170,460) | 164,101 | 2,051,485 |

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

There were no movements in the Company's issued capital since 31 December 2017. Details of the Company's issued and paid-up capital were as follows:

| | **As at** | |
|---|---|---|
| | **31/12/2018** | **31/12/2017** |
| Number/Percentage of treasury shares | 293,456,700 / 6.45% | 293,456,700 / 6.45% |
| Number of issued shares (excluding treasury shares) | 4,255,862,496 | 4,255,862,496 |

**1(d)(iii) To show the number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year**

The total number of issued shares excluding treasury shares as at 31 December 2018 and 31 December 2017 respectively was 4,255,862,496.

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on**

There were no changes in the number of ordinary shares held as treasury shares by the Company since 31 December 2017.

**2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice**

These figures have not been audited, or reviewed by the auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

Except as disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation consistent with those used in the most recent audited financial statements for the year ended 31 December 2017.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

The Group has adopted the new SFRS(I) framework in 2018 and concurrently applied the following SFRS(I)s, interpretations of SFRS(I) and requirements of SFRS(I) which are mandatorily effective from 1 January 2018.

SFRS(I) 1 - First-time adoption of Singapore Financial Reporting Standards (International)
SFRS(I) 15 - Revenue from Contracts with Customers
SFRS(I) 9 - Financial Instruments

The adoption of the above standards do not have any significant impact on the financial statements except for SFRS(I) 15 and SFRS(I) 9.

SFRS(I) 15, *Revenue from Contracts* with *Customers* sets out the requirements for recognising revenue that apply to all contracts with customers (except for contracts that are within the scope of the standards on leases, insurance contracts and financial instruments)

Prior to adoption of SFRS(I) 15, the Group recognises revenue from the sale of development properties under construction using the completed contract method when the Group's significant risks and rewards of ownership in the real estate have been transferred to the customers and the Group does not have a substantial continuing involvement with the properties. This generally coincides with the point in time when the development property is delivered to the customer. Certain contracts also allow the customers to settle the contract sum by instalments where the period between the transfer of the development properties to the customer and full settlement by the customer may exceed one year. Upon adoption of SFRS(I) 15, revenue of contracts where the period between the transfer of promised goods or services to customer and full settlement by customer exceeds one year, and where 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, is deemed to contain a financing component and accordingly, the transaction price is adjusted for the time value of money of the contracts. In accordance with SFRS(I) 15, the change in accounting policy was applied retrospectively.

SFRS(I) 9 contains new requirements for classification and measurement of financial instruments, a new expected credit loss model for calculating impairment of financial assets, and new general hedge accounting requirements.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

Prior to adoption of SFRS(I) 9, the Groups classifies its non-derivative financial assets as loans and receivables, fair value through profit or loss and available-for-sale. The classification depends on the purpose for which the financial assets are acquired. Upon adoption of SFRS(I) 9, the Group's investments in bonds and equity instruments that are currently classified as available-for-sale that satisfy the certain conditions will be classified as at fair value through other comprehensive income ("FVOCI"). All other financial assets will be held at fair value through profit or loss ("FVTPL"). Fair value reserve relating to the fair value changes of unit trusts and funds will be reclassified to retained earnings as these investments are classified as FVTPL. Also, impairment of financial assets measured at amortised cost or FVOCI (except for investments in equity instruments) is now based on the expected credit loss model instead of the previous "incurred loss" model used previously. The Group does not restate the comparative information for the effect of adopting SFRS(I) 9 due to the exemption in SFRS(I) 9 but has instead recognised the effect in retained earnings and other reserves as at 1 January 2018.

The following reconciliations summaries the estimated impacts on initial application of SFRS(I) 15 and SFRS(I) 9 on the Group's financial statements.

Consolidated income statements for the year/period ended 31 December 2017

| | Ytd Dec 2017 | | | 4th Quarter 2017 | | |
|---|---|---|---|---|---|---|
| | As previously reported S$'000 | Effect of SFRS(I) 15 S$'000 | As restated S$'000 | As previously reported S$'000 | Effect of SFRS(I) 15 S$'000 | As restated S$'000 |
| Revenue | 1,296,442 | 50,995 | 1,347,437 | 560,419 | 23,495 | 583,914 |
| Finance income | 33,448 | 1,414 | 34,862 | 12,320 | 1,180 | 13,500 |
| Finance costs | (71,636) | (59,143) | (130,779) | (18,958) | (32,302) | (51,260) |
| Share of results of joint ventures | (42,800) | (2,428) | (45,228) | (35) | (2,712) | (2,747) |
| Other operating income | 11,856 | 819 | 12,675 | 6,580 | 56 | 6,636 |
| Profit before income tax | 690,018 | (8,343) | 681,675 | 411,663 | (10,283) | 401,380 |
| Profit attributable to: | | | | | | |
| Owners of the Company | 355,971 | (2,079) | 353,892 | 238,164 | (4,270) | 233,894 |
| Non-controlling interests | 281,727 | (6,264) | 275,463 | 152,470 | (6,013) | 146,457 |

Consolidated statement of comprehensive income for the year/period ended 31 December 2017

| | Ytd Dec 2017 | | | 4th Quarter 2017 | | |
|---|---|---|---|---|---|---|
| | As previously reported S$'000 | Effect of SFRS(I) 15 S$'000 | As restated S$'000 | As previously reported S$'000 | Effect of SFRS(I) 15 S$'000 | As restated S$'000 |
| Profit for the year/period | 637,698 | (8,343) | 629,355 | 390,634 | (10,283) | 380,351 |
| Foreign currency translation differences | (306,051) | 4,904 | (301,147) | (3,736) | 1,185 | (2,551) |
| Total comprehensive income/(loss) attributable to: | | | | | | |
| Owners of the Company | 219,612 | 231 | 219,843 | 232,394 | (3,690) | 228,704 |
| Non-controlling interests | 104,416 | (3,670) | 100,746 | 146,960 | (5,408) | 141,552 |

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

Consolidated statement of financial position as at 31 December 2017 and 1 January 2018

| | 31 December 2017 | | | 1 January 2018 | |
|---|---|---|---|---|---|
| | As previously reported S$'000 | Effect of SFRS(I) 15 S$'000 | As restated S$'000 | Effect of SFRS(I) 9 S$'000 | As restated S$'000 |
| Joint ventures | 148,382 | (5,093) | 143,289 | - | 143,289 |
| Trade receivables | 35,016 | (1,555) | 33,461 | (82) | 33,379 |
| Other current assets | 309,748 | - | 309,748 | (1,339) | 308,409 |
| Other payables and liabilities | 695,363 | 19,733 | 715,096 | - | 715,096 |
| Long-term liabilities | 210,317 | 29,217 | 239,534 | - | 239,534 |
| Foreign currency translation deficit | (1,306,524) | 9 | (1,306,515) | - | (1,306,515) |
| Other reserves | 32,034 | 1,611 | 33,645 | - | 33,645 |
| Fair value reserve | 188 | - | 188 | (95) | 93 |
| Retained earnings | 1,613,672 | (24,985) | 1,588,687 | (1,326) | 1,587,361 |
| Non-controlling interests | 1,914,046 | (32,233) | 1,881,813 | - | 1,881,813 |

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

| | The Group | | | |
|---|---|---|---|---|
| | Full Year 2018 | (Restated) Full Year 2017 | 4th Qtr 2018 | (Restated) 4th Qtr 2017 |
| Earnings per ordinary share for the period after deducting any provision for preference dividends:- | | | | |
| (i) Based on weighted average number of ordinary shares | SGD2.80cents | SGD8.32cents | SGD1.38cents | SGD5.50cents |
| Weighted average number of shares (excluding treasury shares) | 4,255,862,496 | 4,255,862,496 | 4,255,862,496 | 4,255,862,496 |
| (ii) On a fully diluted basis | Not applicable | Not applicable | Not applicable | Not applicable |
| Weighted average numbers of shares (excluding treasury shares) | Not applicable | Not applicable | Not applicable | Not applicable |

**7. Net asset value (for the issuer and group) per ordinary share based on issued share capital excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year**

| | The Group | | The Company | |
|---|---|---|---|---|
| | As at 31/12/2018 | (Restated) As at 31/12/2017 | As at 31/12/2018 | As at 31/12/2017 |
| Net asset value per ordinary share based on existing issued share capital (excluding treasury shares) of 4,255,862,496 shares | S$0.48 | S$0.50 | S$0.48 | S$0.48 |

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

| **(in S$ million)** | **PROPERTY BUSINESS** | | | | | |
|---|---|---|---|---|---|---|
| **For the year ended** | **Indonesia** | **United Kingdom** | **Others** *(see note 2)* | **Total Property Business** | **Corporate & investment holding** | **Total** |
| **Revenue** | | | | | | |
| 31 December 2018 | 806.0 | 40.7 | 17.4 | 864.1 | - | 864.1 |
| 31 December 2017, restated | 1,290.0 | 33.0 | 24.4 | 1,347.4 | - | 1,347.4 |
| Increase/(Decrease) | (484.0) | 7.7 | (7.0) | (483.3) | - | (483.3) |
| Increase/(Decrease) % | (37.5) | 23.3 | (28.7) | (35.9) | - | (35.9) |
| **Gross Profit** | | | | | | |
| 31 December 2018 | 562.9 | 26.0 | 9.2 | 598.1 | - | 598.1 |
| 31 December 2017, restated | 962.2 | 20.0 | 3.1 | 985.3 | - | 985.3 |
| Increase/(Decrease) | (399.3) | 6.0 | 6.1 | (387.2) | - | (387.2) |
| Increase/(Decrease) % | (41.5) | 30.0 | 196.8 | (39.3) | - | (39.3) |
| **EBITDA** | | | | | | |
| 31 December 2018 | 426.9 | 29.5 | 6.6 | 463.0 | (2.8) | 460.2 |
| 31 December 2017, restated | 801.6 | 22.8 | (5.7) | 818.7 | (14.5) | 804.2 |
| Increase/(Decrease) in earnings | (374.7) | 6.7 | 12.3 | (355.7) | 11.7 | (344.0) |
| Increase/(Decrease) % | (46.7) | 29.4 | n.m. | (43.4) | n.m. | (42.8) |
| **Interest on borrowings** | | | | | | |
| 31 December 2018 | 135.6 | 14.0 | 9.8 | 159.4 | (8.1) | 151.3 |
| 31 December 2017, restated | 115.6 | 10.8 | 10.7 | 137.1 | (6.3) | 130.8 |
| Increase/(Decrease) | 20.0 | 3.2 | (0.9) | 22.3 | (1.8) | 20.5 |
| Increase/(Decrease) % | 17.3 | 29.6 | (8.4) | 16.3 | (28.6) | 15.7 |
| **Depreciation** | | | | | | |
| 31 December 2018 | 40.9 | 9.5 | 2.3 | 52.7 | 0.1 | 52.8 |
| 31 December 2017 | 34.9 | 8.2 | 4.5 | 47.6 | 0.2 | 47.8 |
| Increase/(Decrease) | 6.0 | 1.3 | (2.2) | 5.1 | (0.1) | 5.0 |
| Increase/(Decrease) % | 17.2 | 15.9 | (48.9) | 10.7 | (50.0) | 10.5 |
| **Foreign exchange gain/(loss)** | | | | | | |
| 31 December 2018 | 4.2 | - | (4.1) | 0.1 | 5.6 | 5.7 |
| 31 December 2017 | (0.2) | 0.2 | 5.2 | 5.2 | (27.8) | (22.6) |
| Increase/(Decrease) in gain | 4.4 | (0.2) | (9.3) | (5.1) | 33.4 | 28.3 |
| Increase/(Decrease) % | n.m. | (100.0) | n.m. | (98.1) | n.m. | n.m. |
| **Share of associates' profit** | | | | | | |
| 31 December 2018 | 11.3 | - | - | 11.3 | - | 11.3 |
| 31 December 2017 | 14.5 | - | - | 14.5 | - | 14.5 |
| Increase/(Decrease) in profit | (3.2) | - | - | (3.2) | - | (3.2) |
| Increase/(Decrease) % | (22.0) | - | - | (22.0) | - | (22.0) |
| **Share of joint ventures' profit** | | | | | | |
| 31 December 2018 | (3.7) | - | - | (3.7) | - | (3.7) |
| 31 December 2017, restated | (45.2) | - | - | (45.2) | - | (45.2) |
| Increase/(Decrease) in loss | (41.5) | - | - | (41.5) | - | (41.5) |
| Increase/(Decrease) % | (91.7) | - | - | (91.7) | - | (91.7) |
| **Pre-tax profit/(loss)** | | | | | | |
| 31 December 2018 | 262.1 | 5.9 | (9.5) | 258.5 | 10.7 | 269.2 |
| 31 December 2017, restated | 620.2 | 4.1 | 93.5 | 717.8 | (36.1) | 681.7 |
| Increase/(Decrease) in profit | (358.1) | 1.8 | (103.0) | (459.3) | 46.8 | (412.5) |
| Increase/(Decrease) % | (57.7) | 43.9 | n.m. | (64.0) | n.m. | (60.5) |
| **Net profit/(loss) attributable to Owners of the Company** | | | | | | |
| 31 December 2018 | 111.8 | 4.6 | (8.1) | 108.3 | 10.7 | 119.0 |
| 31 December 2017, restated | 290.0 | 3.7 | 96.3 | 390.0 | (36.1) | 353.9 |
| Increase/(Decrease) in profit | (178.2) | 0.9 | (104.4) | (281.7) | 46.8 | (234.9) |
| Increase/(Decrease) % | (61.4) | 24.3 | n.m. | (72.2) | n.m. | (66.4) |

**Notes:**

(1) Certain comparative figures have been restated to account for retrospective adjustments arising from the adoption of SFRS(I) 15. Please refer to Note 5 for further details.

(2) This refers to certain mixed developments located in Chengdu and Shenyang, China and investment property operations in AFP Land group, which consists of the former Amcol group of companies mainly located in Singapore, Malaysia and Batam (Indonesia).

(3) n.m. – not meaningful.

## PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2018

The Group recorded a lower revenue of $864.1 million and EBITDA of $460.2 million for year ended 31 December 2018 ("FY2018") mainly due to absence of sales for large land parcels for further development in Indonesia.

### REVENUE

The Group's revenue lowered by 35.9% from $1,347.4 million in the previous year ("FY2017") to $864.1 million in the current year. This was mainly affected by absence of $471.2 million sales of large land parcel, coupled with the weakening of Indonesian Rupiah ("IDR") in the current year. This reduction was partially offset by higher revenue from sales of commercial shop-houses in Indonesia and leasing income from the 'Horseferry' building in London.

### GROSS PROFIT

In tandem with lower revenue recorded during the current year, the Group's gross profit decreased by 39.3% to $598.1 million. The Group's overall gross profit margin decreased from 73.1% in the previous year to 69.2% in the current year mainly due to lower sales of land parcels.

### OPERATING EXPENSES

Selling expenses comprised mainly advertising and marketing expenses, professional fees, salaries and related expenses. General and administrative expenses comprised mainly salaries and related expenses, legal and professional fees, repairs and maintenance, depreciation, rent, tax and licenses, office supplies and utilities. Total operating expenses decreased by $11.2 million from $276.4 million in FY2017 to $265.2 million in the current year mainly due to lower salary and related expenses.

### FINANCE EXPENSES, NET

Net finance expenses comprised interest expenses (net of interest income) and amortisation of deferred bond and loan charges. Net finance expenses increased from $95.9 million in the previous year to $100.3 million mainly attributable to higher interest expenses in line with higher average borrowings during the current year.

### FOREIGN EXCHANGE GAIN/(LOSS)

The Group recorded a foreign exchange gain of $5.7 million in FY2018 as compared to a loss of $22.6 million in the previous year. The current year's gain was mainly attributable to unrealised translation gain on inter-company loans in certain subsidiaries following the weakening of SGD against U.S. Dollar ("USD") in the current year. While the similar translation resulted in an unrealised translation loss in FY2017 as SGD strengthened against USD in the previous year.

### SHARE OF RESULTS OF ASSOCIATED COMPANIES, NET

The share of profit in associated companies decreased from $14.5 million in FY2017 to $11.3 million in FY2018 mainly attributable to higher foreign exchange loss arising from weakening of IDR and higher interest expenses incurred by certain associated companies.

### SHARE OF RESULTS OF JOINT VENTURES, NET

The Group's share of loss in joint ventures was lower at $3.7 million in FY2018 as compared to $45.2 million in FY2017 as the comparative included reversal of unrealised gain adjustment of $59.4 million, representing the Group's portion for gain on sales of land parcel to a joint venture in FY2017. Furthermore, the current year's operating performance of certain joint ventures was affected by lower sales of residential units.

### OTHER OPERATING INCOME

Net operating income comprised mainly building and estate management service income (net of expenses), forfeiture of deposits and cancellation fees, fair value gain on financial instruments, management and lease co-ordination fees. Net operating income was higher at $23.4 million in the current year mainly due to absence of impairment loss on properties held for sale.

### INCOME TAX

Income tax expense comprised final tax on revenue derived from sales of land and properties in Indonesia, withholding tax paid and corporate income tax derived by applying the varying statutory tax rates of the different countries in which the Group operates on its taxable profit and taxable temporary difference. No group relief is available for set-off of taxable profits against tax losses of companies within the Group.

Income tax expense was lower at $40.1 million in the current year mainly in line with the revenue recorded in Indonesia.

## REVIEW OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

**Assets**

The Group's total assets increased marginally from $6,556.1 million as at end of previous year to $6,560.5 million as at 31 December 2018 mainly due to increases in cash and cash equivalents, as well as investments in loan and equity. This increase was partially offset by translation effect of the weakening of IDR against SGD during the current year.

Short-term and long-term investments increased by $25.3 million and $127.4 million respectively mainly attributable to investments in funds.

**Liabilities**

Total liabilities of the Group increased by $250.7 million to $2,777.2 million as at end of 2018 mainly attributable to higher total borrowings from issuance of additional bonds and new bank loans drawdown, partially offset by lower reported other payables and liabilities following the weakening of IDR during the current year.

## REVIEW OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018

Net cash and cash equivalents (before the effect of exchange rate changes) increased by $116.1 million during the current year mainly as a result of cash generated from operating and financing activities of $288.0 million and $329.7 million respectively, partially offset by cash used in investing activities.

Net cash used in investing activities of $501.7 million mainly related to investments in financial assets, as well as capital expenditure incurred on properties under development and held for sale.

Net cash generated from financing activities of $329.7 million mainly related to net proceeds from issuance of new bonds and additional borrowings, net of dividends payment made during the current year.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

Not applicable.

## 10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Indonesia's economy grew by 5.17% in 2018, slightly below the government's target of 5.4%. Although this is the best growth since President Joko Widodo was elected in 2014, the economy is still mired in the turbulence caused by the trade war and declining commodity prices. In 2018, the Indonesian Rupiah fell to its lowest level against the US dollar since the Asian financial crisis and that prompted the central bank to raise interest rates by a total of 175 basis points during the year, hampering growth in the property market. Foreign direct investments into Indonesia fell 8.8% in 2018 as most investors observe a wait-and-see stance ahead of the presidential elections in April this year.

Against these macroeconomic factors, the key subsidiaries of our Indonesia Property Division, namely PT Bumi Serpong Damai Tbk (BSDE) and PT Puradelta Lestari Tbk (DMAS), have recently released their 2019 marketing sales targets at IDR6.2 trillion and IDR 1.25 trillion respectively. Compared to 2018, this represents an almost flat growth for BSDE and a 40% increase for DMAS which is dependent on the impact on investors' appetite after the presidential elections later this year.

In our China division, we have invested in a new mixed development project in Chengdu as announced in August last year and will continue to look for acquisition opportunities. And in the UK division, one of our investment properties will expect a rental uplift in the coming rent renewal later this year as we continue to engage in active asset management amidst Brexit uncertainties.

## 11. Dividend

### *(a) Current Financial Period Reported On*

Any ordinary dividend declared for the current financial period reported on? Yes

| | |
|---|---|
| Name of Dividend: | First and final |
| Dividend Type: | Cash |
| Dividend Amount per share: | S$0.002 per ordinary share |
| Tax Rate: | Tax exempt (one-tier) |

### *(b) Corresponding Period of the Immediately Preceding Financial Year*

Any ordinary dividend declared for the corresponding period of the immediately preceding financial year? Yes

| | |
|---|---|
| Name of Dividend: | Proposed special final dividend |
| Dividend Type: | Cash |
| Dividend Amount per share: | S$0.007 per ordinary share |
| Tax Rate: | Tax exempt (one-tier) |
| Date of payment: | 29 June 2018 |

| | |
|---|---|
| Name of Dividend: | Interim dividend |
| Dividend Type: | Cash |
| Dividend Amount per share: | S$0.008 per ordinary share |
| Tax Rate: | Tax exempt (one-tier) |
| Date of payment: | 14 December 2017 |

### *(c) Date payable*

27 June 2019

### *(d) Books closure date*

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 19 June 2019 on which day no share transfer will be effected. Duly completed transfers received by the Company's Share Registrar and Transfer Office, B.A.C.S. Private Limited, 8 Robinson Road, #03-00 ASO Building, Singapore 048544, up to the close of business at 5.00 p.m. on 18 June 2019 will be registered to determine shareholders' entitlements to the proposed final dividend.

## 12. If no dividend has been declared/recommended, a statement to that effect

Not applicable.

## 13. Interested persons transactions disclosure

| Name of interested person ("IP")@ | 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$100,000) |
|---|---|---|
| | **FY2018** | **FY2018** |
| | **S$** | **S$** |
| Golden Agri International Pte Ltd | 486,000 | - |
| PT Arara Abadi | - | 119,994 |
| PT Asuransi Jiwa Sinarmas MSIG | - | 6,714,944 |
| PT Bank Sinarmas Tbk ("BSM") | - | 40,030,110 #1 |
| BSM | - | 4,215,903 #2 |
| PT Bumipermai Lestari | - | 1,137,528 |
| PT Dian Swastatika Sentosa Tbk | - | 1,810,559 |
| PT DSSP Power Kendari | - | 1,599,481 |
| PT DSSP Power Sumsel | - | 201,555 |
| PT Indah Kiat Pulp & Paper Tbk | - | 5,187,913 |
| PT Lontar Papyrus Pulp & Paper Mills | - | 372,168 |
| PT Pindo Deli Pulp and Paper Mills | - | 372,168 |
| PT Sinar Mas Agro Resources and Technology Tbk | - | 7,300,241 |
| PT Sinar Mas Multiartha Tbk | - | 1,458,185 |
| PT Sinar Mas Tunggal | 133,432 | - |
| PT Sinarmas Cakrawala Persada | - | 1,234,305 |
| PT Sinarmas Sentra Cipta | - | 6,966,372 |
| PT SMART Telecom | - | 111,723 |
| PT Sumber Indah Perkasa | - | 1,137,528 |
| PT Tarunacipta Kencana | - | 200,841 |
| **Total** | **619,432** | **80,171,518** |

Notes:-

@ These IPs are regarded as associates of SML's controlling shareholder under Chapter 9 of the SGX-ST listing manual ("Listing Manual") on interested person transactions.

* Renewed at SML's Annual General Meeting on 23 April 2018 pursuant to Rule 920 of the Listing Manual.

#1 Time deposits and current account placements with BSM during the year. Principal amount of placements as at 31 December 2018 is approximately S$8.8 million.

#2 Lease of premises to BSM.

## PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

### 14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

**BUSINESS SEGMENT**

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business unit requires different marketing strategies. Set out below are the Group's reportable segments:

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).

International Property engages in and derives revenue from investment and development of commercial and residential properties and ownership and management of hotels and resorts in Malaysia, select mixed development in China and ownership and leasing of investment property in Singapore. Although the United Kingdom Property which derives revenue from leasing of investment property was managed and monitored together with the International Property, it has been separately reported as it meet the quantitative thresholds required by FRS 108 for reportable segments.

Other 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:

| | Indonesia Property S$'000 | International Property S$'000 | UK Property S$'000 | Others/ Elimination S$'000 | Total S$'000 |
|---|---|---|---|---|---|
| **Full Year 2018** | | | | | |
| **Revenue** | | | | | |
| Total revenue | 814,713 | 17,563 | 40,745 | - | 873,021 |
| Inter-segment sales | (8,762) | (125) | - | - | (8,887) |
| Revenue from external customers | 805,951 | 17,438 | 40,745 | - | 864,134 |
| **EBITDA** | 426,876 | 6,629 | 29,479 | (2,824) | 460,160 |
| **Other information** | | | | | |
| Additions to investment properties and property, plant and equipment | 96,984 | 677 | 234 | 2 | 97,897 |
| Depreciation | (40,911) | (2,269) | (9,509) | (127) | (52,816) |
| Interest income | 43,877 | 7,915 | 36 | (790) | 51,038 |
| Interest expenses | (135,628) | (9,774) | (13,968) | 8,054 | (151,316) |
| Gain on disposal of property, plant and equipment | 142 | 6 | - | - | 148 |
| Gain on disposal of investment properties | - | 1,416 | - | - | 1,416 |
| Share of results of: | | | | | |
| - associated companies | 11,297 | - | - | - | 11,297 |
| - joint ventures | (3,735) | - | - | - | (3,735) |

**14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

| | Indonesia Property S$'000 | International Property S$'000 | UK Property S$'000 | Others/ Elimination S$'000 | Total S$'000 |
|---|---|---|---|---|---|
| **(Restated)** | | | | | |
| **Full Year 2017** | | | | | |
| **Revenue** | | | | | |
| Total revenue | 1,292,438 | 24,627 | 33,023 | - | 1,350,088 |
| Inter-segment sales | (2,471) | (180) | - | - | (2,651) |
| Revenue from external customers | 1,289,967 | 24,447 | 33,023 | - | 1,347,437 |
| **EBITDA** | 801,524 | (5,683) | 22,821 | (14,500) | 804,162 |
| **Other information** | | | | | |
| Additions to investment properties and property, plant and equipment | 347,439 | 1,410 | 337,826 | - | 686,675 |
| Depreciation | 34,907 | 4,546 | 8,184 | 155 | 47,792 |
| Interest income | 30,000 | 5,368 | 4 | (510) | 34,862 |
| Interest expenses | (115,546) | (10,841) | (10,762) | 6,370 | (130,779) |
| Exceptional item | - | 109,441 | - | - | 109,441 |
| Gain on disposal of property, plant and equipment | 23 | 19 | - | - | 42 |
| Share of results of: | | | | | |
| - associated companies | 14,487 | - | - | - | 14,487 |
| - joint ventures | (45,228) | - | - | - | (45,228) |

**GEOGRAPHICAL SEGMENT**

An analysis of the Group's revenue from business by geographical market, irrespective of the origin of the goods/services.

| | **Full Year 2018 S$'000** | **(Restated) Full Year 2017 S$'000** |
|---|---|---|
| Indonesia | 810,769 | 1,294,178 |
| United Kingdom | 40,745 | 33,023 |
| Malaysia | 10,856 | 11,125 |
| China | 1,764 | 5,775 |
| Singapore | - | 3,336 |
| | 864,134 | 1,347,437 |

**15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Please refer to pages 14 and 15 for the review of performance of the Group.

## 16. A breakdown of sales

| | | The Group | | |
|---|---|---|---|---|
| | | S$'000 | | % |
| | | 2018 | (Restated) 2017 | Increase/ (Decrease) |
| (a) | Sales reported for first half year | 384,253 | 560,209 | (31.4) |
| (b) | Operating profit after tax before deducting non-controlling interests reported for first half year | 77,746 | 219,118 | (64.5) |
| (c) | Sales reported for second half year | 479,881 | 787,228 | (39.0) |
| (d) | Operating profit after tax before deducting non-controlling interests reported for second half year | 151,376 | 410,237 | (63.1) |

## 17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

| | 2018 S$'000 | 2017 S$'000 |
|---|---|---|
| Ordinary – interim | - | 34,047 |
| Ordinary – proposed first and final | 8,512 | - |
| Ordinary – proposed special final | - | 29,791 |
| **Total** | 8,512 | 63,838 |

**18. Disclosure of person occupying a managerial position in Sinarmas Land Limited ("SML") and/or any of its principal subsidiaries who is a relative of a Director or Chief Executive Officer or Substantial Shareholder of SML pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited as follows:**

| **Name** | **Age** | **Family relationship with any Director, Chief Executive Officer and/or Substantial Shareholder** | **Current position and duties, and the year the position was first held** | **Details of changes in duties and position held, if any, during the year** |
|---|---|---|---|---|
| Franky Oesman Widjaja | 61 | Brother of Muktar Widjaja and uncle of Margaretha Natalia Widjaja, Directors of SML. | SML:<br>Director since 1997;<br>Chairman since 2000;<br>Executive Chairman since 2006.<br><br>Formulate the goals and strategic direction of the SML Group.<br><br>*Principal Subsidiaries:*<br><br>PT Paraga Artamida<br>Commissioner since 2008 | No changes<br><br>No changes |
| Muktar Widjaja | 64 | Brother of Franky Oesman Widjaja and father of Margaretha Natalia Widjaja, Directors of SML. | SML:<br>Director since 1997;<br>Chief Executive Officer since 2006.<br><br>In consultation with the Executive Chairman, to implement measures to achieve the goals and strategic direction of the SML Group as formulated by the Executive Chairman; and manage the operations of the SML Group.<br><br>*Principal Subsidiaries:*<br><br>PT Bumi Serpong Damai Tbk<br>President Commissioner since 2007 | No changes<br><br>No changes |
| Margaretha Natalia Widjaja | 37 | Niece of Franky Oesman Widjaja and daughter of Muktar Widjaja, Directors of SML. | SML:<br>Director since 2010<br><br>Responsible for assisting the Chief Executive Officer in the operations and strategic development of SML Group. | No changes |

| Name | Age | Family relationship with any Director, Chief Executive Officer and/or Substantial Shareholder | Current position and duties, and the year the position was first held | Details of changes in duties and position held, if any, during the year |
|---|---|---|---|---|
| Michael Jackson Purwanto Widjaja | 34 | Nephew of Franky Oesman Widjaja, son of Muktar Widjaja and brother of Margaretha Natalia Widjaja, Directors of SML | *Principal Subsidiaries:*<br><br>PT Bumi Serpong Damai Tbk<br>Vice President Director since 2007<br><br>PT Paraga Artamida<br>President Commissioner since 2013 | <br><br><br>No changes<br><br><br>No changes |

## 19. Confirmation pursuant to the Rule 720(1) of the Listing Manual

The Company confirms that it has procured undertakings from all its directors and executive officers in the form set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

**BY ORDER OF THE BOARD**

Ferdinand Sadeli
Director
26 February 2019

# # #

Submitted by Kimberley Lye Chor Mei, Company Secretary on 26 February 2019 to the SGX

PRESS RELEASE – FOR IMMEDIATE RELEASE

# SINARMAS LAND ACHIEVED PATMI OF S$119.0 MILLION FOR FY 2018

**Singapore – 26 February 2019 –** Singapore Exchange (SGX) Mainboard listed **Sinarmas Land Limited** ("SML" and together with its subsidiaries, the "Group"), announced today that Profit After Tax and Minority Interests ("PATMI") for the fourth quarter ended 31 December 2018 ("4Q 2018") dipped 74.9% to S$58.6 million, bringing the total PATMI for full year 2018 ("FY 2018") to S$119.0 million, mainly due to the absence of land sales for its Indonesia division and the one-off exceptional gain of S$109.4 million from the divestment of Orchard Towers by its International division in FY2017.

**FINANCIAL HIGHLIGHTS**

| | 4Q 2018 (S$'000) | 4Q 2017^ (S$'000) | Variance (%) | FY 2018 (S$'000) | FY 2017^ (S$'000) | Variance (%) |
|---|---|---|---|---|---|---|
| Revenue | 276,168 | 583,914 | (52.7) | 864,134 | 1,347,437 | (35.9) |
| Gross Profit | 176,715 | 411,157 | (57.0) | 598,106 | 985,276 | (39.3) |
| EBITDA[1] | 139,983 | 358,088 | (60.9) | 460,160 | 804,162 | (42.8) |
| Net Profit for the period | 119,529 | 380,351 | (68.6) | 229,122 | 629,355 | (63.6) |
| PATMI | 58,617 | 233,894 | (74.9) | 119,028 | 353,892 | (66.4) |

^Certain comparative figures have been restated to account for the retrospective adjustments arising from the adoption of SFRS(I) 15.

Total revenue for FY2018 decreased 35.9% to S$864.1 million mainly attributable to the absence of one-off land sales in BSD City amounting to S$471.2 million in FY2017, as well as the weakening of the Indonesian Rupiah. Excluding the one-off land sales in the corresponding comparison periods, FY2018's revenue would have decreased marginally by 1.4% year-on-year, notwithstanding the proportionately higher drop in Rupiah against the Singapore Dollar. The dip was offset by higher revenue generated from the sales of commercial shophouses in

[1] EBITDA is earnings before income tax, non-controlling interests, interest on borrowings, depreciation and amortization, foreign exchange loss, exceptional item and share of results of associated companies and joint ventures.

Indonesia and broader recurring income base from investment properties. The Group's recurring income increased 3.2% to S$161.7 million in FY2018 with higher rental contribution from the UK division following the acquisition of 33 Horseferry Road in June 2017 and leasing income from the recently acquired investment properties in Central Jakarta in Indonesia.

In tandem with the decrease in revenue, gross profit in 4Q 2018 and FY2018 slid 57.0% and 39.3% respectively to S$176.7 million and S$598.1 million. Gross profit margin for the full year dipped 3.9 percentage points to 69.2% (FY 2017: 73.1%) as sales of land parcels fetched better profit margins and higher costs were incurred from sales of commercial shop houses and apartments.

Despite lower operating expenses and higher finance income, the Group's FY2018 EBITDA was dragged by the lower revenue achieved. 4Q 2018 and FY2018 EBITDA decreased 60.9% and 42.8% respectively to S$140.0 million and S$460.1 million. Likewise, EBITDA margin slipped 10.6 percentage points in 4Q 2018 and 6.4 percentage points in FY2018 respectively to 50.7% (4Q 2017: 61.3%) and 53.3% (FY 2017: 59.7%).

The Group recorded a net foreign exchange gain of S$5.7 million in FY2018 due to the unrealised translation gain on inter-company loans in certain subsidiaries following the weakening of SGD against U.S. Dollar ("USD"). Share of losses in joint ventures was narrowed to S$3.7 million from S$45.2 million in FY2017 which had included a reversal of unrealised gain adjustment of S$59.4 million from the Group's portion of the gain on sales of land parcel to a joint venture in FY2017. Despite the absence of last year's unrealised gain reversal, lower sales of residential units in certain joint ventures contributed to the continued losses. Coupled with lower revenue and the absence of one-off gain on the divestment of Orchard Towers, the Group's PATMI decreased 74.9% to S$58.6 million in 4Q 2018 and 66.4% for FY 2018 to S$119.0 million.

The Group's balance sheet remains resilient as at 31 December 2018 with total assets increasing marginally to S$6,560.5 million. The Group remains in a strong liquidity position with cash and cash equivalents of S$984.1 million and net debt to equity ratio of 22.9% at the end of FY2018.

In consideration of FY2018 performance, SML is proposing a first and final dividend of 0.2 Singapore cents per share, subject to shareholders' approval during the 2019 annual general meeting, and payable on 27 June 2019.

Ms. Margaretha Widjaja, SML's Executive Director and Vice-Chairman of SML Indonesia Division, said: *"2018 was a difficult year for Indonesia as the country was confronted with* *numerous challenges that witnessed the plunging of the Indonesian Rupiah against the US dollar to its lowest level since the 1998 Asian financial crisis, the start of the trade war between United States and China., Bank Indonesia raising interest rates by a combined 175 basis points, declining commodity prices, as well as several major natural disasters. However, the Indonesian economy remained resilient and recorded a GDP growth of 5.17% for 2018, the fastest expansion rate since 2013."*

*"Despite the economy pulling ahead against external turbulences, the real estate sector continues to face headwinds from the depreciating Indonesian Rupiah, increasing interest rate environment, dampening household consumption, as well as the upcoming 2019 general election where consumers usually put off big ticket purchases and adopt a wait-and-see strategy. Our key Indonesia Property Division subsidiaries, namely PT Bumi Serpong Damai Tbk (BSDE) and PT Puradelta Lestari Tbk (DMAS), have recently released their 2019 marketing sales targets at IDR6.20 trillion and IDR1.25 trillion respectively. Compared to 2018, this represents an almost flat growth for BSDE and a 40% increase for DMAS which is dependent on the impact on investors' appetite after the presidential elections later this year. Nevertheless, the Group will continue to study the market, increase our marketing initiatives and adopt a flexible product offering approach to better cater to our client's needs."*

*"The ongoing geopolitical tensions including the US-China trade war and Brexit have forced the Group to adopt a cautious approach while executing its geographical expansion and earnings diversification strategy. In 2018, the Group has re-entered the Chinese market having co-invested in a mixed-use residential development project in Chengdu, China. Going forward, the Group will remain vigilant in seeking acquisition opportunities that fits into our investment strategy amidst escalating uncertainties in the current external environment."* added Ms. Widjaja.

***END***

## About Sinarmas Land Limited (www.sinarmasland.com)

Sinarmas Land Limited ("SML" and together with its subsidiaries, the "Group") is, listed on the Singapore Exchange and headquartered in Singapore, is engaged in the property business through its operations in Indonesia, Malaysia, China and United Kingdom.

In Indonesia, SML is the largest property developer 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$3.7 billion. Its Indonesia property division is engaged in many sub-sectors of the property business, including township development, residential, commercial, industrial and hospitality-related properties. Outside Indonesia, SML has completed development projects and holds long-term investments in commercial and hospitality assets, across markets including Malaysia, China and the United Kingdom.

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sinarmas land

*"Building for a better future"*

# 4Q & FY 2018
# Financial Results Presentation

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Opinions expressed herein reflect the judgement of the Company as of the date of this presentation and may be subject to change without notice if the Company becomes aware of any information, whether specific to the Company, its business, or in general, which may have a material impact on any such opinions.

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# 01. KEY HIGHLIGHTS

02. FINANCIAL PERFORMANCE

03. BUSINESS UPDATES

04. APPENDIX

# Key Highlights for 4Q & FY 2018

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- The Group's 4Q and FY 2018 revenue decreased 35.9% and 52.7% respectively to S$864.1 million and S$1,347.4 million mainly attributable to the absence of one-off land sales in BSD City amounting to S$471.2 million, as well as the weakening of the Indonesian Rupiah;
- Rental income* increased 3.2% to S$161.7 million in FY 2018 from higher rental contribution from UK division following the acquisition of 33 Horseferry Road in June 2017 and leasing income from the acquired investment properties in Central Jakarta in Indonesia;
- Profit attributable to owners of the Company dipped 74.9% to S$58.6 million in 4Q 2018 and 66.4% to S$119.0 million for FY 2018 mainly due to the absences of both land sales from its Indonesia division and one-off exceptional gain of S$109.4 million from the divestment of Orchard Towers;
- Financial position remain strong as at 31 December 2018 with total assets of S$6,560.5 million, bolstered with cash and cash equivalents of S$984.1 million and a net debt to equity ratio of 23.0%;
- In consideration of FY2018 performance, SML is proposing a first and final dividend of 0.2 Singapore cents per share, subject to shareholders' approval during the 2019 annual general meeting, and payable on 27 June 2019;
- BSDE closed its FY2018 marketing sales at IDR 6.2 trillion, achieving 86% of annual target being set at IDR 7.2 trillion. For FY 2019, BSDE has set its marketing sales target at IDR 6.2 trillion, with contribution being similar to that of FY 2018; and,
- DMAS achieved IDR 884 billion for FY 2018 marketing sales or 71% of full year 2018 ("FY 2018") target of IDR 1,250 billion. For FY 2019, DMAS has maintain a marketing sales target of IDR 1,250 billion.

* : Rental income includes rental income, hotel revenue and revenue from golf and resort operations

01. KEY HIGHLIGHTS

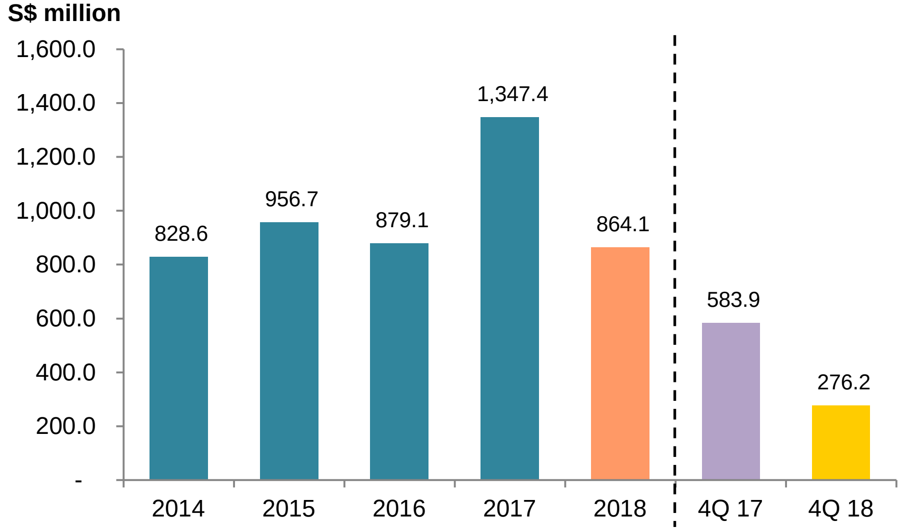
# 02. FINANCIAL PERFORMANCE

03. BUSINESS UPDATES

04. APPENDIX

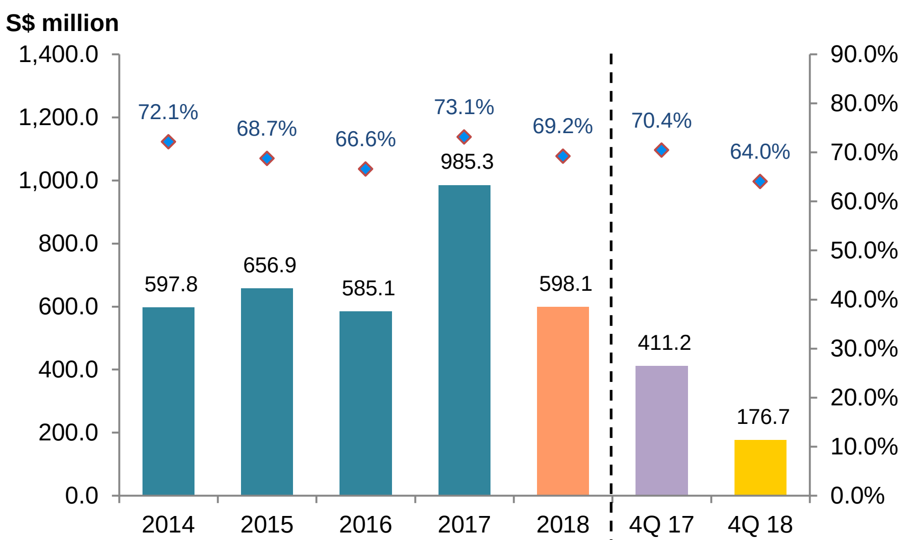
# 4Q & FY 2018 Financial Highlights

## Revenue




- Total revenue in 4Q & FY 2018 decreased 35.9% and 52.7% respectively to S$864.1 million and S$1,347.4 million mainly attributable to the absence of one-off land sales in BSD City amounting to S$471.2 million, as well as the weakening of the Indonesian Rupiah
- Excluding the one-off land sales in the corresponding comparison periods, FY 2018's organic revenue would decrease marginally by 1.4% year-on-year
- The decrease was partially offset by higher revenue generated from the sales of commercial shophouses in Indonesia and broader recurring income base

## Gross Profit and Gross Profit margin

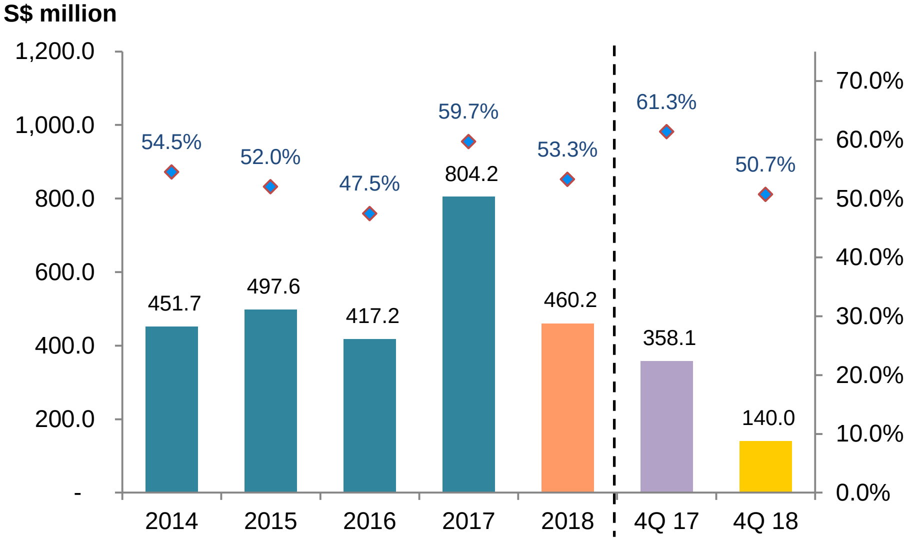



- Following the decrease in revenue, 4Q & FY 2018 gross profit slipped 57.0% and 39.3% respectively to S$176.7 million and S$598.1 million
- Gross profit margin dipped 3.9 percentage points to 69.2% as sales of land parcels fetched better profit margin as well as higher cost incurred from sales of commercial shop houses and apartments.

# 4Q & FY 2018 Financial Highlights

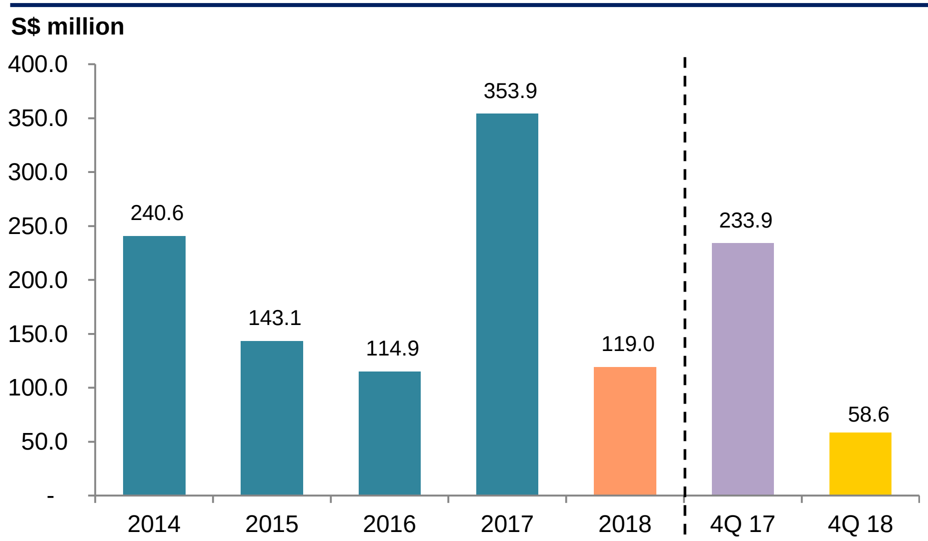
sinarmas land

## EBITDA and EBITDA margin




- EBITDA decreased 60.9% in 4Q 2018 to S$140.0 million and 42.8% in FY 2018 to S$460.1 million despite lower operating expenses and higher finance income
- On the back of lower gross profit margin, EBITDA margin slipped 10.6 percentage points in 4Q 2018 and 6.4 percentage points in FY 2018 respectively to 50.7% and 53.3%

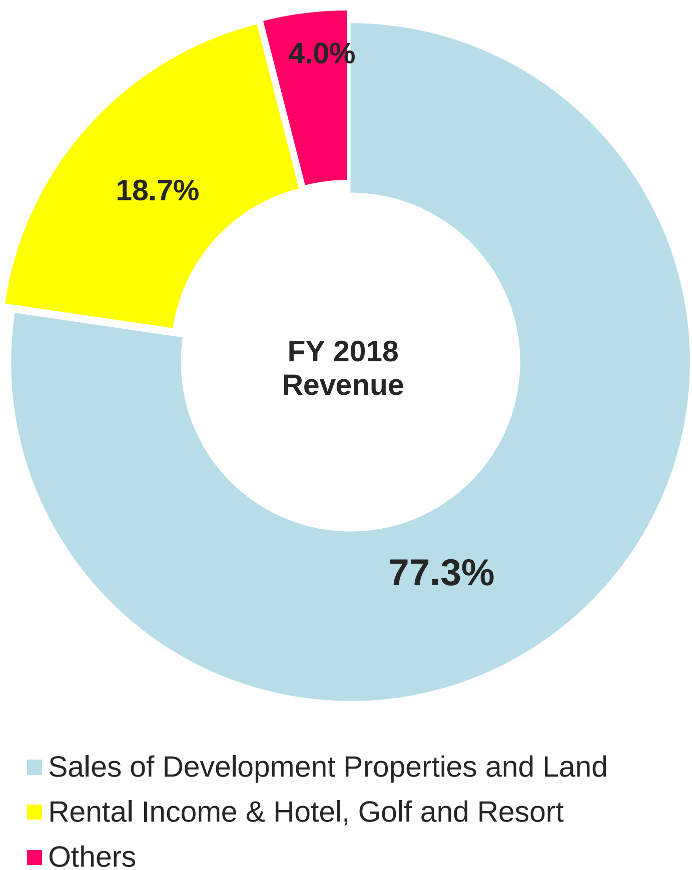
## Profit attributable to Owners of the Company



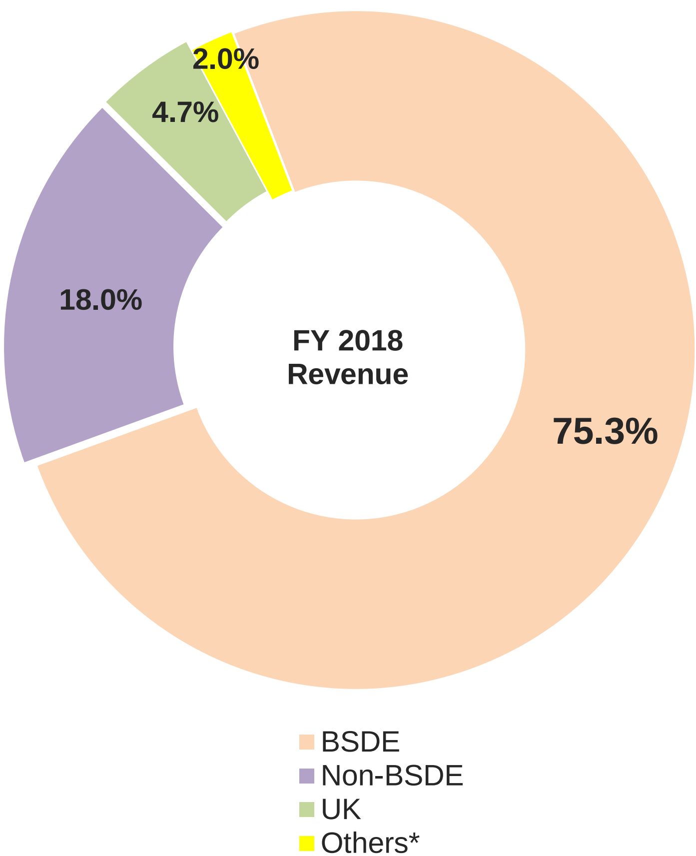

- Profit attributable to owners of the Company dipped 74.9% to S$58.6 million in 4Q 2018 and 66.4% to S$119.0 million for FY 2018 mainly due to the absences of both land sales from its Indonesia division and one-off exceptional gain of S$109.4 million from the divestment of Orchard Towers

# FY 2018 Revenue Breakdown

### Revenue – Product Breakdown (%)



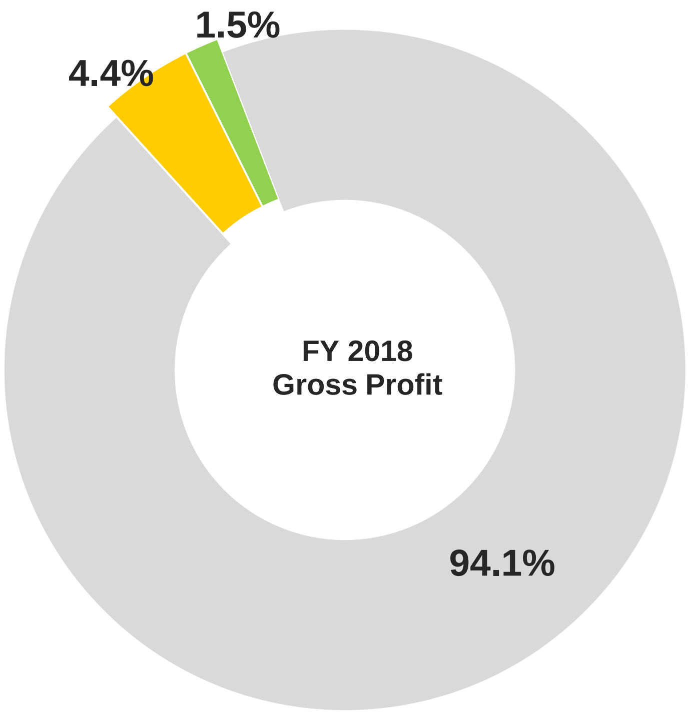

### Revenue – Geographical Breakdown (%)



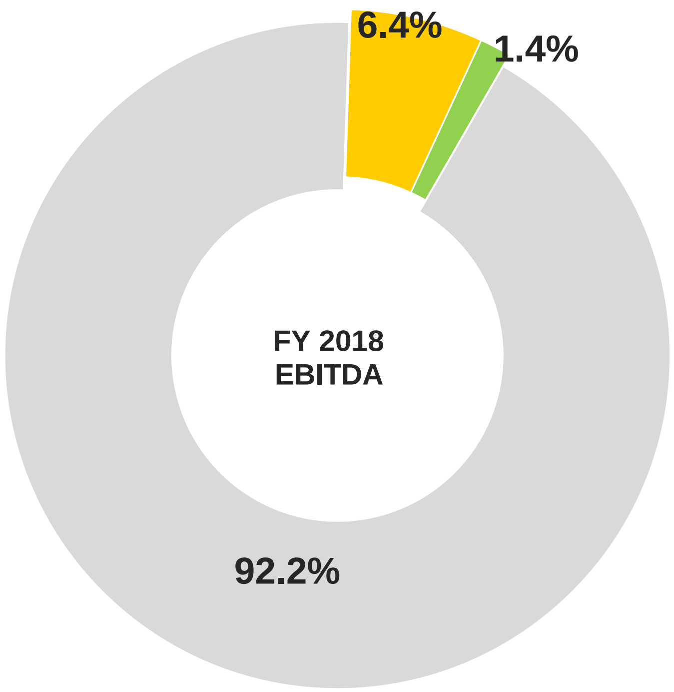

* : Other countries include China, Singapore, Malaysia and Batam

# FY 2018 Gross Profit and EBITDA Breakdown

### Gross Profit – Geographical Breakdown (%)




### EBITDA – Geographical Breakdown (%)

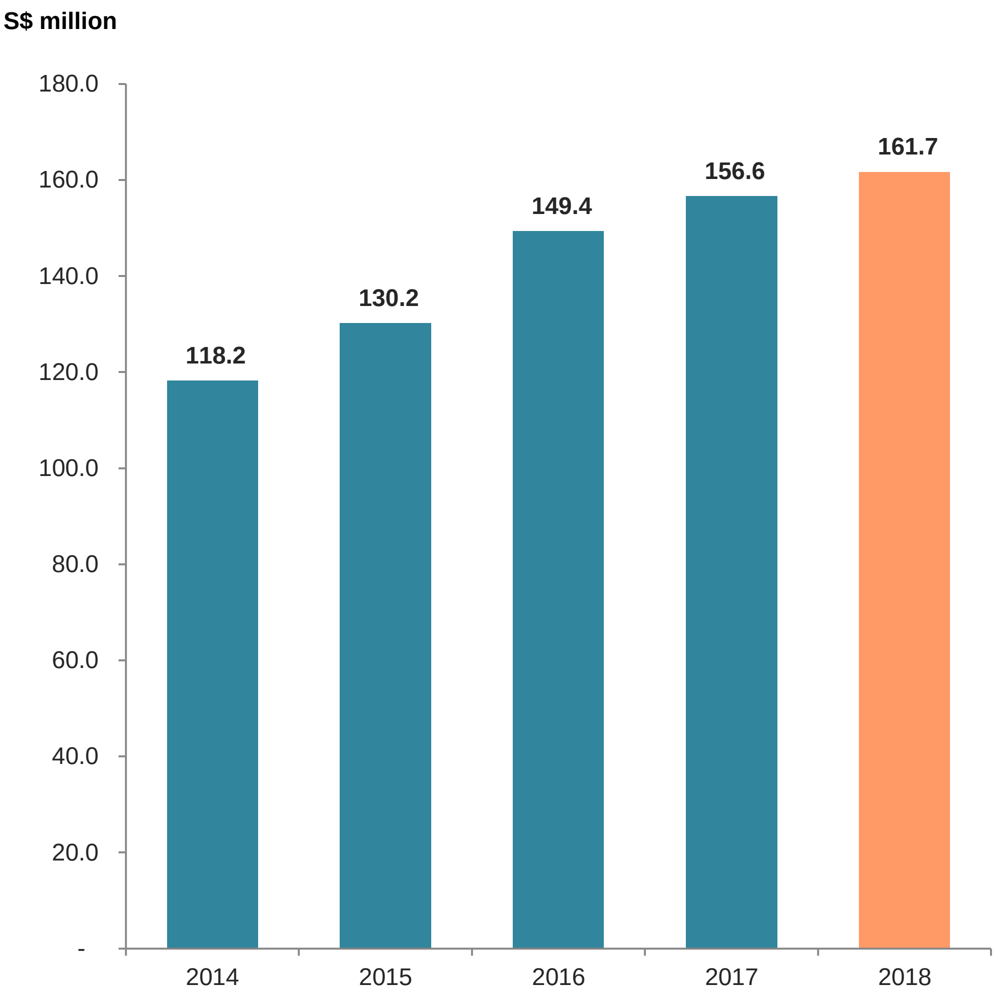



**Indonesia** **UK** **Others***

* : Other countries include China, Singapore, Malaysia and Batam

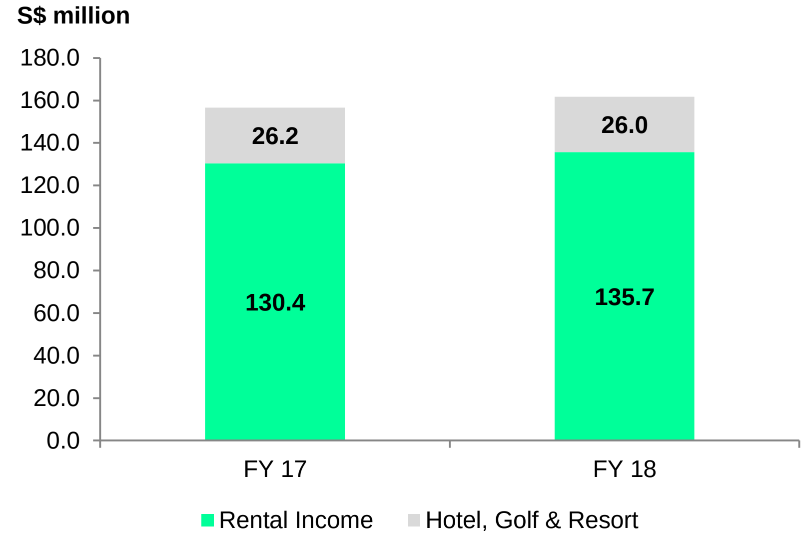
# FY 2018 Recurring Income (Revenue) Breakdown

## Increasing Recurring Income (Revenue)* base (S$ million)

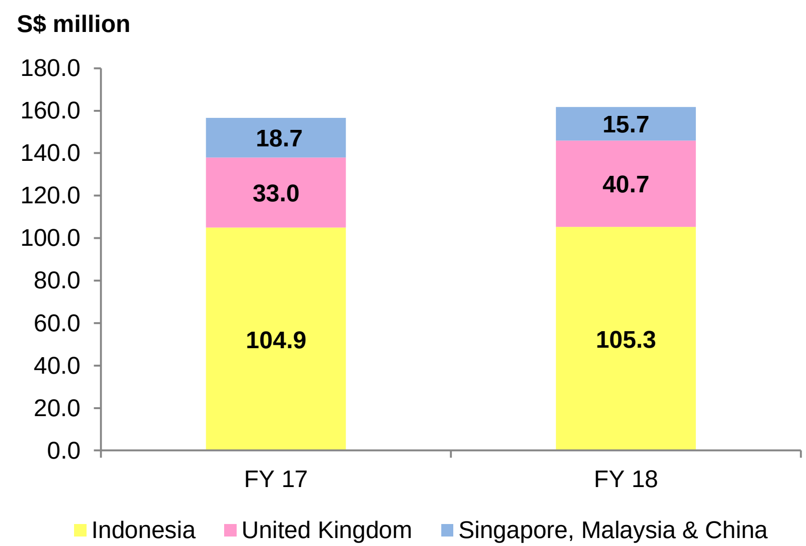



* : Recurring income (Revenue) includes rental income, hotel revenue and revenue from golf and resort operations

## Recurring Income (Revenue) – Product Breakdown




## Recurring Income (Revenue) – Geographical Breakdown



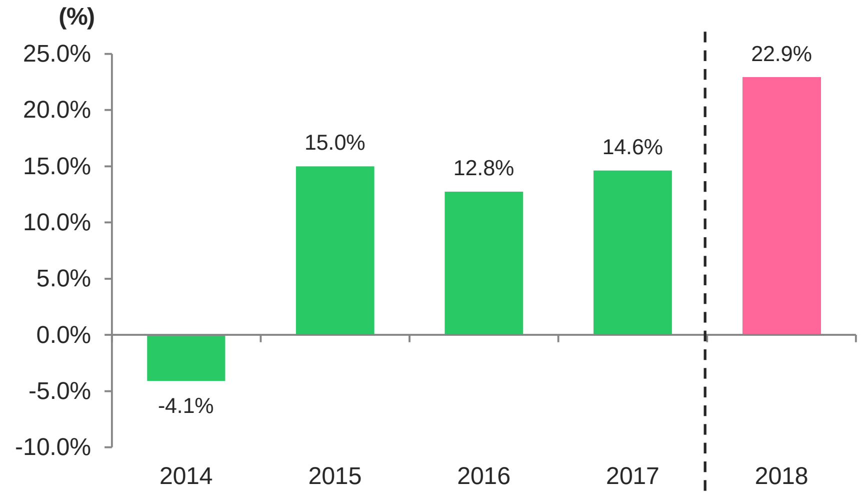
# FY 2018 – Financial Snapshot

| (S$ '000) | As at 31 Dec 2018 | As at 31 Dec 2017 |
|---|---|---|
| **Assets** | | |
| Cash and cash equivalents | 984,135 | 930,287 |
| Investment properties | 1,613,038 | 1,656,565 |
| Properties held for sale | 1,224,017 | 1,230,153 |
| Properties under development for sale | 1,664,855 | 1,755,445 |
| Other assets | 1,074,489 | 983,660 |
| **Total Assets** | **6,560,534** | **6,556,110** |
| | | |
| **Liabilities** | | |
| Borrowings | 948,052 | 801,031 |
| Bond Payables | 903,756 | 719,078 |
| Other liabilities | 925,419 | 1,006,403 |
| **Total Liabilities** | **2,777,227** | **2,526,512** |
| | | |
| **Equity** | | |
| Total Capital and reserves | 2,037,832 | 2,147,785 |
| Non-controlling Interest | 1,745,475 | 1,881,813 |
| **Total Equity** | **3,783,307** | **4,029,598** |

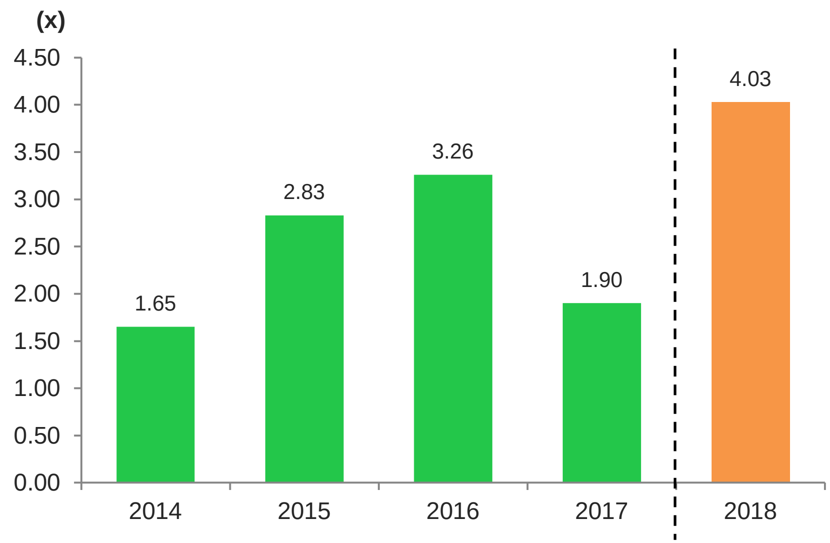
# Key Financial Ratios

## Debt / Assets and Debt / Equity

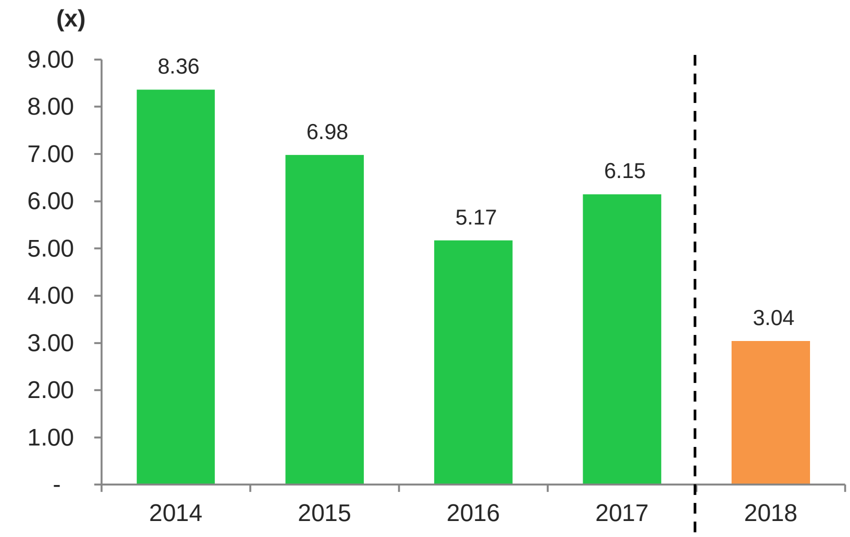

## Net Debt / Equity



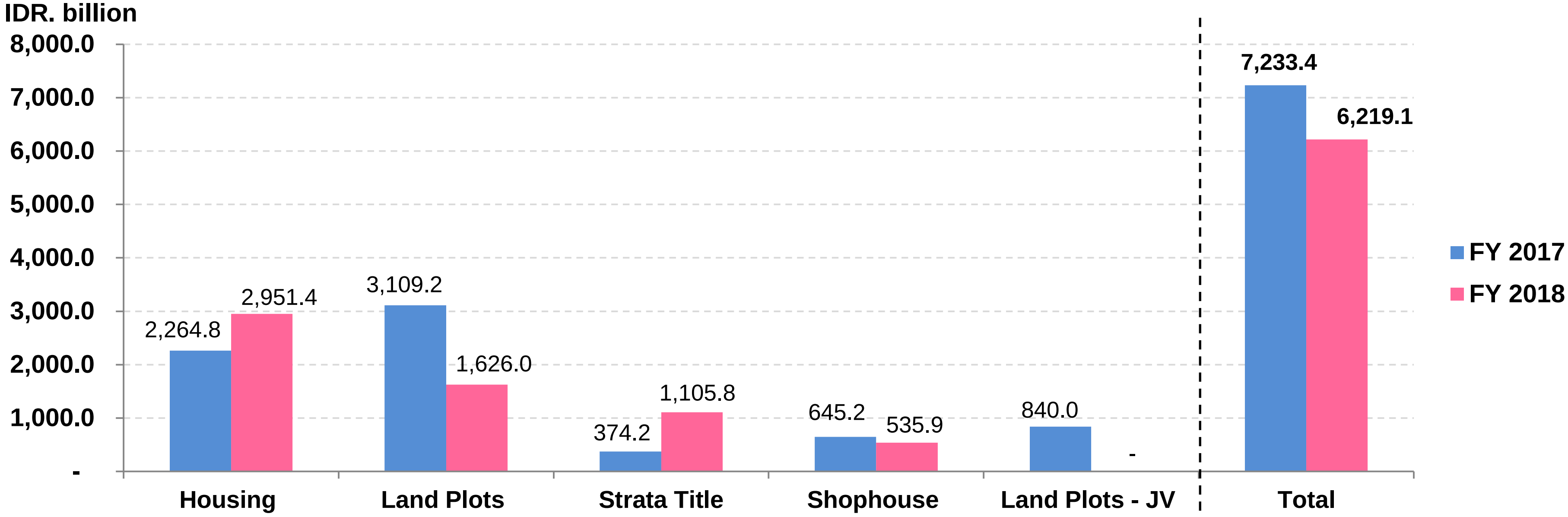

## Total Debt / EBITDA




## EBITDA / Interest Expense



# Indonesia Property Division – BSDE achieved IDR 6.2 trillion marketing sales for FY2018

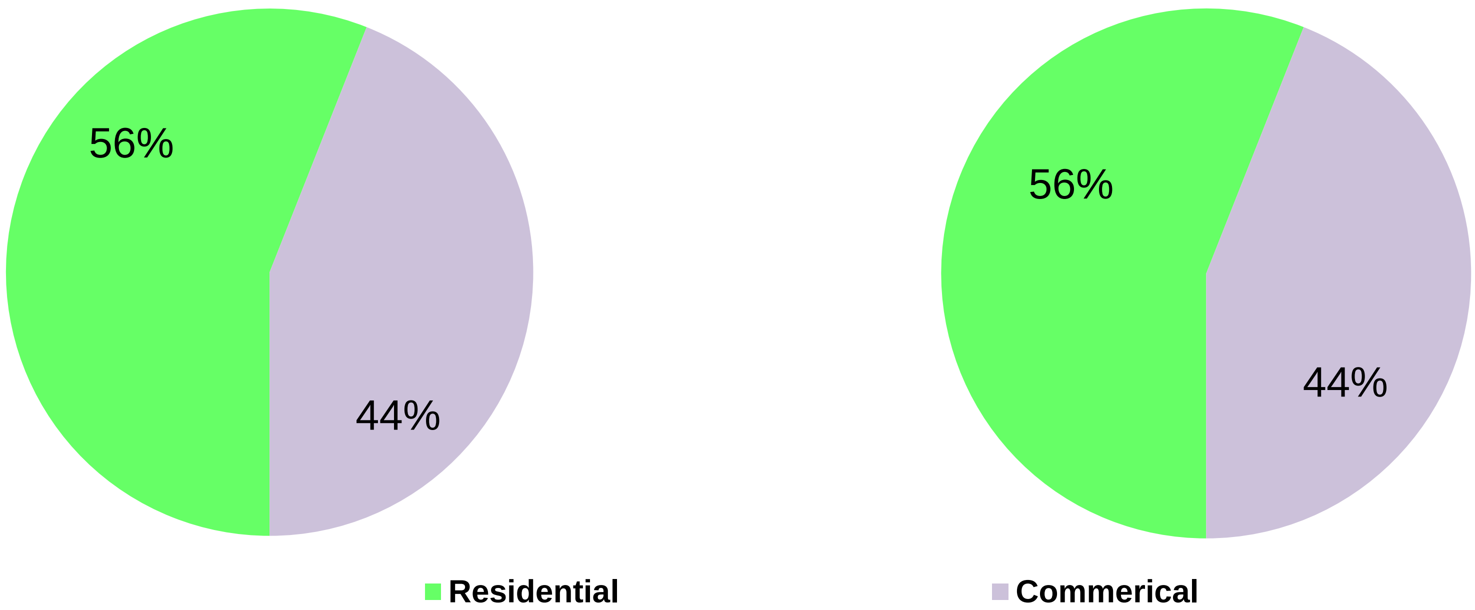



- BSDE closed its FY2018 marketing sales at IDR 6.2 trillion, achieving **86%** of annual target being set at **IDR 7.2 trillion**;
- FY2018 marketing sales decreased by 14% compared to FY2017 performance due to lower contribution from land plot and shophouse sales;
- Residential pre-sales generated IDR 3.0 trillion in FY2018 or 47% contribution to the full-year result. Pre-sales of the commercial business units including land plots, strata title (apartments) and shophouses in tandem reached at IDR 3.2 trillion, making up the remaining 53% of pre-sales performance; and,
- Breaking down by product composition, FY2018 marketing sales was generated from the sales of landed houses (47%), land plots (26%), strata title (18%) and shophouses (9%).

# Indonesia Property Division – BSDE targets IDR 6.2 trillion for FY2019 Marketing Sales

## FY 2018 Actual Marketing Sales

## FY 2019 Marketing Sales Target




- BSDE set its marketing sales target at **IDR 6.2 trillion** for FY 2019, with contribution being similar to that of FY 2018;
- **Commercial segment is expected to contribute 44% or IDR 2.7 trillion**, with the land sales and the launches of Southgate Residence and Klaska Surabaya generating 70% of total commercial pre-sales;
- **Residential segment targets to contribute 56% or IDR 3.5 trillion** of total marketing sales target with the residential projects in BSD City continuously being the major residential contributor (43%); and,
- The Group does not budget for any foreseeable JV land sales in FY2019.

# Indonesia Property Division – DMAS Achieved IDR 884 billion Marketing Sales for FY 2018

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- **DMAS** (also known as Kota Deltamas) achieved **IDR 884 billion for FY 2018 marketing sales** or 71% of full year 2017 ("FY 2018") target of IDR 1,250 billion
- FY 2018 marketing sales were mostly contributed from sales of 33.3ha of industrial land, residential lots, as well as sales of residential and commercial products
- **GIIC,** the industrial estate within DMAS, continue to be **preferred choice** for both international and domestic companies looking for industrial space in Bekasi region with **more than 100 hectares of sales inquiries**
- Hence, DMAS has maintain a **marketing sales target of IDR 1,250 billion in 2019**

# Indonesia Property Division – BSDE Won Forbes Top 50 Companies Award

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- **Sinar Mas Land through PT Bumi Serpong Damai Tbk, (BSDE) again won the Top 50 Companies for 2018 award at Forbes Indonesia Best of The Best Awards 2018**

- The event, held by Forbes Indonesia magazine, selected 50 of the top 500 companies listed on the Indonesia Stock Exchange based on the long-term performance of the company after passing the assessment process by looking at their long-term performance based on several metrics such as sales growth, net profit, and return on equity

- This award proved the capacity of Sinar Mas Land as one of the finest financial performance companies in Indonesia

- PT Bumi Serpong Damai Tbk, has received this award 7 consecutive times since 2012

# Indonesia Property Division – Sinarmas Land Signs MOU with PT Wijaya Karya Tbk


- **Sinarmas Land has signed a Memorandum of Understanding ("MOU") with PT Wijaya Karya Bangunan Gedung Tbk, one of Indonesia leading construction company, to develop a low-cost apartment ("rusunami") project at BSD City**

- The development of rusunami demonstrates the Group's support on the government's "One Million Houses Program", which targets on the shelter needs especially from the low-income group with a maximum monthly income of Rp7 million defined by the Minister of Finance.

- In addition, this cooperation is also part of Sinarmas Land 's commitment in implementing the second phase of the Balanced Housing obligations, creating a healthy, safe and harmonious community.

# Indonesia Property Division – Launch of Hayfield Residential Cluster at Balikpapan

- **Sinar Mas Land has launched the 4th residence cluster named the Hayfield in the Grand City of Balikpapan, tailoring to the needs of the millennium and new couples to have the first shelter.**
- The Hayfield Cluster will be built on 7.2 hectares of land, with a modern minimalist architectural design and environment layout aligned with the green environment.
- This upcoming cluster is presented with two types: the first type is a 2-storey with a land area of $72m^2$ and a building area of $47m^2$; the second has a land area of $90m^2$ and a building area of $57m^2$.

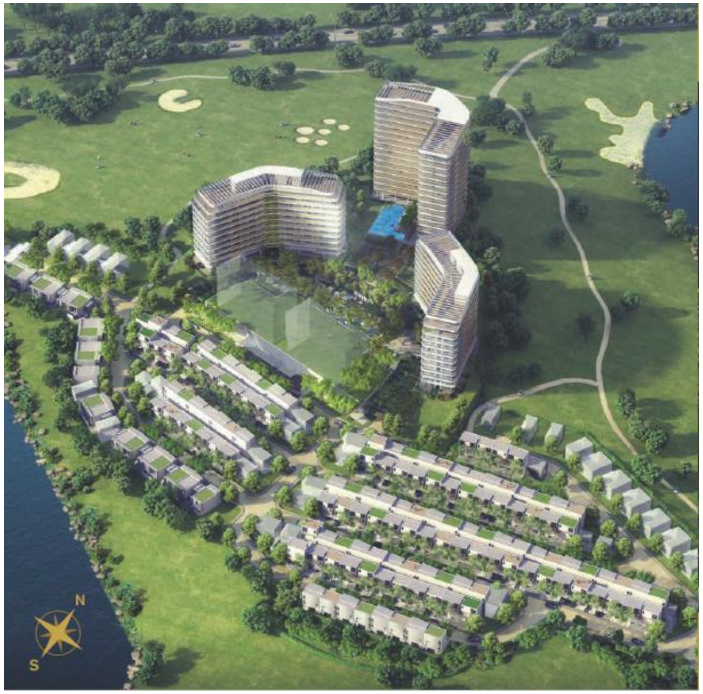
# Indonesia Property Division – SML Won FIABCI-REI Excellence Award 2018


- Sinar Mas Land has won a Gold award in the international FIABCI-REI Excellence Award 2018 in the Energy Conservation Category through Green Office Park (GOP) 9
- The award serves as a testament to Sinar Mas Land continuous effort to embrace environmental-friendly initiatives into our developments

# AFP Land Division – Sinarmas Land enters into a joint-venture with Citramas Group


- **On 25 February 2019, Sinarmas Land announced the signing of a Shareholder Agreement with Citramas Group to jointly develop and manage commercial properties on a land area of approximately 4 hectares located in Nongsa Subdistrict, Batam City, Indonesia**
- The joint-venture company will develop education, training, retail, entertainment, sports, food & beverage, and/or other facilities focused on the digital economy over a period of 10 years
- In recent years, both Groups have witnessed great demand from companies in both Singapore and Indonesia for centers of digital talent in this new economy
- Nongsa Subdistrict, situated at the strategic intersection between Singapore and Indonesia will benefit as it serves as a “Digital Bridge” between both nations

# AFP Land Division – Groundbreaking of The Nove Residence





- **On 22 November 2018, Sinarmas Land commenced the construction of The Nove Residence with a "groundbreaking" ceremony**
- Located within Nuvasa Bay Batam, the Nove Residence is developed on 5ha of elevated land, offering scenic views of the sea, beach and golf course, presenting an unparalleled luxury living experience
- Kaina Tower, The Nove's first residential tower, has achieved 95% of sales since its launched about 1 year ago
- In view of Kaina Tower's success, Sinarmas Land has launched the 2nd residential tower, Kalani Tower, in August 2018

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01. KEY HIGHLIGHTS
02. FINANCIAL PERFORMANCE
03. BUSINESS UPDATES
# 04. APPENDIX

# 4Q 2018 vs 4Q 2017
# Consolidated Income Statement

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### 4Q 2018 versus 4Q 2017 Consolidated Income Statement

| (S$ '000) | 4Q 2018 | 4Q 2017 | Change % |
|---|---|---|---|
| Revenue | 276,168 | 583,914 | (52.7) |
| Cost of Sales | (99,453) | (172,757) | (42.4) |
| **Gross Profit** | **176,715** | **411,157** | **(57.0)** |
| *Operating Expenses* | | | |
| Selling Expenses | (24,972) | (30,574) | (18.3) |
| General and administrative expenses | (45,575) | (56,291) | (19.0) |
| **Operating profit** | **106,168** | **324,292** | **(67.3)** |
| Finance income | 16,989 | 13,500 | 25.8 |
| Others | 12,504 | (45,853) | n.m. |
| Gain on disposal of a subsidiary | - | 109,441 | n.m. |
| **Profit before income tax** | **135,661** | **401,380** | **(66.2)** |
| Income tax | (16,132) | (21,029) | (23.3) |
| **Profit for the period** | **119,529** | **380,351** | **(68.6)** |
| | | | |
| **Attributable to:** | | | |
| Owners of the Company | 58,617 | 233,894 | (74.9) |
| Non-controlling interests | 60,912 | 146,457 | (58.4) |

# FY 2018 vs FY 2017 Consolidated Income Statement

**FY 2018 versus FY 2017 Consolidated Income Statement**

| (S$ '000) | FY 2018 | FY 2017 | Change % |
|---|---|---|---|
| Revenue | 864,134 | 1,347,437 | (35.9) |
| Cost of Sales | (266,028) | (362,161) | (26.5) |
| **Gross Profit** | **598,106** | **985,276** | **(39.3)** |
| *Operating Expenses* | | | |
| Selling Expenses | (100,954) | (99,487) | 1.5 |
| General and administrative expenses | (164,205) | (176,956) | (7.2) |
| **Operating profit** | **332,947** | **708,833** | **(53.0)** |
| Finance income | 51,038 | 34,862 | 46.4 |
| Others | (114,740) | (171,461) | (33.1) |
| Gain on disposal of a subsidiary | - | 109,441 | n.m. |
| **Profit before income tax** | **269,245** | **681,675** | **(60.5)** |
| Income tax | (40,123) | (52,320) | (23.3) |
| **Profit for the period** | **229,122** | **629,355** | **(63.6)** |
| | | | |
| **Attributable to:** | | | |
| Owners of the Company | 119,028 | 353,892 | (66.4) |
| Non-controlling interests | 110,094 | 275,463 | (60.0) |

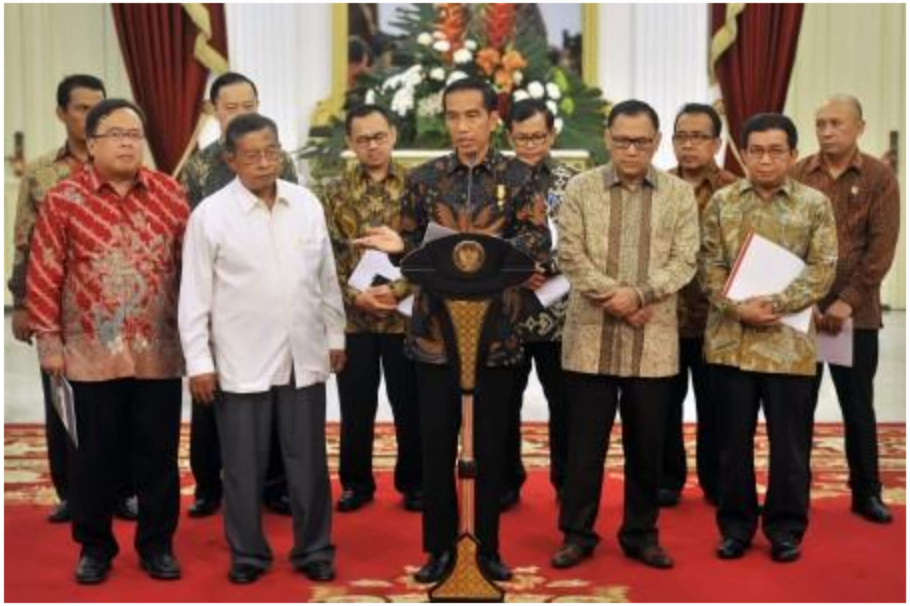
# Statement of Financial Position

sinarmas land

## Statement of Financial Position

| (S$ '000) | As at 31 Dec 2018 | As at 31 Dec 2017 |
|---|---|---|
| **Current Assets** | | |
| Cash and cash equivalents | 984,135 | 930,287 |
| Properties held for sale | 1,224,017 | 1,230,153 |
| Other current assets | 323,592 | 366,277 |
| **Total Current Assets** | **2,531,744** | **2,526,717** |
| **Non-Current Assets** | | |
| Associated companies | 247,149 | 266,378 |
| Joint ventures | 142,262 | 143,289 |
| Properties under development for sale | 1,664,855 | 1,755,445 |
| Investment properties | 1,613,038 | 1,656,565 |
| Property, plant and equipment | 147,461 | 178,097 |
| Other non-current assets | 461,174 | 29,619 |
| **Total Non-Current Assets** | **4,028,790** | **4,029,393** |
| **Total Assets** | **6,560,534** | **6,556,110** |
| Short-term borrowings | 35,870 | 26,837 |
| Short-term payables and liabilities | 675,290 | 766,401 |
| Bonds payables | 903,756 | 719,078 |
| Long-term borrowings | 912,182 | 774,194 |
| Long-term liabilities | 250,129 | 240,002 |
| **Total Liabilities** | **2,777,227** | **2,526,512** |
| | | |
| **Total Capital and reserves** | **2,037,832** | **2,147,785** |
| Non-controlling Interest | 1,745,475 | 1,881,813 |
| **Total Equity** | **3,783,307** | **4,029,598** |
| | | |
| **Total Liabilities and Equity** | **6,560,534** | **6,556,110** |

# Indonesia Property Division – Indonesia Economic Stimulus Policy Package #1



- Indonesia president Joko "Jokowi" Widodo unveiled **Indonesia's 1st economic policy package** on 9 September 2015 that **aims to boost Indonesia's mid to long term economy**
- **89 regulations are to be revised** as they are considered to burden the country's business environment
- Simplify the process for companies to obtain business permits, **cut red tape**, **curtail overlapping regulations**, enhance the **use of electronic-based services**
- Government will empower the micro, small and mid-sized businesses through **subsidized loans with low interest rates of 12 percent only** (from 22-23 percent currently)
- **Accelerate and increase the flow of central government funds to the local governments**. These funds are specifically for infrastructure development in the regions.
- Local government will become important powers to **speed up realization of strategic projects** of national interest
- **Investment in the property sector needs to be encouraged**, including friendly policies for low-income communities

*Source: Indonesia Investments*

# Indonesia Property Division – Indonesia Economic Stimulus Policy Package #2

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- **2nd economic policy package** unveiled on 29 September 2015 focuses on **establishment of bonded logistics zone and import tax cut**
- Time required to process **investment permits** for investments in Indonesia's industrial estates will be **curtailed from eight days to only three hours**
- Preparing **two bonded logistic zones**, one in **Cikarang (West Java)** and the other in **Merak (Banten)** as it aims to offer more efficient industrial facilities
- The zone in **Cikarang** is designed to serve the **logistics-related manufacturing industry**, while the zone in **Merak** is to function as a **storage facility for fuel logistics**.
- These zones should serve as **a hub for capital goods, intermediary goods, and raw materials**
- Bonded zones are attractive as the government provides several taxation facilities, such as the **exemption of value-added tax (VAT) and sales tax on imported intermediary goods**, as well as the possibility to postpone import duty payments
- Indonesian government **scrapped VAT** for imports of aircraft components and aviation safety equipment
- This exemption applies to both airlines and those third-party companies that import such aircraft components. The move will support companies engaged in the aviation sector.

*Source: Indonesia Investments*

# Indonesia Property Division –
# Indonesia Economic Stimulus Policy Package #3


- **3rd economic policy package** unveiled on 7 October 2015 focuses on **micro-financing and cheaper diesel & electricity**
- **Indonesian street vendors and small businesses** (that operate in designated areas) can obtain a leasehold certificate through which they can **secure cheap government-backed micro loan** to expand their business since many lack assets to secure a loan
- Boost the industrial sector by **cutting the diesel price by IDR 200** to IDR 6,700 (USD $0.48) per liter
- **Electricity tariffs** (for industries) are to be **cut by 30 percent** between 11 pm and 8 am
- Companies that are in **financial trouble** will be **allowed to delay the payment of up to 40 percent** of its electricity bills until the next year with condition that the company **agrees not to layoff employees.**

*Source: Indonesia Investments*

# Indonesia Property Division –
# Indonesia Economic Stimulus Policy Package #4

- **4th economic policy package** unveiled on 15 October 2015 focuses on **boosting labour and employment in Indonesia**
- **Implementation of a new fixed formula** that will be applied by the government to determine increases in labour wages across the 34 provinces of the Archipelago
- **Currently, minimum wage growth is not fixed** but depends on negotiations between local governments and labour unions and is also based on the basic costs of living index in each 34 provinces
- Every year the basic costs of living index (which involves 60 essential monthly expenditures) is surveyed. The result of this index is highly influential in determining the new minimum wage as it forms a recommendation to the local Governor.
- As a result, sudden big jumps in minimum wages occurs. This is not good news for the business climate as it increases uncertainty for business owners and investors.
- The **new formula** is designed to provide **more certainty to business owners** regarding minimum wage growth
- Every year, wages will be allowed to increase **based on the provincial inflation rate and economic growth pace**

*Source: Indonesia Investments*

# Indonesia Property Division –
# Indonesia Economic Stimulus Policy Package #5

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- **5th economic policy package** unveiled on 22 October 2015 focuses on **tax incentive for revaluation of fixed assets and removal of double taxation**
- New tax incentive **encourage companies to revalue assets**, hence increasing their leverage. With higher-valued assets and larger capital, these **companies can borrow more from banks**, hence having **more room to invest**
- Previously, companies had to pay a 10% tax on the company's fixed asset growth. From **now till 31 Dec 2015, the tax rate is 3%**; increasing to 4% from 1 Jan 2016 to 30 Jun 2016; and 6% from 1 Jul 2016 to 31 Dec 2016
- **Scrap double taxation on real estate investment trusts** that are being established in Indonesia in an effort to boost the domestic capital market
- The government is going to **encourage the growth of the Islamic finance industry** by simplifying the regulatory and licensing for products of Islamic banking.
- There will be codification of Islamic products, in which **some certain code licences will be exempted.**

# Indonesia Property Division –
# Indonesia Economic Stimulus Policy Package #6

- **6th economic policy package** unveiled on 5 November 2015 **focuses tax incentives for investment in Indonesia's special economic zone**
- **Special economic zones** are defined as designated areas **where natural resources** (mined in or around the zone) **are processed**
- Investors can get income **tax discounts of between 20 and 100 percent** for a duration **up to 25 years** with a minimum investment value
- These generous tax holidays are designed to attract investment in the country's manufacturing industry
- **Foreign investors are allowed to own property** in these special economic zones and investors will be able to **import raw materials without being charged value-added tax (VAT)**
- **Goods manufactured** in these special economic zones are to be **exempted from VAT when sold domestically**, but remain subject to customs and excise fees.
- The Indonesian government assigned the special economic zone status to eight areas: Tanjung Lesung (Banten), Sei Mangkei (North Sumatra), Palu (Central Sulawesi), Bitung (North Sulawesi), Mandalika (West Nusa Tenggara), Morotai (North Moluccas), Tanjung Api-Api (South Sumatra), and Maloi Batuta Trans Kalimantan (East Kalimantan).

*Source: Indonesia Investments*

# Indonesia Property Division –
# Indonesia Economic Stimulus Policy Package #7

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- **7th economic policy package** unveiled on 4 December 2015 **focuses on waiving income tax for workers in the nation's labor-intensive industries**
- **Those who work in labor-intensive industries**, such as footwear, textiles or tobacco, and earn less than IDR 50 million (approx. USD $3,700) per year **are eligible for exemption from paying income tax**.
- **This policy** will be maintained **for at least two years**.
- Also, the government will **grant leasehold certificates (for free)** to street vendors operating in 34 state-owned designated areas.
- The program, which will be launched in Banten (West Java), **aims to increase vendors' capital**
- Through this new policy, however, these **vendors will have access to government-backed micro-loans** unlike previously where they have difficulty obtaining loans as most vendors are working illegally and lack capital to secure a loan


*Source: Indonesia Investments*

# Indonesia Property Division –
# Indonesia Economic Stimulus Policy Package #8

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- **8th economic policy package** unveiled on 21 December 2015 **focuses on Import Tax, Oil Refineries and One-Map Policy**
- To improve the rapid expanding aviation industry, the government announced **scrapping import taxes on 21 categories of airplane spare parts**
- The Indonesian government also announced the **opening up of oil refinery sector** that was previously only available to state-owned energy firm Pertamina or through a partnership between a private investor and Pertamina
- **Private investors are now allowed to establish oil refineries independently** but are required to sell the end-products to Pertamina.
- The central government will **streamline and harmonize land-acquisition for infrastructure development** across the country through the new "one-map policy
- **The one-map policy will imply four advantages**: **(1)** integration of the planning of land utilization with the government's Spatial Planning Document (Dokumen Rencana Tata Ruang), **(2)** easing and speeding up the completion of conflicts of land use, **(3)** one reference map will improve the information provision related to localization of economic activities, and **(4)** speed up the issuance of permits related to land usage.

*Source: Indonesia Investments*

# Indonesia Property Division –
# Indonesia Economic Stimulus Policy Package #9

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- **9th economic policy package** unveiled on 27 January 2016 **aims to combat Indonesia's high logistics cost**
- Indonesia's 9th economic stimulus package **consists of four parts**:
- **(1) to integrate billing and payments for port services** conducted by state-owned enterprises into one electronic system (single billing system)

- **(2) to integrate the Indonesia National Single Window system** (which handles export and import documents) with the 'inaportnet' system (which monitors the flow of goods in harbors)
- **(3)** to revise Transportation Ministry Regulation No.3/2014 on the Use of Foreign Currencies for Transportation Payments. By revising this regulation the Indonesian government aims to make the use of the **Indonesian rupiah mandatory for payments related to transportation activities**
- **(4)** to remove Communications and Information Ministry Regulation No.9/2015. This move should **neutralize the price difference between private commercial postal services and state postal services in Indonesia**. The aforementioned regulation states that commercial postal services in Indonesia are required to be more expensive than universal (private) postal services. This regulation was a major advantage to state-owned Pos Indonesia but limited competitiveness and efficiency in the country's postal services sector.

*Source: Indonesia Investments*

# Indonesia Property Division –
# Indonesia Economic Stimulus Policy Package #10

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- **10th economic policy package** was unveiled on 11 February 2016 focuses on **deregulation measures and significant revisions to the negative investment list**
- Simplified the negative investment list to only 84 from 119 and opened **29 new sectors to foreign investors**
- **Allow 100 percent foreign ownership** in cold storage business, crumb rubber industry, sport-centers, film production industry, restaurants, raw materials for medicines, toll roads, and telecommunication equipment
- Revisions are designed to optimize the nation's economic growth while not causing a reduction in local competitiveness

**New versus Old Maximum Allowed Foreign Ownership:**

| Industry | New % Share | Old % Share |
|---|---|---|
| Warehouse Distributor | 67% | 33% |
| Cold Storage | 100% | 33% |
| Business Training | 67% | 49% |
| Travel Agency | 67% | 49% |
| Golf Course | 67% | 49% |
| Transport Supporting Services | 67% | 49% |
| Sport Center | 100% | 49% |
| Film Production Houses | 100% | 49% |
| Crumb Rubber | 100% | 49% |
| Museums | 67% | 51% |
| Catering | 67% | 51% |
| Convention Services | 67% | 51% |
| Exhibitions & Travel Incentives | 67% | 51% |
| Restaurant | 100% | 51% |
| Construction Consultancy | 67% | 55% |
| Telecommunication Services | 67% | 65% |
| Raw Materials for Medicines | 100% | 85% |
| Toll Road | 100% | 95% |
| Telecommunication Testing Agency | 100% | 95% |

*Source: Indonesia Investments*

# Indonesia Property Division –
# Indonesia Economic Stimulus Policy Package #11

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- **11th economic policy package** was unveiled on 29 March 2016 includes a **lower tax rate on property purchased by local real estate investment trusts**, the **harmonization of customs checks** across the nation's ports (curtailing dwell time), **government subsidies for loans taken up Indonesia's export-oriented small and medium enterprises**, and the **drawing of a roadmap for the nation's pharmaceutical industry**
- The Indonesian government will cut the final income tax rate on sales of property to real estate investment trusts (REITs) from **5 percent to 0.5 percent**
- Dwell time at Indonesian ports are targeted to be **reduced from 4.7 days to 3.7 days** through reforming of various procedures particularly the harmonization of customs checks among the port authorities
- Indonesian government will provide subsidized loans for those Indonesian small and mid-sized companies that are primarily export-oriented. This policy encourages the development of export-oriented industries in Indonesia and will also have a positive impact on the country's trade and current account balances
- The government aims to **boost the domestic production of medicines' raw materials**, particularly for five product categories (namely biotechnology, vaccines, herbal extracts, active pharmaceutical ingredients and medical devices)
- Indonesia government had removed the pharmaceutical industry from its negative investment list (which lists the sectors that are closed, or partially closed, for foreign ownership), implying 100 percent foreign ownership is now allowed
- Step up effort to develop the local manufacturing of medicines (including raw materials) such as offering tax holiday, development of a special economic zone as well as an integrated logistics center

*Source: Indonesia Investments*

# Indonesia Property Division –
# Indonesia Economic Stimulus Policy Package #12

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- **12th economic policy package** was unveiled on 28 April 2016 focuses on **enhancing the ease of doing business for the small and mid-sized companies**
- Also, the government announced the **cut in a number of procedures and permits**, **as well as costs** required for development of a business
- **The number of procedures required to establish a business has been cut from 94 procedures to 49, while the number of permits has been curbed from nine permits to six**. This should manage to drastically cut the time that is required to open a business in Indonesia.

| Indicator | Prior to 12th Package | After 12th Package |
|---|---|---|
| **Starting a Business** | • 12 procedures<br>• 47 days<br>• Costs at IDR 6.8 - 7.8 million | • 7 procedures<br>• 10 days<br>• Costs at IDR 2.7 million |
| **Construction of Building** | • 17 procedures<br>• 210 days<br>• IDR 86 million for 4 permits | • 14 procedures<br>• 52 days<br>• IDR 70 million for 3 permits |
| **Tax Payments** | • 54 payments | • 10 online payments |

*Source: Government of Indonesia, Indonesia Investments*

# Indonesia Property Division –
# Indonesia Economic Stimulus Policy Package #13

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- **13th economic policy package** was unveiled on 24 August 2016 focuses on the reduction of bureaucracy (red tape) in a bid to boost the construction of low-cost housing for the poorer segments of Indonesian society
- The number of necessary permits will be cut down from **33 to 11**, as well as reducing the number of days needed to obtain all permits **from up to 981 days to 44 working days**
- By making it easier, faster and less expensive to invest in the construction of low-cost housing in Indonesia, the government's "1 million houses program" (a five-year program) should get a real boost.
- Tough red tape managed to curtail the success of the 1 million houses program. So far this year only 400,000 low-cost houses have been built.

*Source: Indonesia Investments*

# Indonesia Property Division –
# Indonesia Economic Stimulus Policy Package #14

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- **14th economic policy package** was unveiled on 10 November 2016 focuses on tackling eight issues that could turn Indonesia into the biggest digital economy in ASEAN by 2020 with a targeted value of US$130 billion
- The 8 issues are funding, taxation, consumer protection, human resources, logistics, communication infrastructure, cyber security and the establishment of a project management office
- The government expects the new policy package, dubbed the e-commerce road map, to **create 1,000 "techno-preneurs" with businesses that have a total value of $10 billion by 2020**
- The road map to expected to better protect national interests and give priority to small and medium-sized enterprises and start-ups
- Government also aims to **reduce taxes** for locals investing in start-ups and simplify taxation procedures for **e-commerce start-ups with a turnover of less than IDR 4.8 billion a year**, so that the **final income tax will only come to 1 percent**.

*Source: The Jakarta Post*

# Indonesia Property Division – Indonesia Economic Stimulus Policy Package #15

sinarmas land

- **15th economic policy package** was unveiled on 15 June 2018 to **develop the business and competitiveness of national logistics service providers**

- This package will address **4 main aspects**:
  1. Enhancing the role of transportation insurance
  2. Reducing costs for logistic service providers,
  3. Strengthening the Indonesia National Single Window (INSW) authority
  4. Reducing the number of prohibited and restricted goods

- In trying to **reduce costs incurred by logistic service providers**, the **government aims to eliminate costs** of sea transportation, shipping agencies, freight forwarding, loading and unloading services as well as port management

- Currently, **those business activities incur certain costs, ranging between Rp 2 billion (US$150,568) and Rp 500 billion**. Under the new policy package, **these costs will be eliminated**

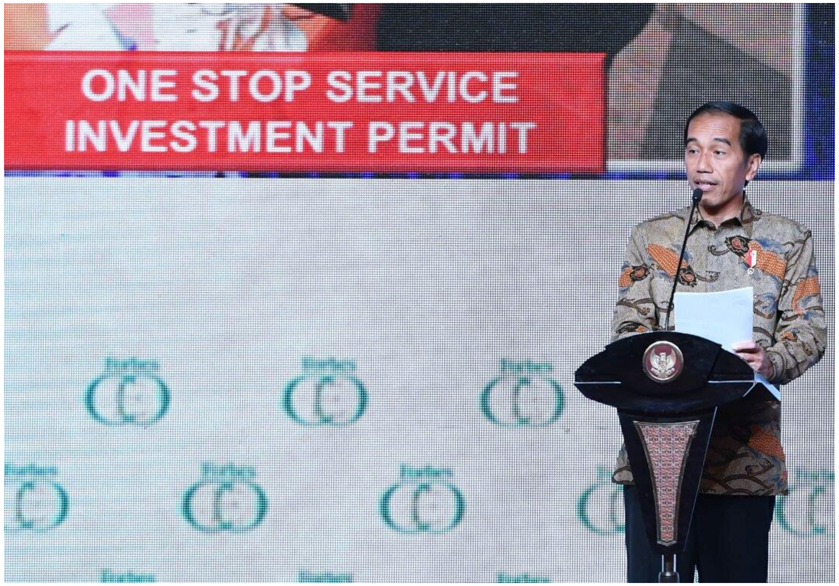
- In addition, three presidential regulations will be revised and integrated into one presidential regulation concerning INSW to **expedite the development and application of automated licensing services in the export and import, customs, and port fields**

*Source: The Jakarta Post*

# Indonesia Property Division –
# Indonesia Economic Stimulus Policy Package #16

- **16th economic policy package** was unveiled on 31 August 2018 to **speed up the issuance of business permits** while providing **greater certainty on the cost and time involved** and to **improve coordination between ministries and provincial administrations**

- New package creates a single submission system for investors, implying **they only have to go one place to obtain all required licenses**. This is much-needed because in some sectors it can take up to five years to arrange all permits




- The acceleration of business processes would be implemented in **two stages**

- The first stage includes the formation of task forces to **implement business licensing processes and to oversee the application of licensing checklists at special economic zones (KEK), free-trade zones (FTZ) industrial and tourism areas** using data sharing

- The second stage includes **regulatory reforms and the single-submission system**

- Also, this package seem to **address that weak coordination and cooperation between the central government and regional government** that has been a major bottleneck that undermines the attractiveness of Indonesia's investment climate

*Source: The Jakarta Post*

# Thank You

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