

SINARMAS LAND LIMITED (REG. NO. 199400619R)

Half Year Financial Statement And Dividend Announcement

PART I - INFORMATION REQUIRED FOR HALF-YEAR AND FULL YEAR RESULTS

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 PERIOD ENDED 30 JUNE 2020**

	1st Half 2020 S\$'000	1st Half 2019 S\$'000	Change %
Revenue	287,574	560,940	(48.7)
Cost of sales	(105,537)	(177,163)	(40.4)
Gross profit	<u>182,037</u>	<u>383,777</u>	(52.6)
Operating expenses			
Selling expenses	(40,349)	(43,649)	(7.6)
General and administrative expenses	(71,751)	(70,285)	2.1
Total operating expenses	<u>(112,100)</u>	<u>(113,934)</u>	(1.6)
Operating profit	<u>69,937</u>	<u>269,843</u>	(74.1)
Other income/(expenses)			
Finance income	38,345	31,380	22.2
Finance costs	(99,093)	(87,124)	13.7
Foreign exchange loss	(6,752)	(8,826)	(23.5)
Share of results of associated companies	(961)	10,415	n.m.
Share of results of joint ventures	(2,572)	3,356	n.m.
Other operating income	24,003	12,822	87.2
Other expenses, net	<u>(47,030)</u>	<u>(37,977)</u>	23.8
Exceptional items			
Gain on equity interest	-	3,360	n.m.
Negative goodwill	-	2,101	n.m.
Effect of restructuring an associated company	-	368,240	n.m.
Exceptional items, net	<u>-</u>	<u>373,701</u>	n.m.
Profit before income tax	22,907	605,567	(96.2)
Income tax	(21,541)	(18,865)	14.2
Profit for the period	<u>1,366</u>	<u>586,702</u>	(99.8)
Attributable to:			
Owners of the Company	(2,362)	330,784	n.m.
Non-controlling interests	3,728	255,918	(98.5)
	<u>1,366</u>	<u>586,702</u>	(99.8)

Note: n.m. – not meaningful.

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2020**

	1st Half 2020 <u>S\$'000</u>	1st Half 2019 <u>S\$'000</u>
Profit for the period	1,366	586,702
Other comprehensive income:		
<u>Items that may be reclassified subsequently to profit or loss:</u>		
Foreign currency translation differences	16,710	223,632
Share of other comprehensive loss of associated companies	-	(120)
Share of other comprehensive loss of joint ventures	-	(12)
Other comprehensive income, net of tax	<u>16,710</u>	<u>223,500</u>
Total comprehensive income for the period	<u>18,076</u>	<u>810,202</u>
Total comprehensive income attributable to:		
Owners of the Company	7,426	434,861
Non-controlling interests	<u>10,650</u>	<u>375,341</u>
	<u>18,076</u>	<u>810,202</u>

ADDITIONAL INFORMATION

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

	1st Half 2020 <u>S\$'000</u>	1st Half 2019 <u>S\$'000</u>	Change %
Earnings before income tax, non-controlling interests, interest on borrowings, depreciation, foreign exchange loss, share of results of associated companies and joint ventures and exceptional items ("EBITDA")	158,347	338,780	(53.3)
Interest on borrowings	(99,093)	(87,124)	13.7
Depreciation	(26,062)	(24,735)	5.4
Foreign exchange loss	(6,752)	(8,826)	(23.5)
Exceptional items	-	373,701	n.m.
Share of results of associated companies	(961)	10,415	n.m.
Share of results of joint ventures	(2,572)	3,356	n.m.
Profit before income tax	<u>22,907</u>	<u>605,567</u>	(96.2)

Note: 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 30 JUNE 2020**

	<u>Group</u>		<u>Company</u>	
	<u>As at 30/6/2020 S\$'000</u>	<u>As at 31/12/2019 S\$'000</u>	<u>As at 30/6/2020 S\$'000</u>	<u>As at 31/12/2019 S\$'000</u>
<u>Assets</u>				
Current Assets				
Cash and cash equivalents	1,369,851	1,090,335	835	15,931
Short-term investments	272,239	257,497	-	-
Trade receivables	90,606	117,616	-	-
Other current assets	427,583	349,373	10,583	53,218
Inventories, at cost	715	919	-	-
Properties held for sale	1,292,275	1,328,584	-	-
	<u>3,453,269</u>	<u>3,144,324</u>	<u>11,418</u>	<u>69,149</u>
Non-Current Assets				
Subsidiaries	-	-	2,439,687	2,304,330
Associated companies	564,960	561,091	-	-
Joint ventures	150,746	126,436	-	-
Long-term investments	220,252	89,275	-	-
Properties under development for sale	1,787,251	1,764,906	-	-
Investment properties	1,684,513	1,711,750	-	-
Property, plant and equipment	146,384	149,209	1,696	1,685
Long-term receivables	3,979	48,044	-	-
Deferred tax assets	295	293	-	-
Intangible assets	186,400	162,215	-	-
	<u>4,744,780</u>	<u>4,613,219</u>	<u>2,441,383</u>	<u>2,306,015</u>
Total Assets	<u>8,198,049</u>	<u>7,757,543</u>	<u>2,452,801</u>	<u>2,375,164</u>

UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2020 (cont'd)

	<u>Group</u>		<u>Company</u>	
	As at 30/06/2020 <u>S\$'000</u>	As at 31/12/2019 <u>S\$'000</u>	As at 30/06/2020 <u>S\$'000</u>	As at 31/12/2019 <u>S\$'000</u>
<u>Liabilities and Equity</u>				
Current Liabilities				
Trade payables	32,727	48,786	-	-
Other payables and liabilities	779,305	709,781	359,351	347,152
Bonds and notes payable	478,776	-	-	-
Lease liabilities	1,542	811	204	203
Borrowings	108,835	63,174	-	-
Income taxes payable	8,481	10,093	-	-
	<u>1,409,666</u>	<u>832,645</u>	<u>359,555</u>	<u>347,355</u>
Non-Current Liabilities				
Bonds and notes payable	779,232	815,866	-	-
Lease liabilities	3,062	2,031	1,332	1,434
Borrowings	1,088,779	1,173,138	-	-
Long-term liabilities	283,702	235,180	-	-
Deferred tax liabilities	12	12	-	-
	<u>2,154,787</u>	<u>2,226,227</u>	<u>1,332</u>	<u>1,434</u>
Total Liabilities	<u>3,564,453</u>	<u>3,058,872</u>	<u>360,887</u>	<u>348,789</u>
Equity attributable to Owners of the Company				
Issued capital	2,057,844	2,057,844	2,057,844	2,057,844
Treasury shares	(170,567)	(170,460)	(170,567)	(170,460)
Foreign currency translation deficit	(1,354,542)	(1,364,330)	-	-
Other reserves	231,466	(22,322)	-	-
Fair value reserve	3,256	3,256	-	-
Retained earnings	<u>2,036,994</u>	<u>2,055,526</u>	<u>204,637</u>	<u>138,991</u>
	<u>2,804,451</u>	<u>2,559,514</u>	<u>2,091,914</u>	<u>2,026,375</u>
Non-Controlling Interests	<u>1,829,145</u>	<u>2,139,157</u>	-	-
Total Equity	<u>4,633,596</u>	<u>4,698,671</u>	<u>2,091,914</u>	<u>2,026,375</u>
Total Liabilities and Equity	<u>8,198,049</u>	<u>7,757,543</u>	<u>2,452,801</u>	<u>2,375,164</u>

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

	As at 30/6/2020			As at 31/12/2019		
	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	127,592	461,561	589,153	63,985	-	63,985
Amount repayable after one year	942,795	928,278	1,871,073	1,049,697	941,338	1,991,035
Total	1,070,387	1,389,839	2,460,226	1,113,682	941,338	2,055,020

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 PERIOD ENDED 30 JUNE 2020

	1st Half 2020 S\$'000	1st Half 2019 S\$'000
Cash flows from operating activities		
Profit before income tax	22,907	605,567
Adjustments for:		
Depreciation	26,062	24,735
Interest expense	99,093	87,124
Effect of restructuring an associated company	-	(368,240)
Gain on equity interest	-	(3,360)
Negative goodwill	-	(2,101)
Gain on deconsolidation of a subsidiary	(18,423)	-
Loss on disposal of certain interest in a joint venture	48	-
Gain on disposal of an associated company	-	(1)
Gain on disposal of property, plant and equipment	(188)	-
Property, plant and equipment written off	22	-
Share of results of associated companies	961	(10,415)
Share of results of joint ventures	2,572	(3,356)
Allowance for/(Write back of) impairment loss on:		
Trade and other receivables	98	(59)
Completed properties held for sale	(67)	(145)
Changes in fair value of financial assets at fair value through profit or loss	3,820	(3,808)
Unrealised foreign exchange loss/(gain)	8,796	(8,096)
Interest income	(38,345)	(31,380)
Operating cash flows before working capital changes	107,356	286,465
Changes in working capital:		
Trade receivables	26,893	6,353
Other current assets and receivables	(19,490)	(44,903)
Inventories	204	(25)
Trade payables	(16,059)	(5,535)
Other payables and liabilities	74,720	(21,749)
Cash generated from operations	173,624	220,606
Interest paid	(60,944)	(58,873)
Interest received	34,743	24,066
Tax paid	(18,485)	(6,819)
Net cash generated from operating activities	128,938	178,980

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2020 (cont'd)**

	1st Half 2020 <u>S\$'000</u>	1st Half 2019 <u>S\$'000</u>
Cash flows from investing activities		
Acquisition of a subsidiary, net of cash acquired	-	(1,802)
Acquisition of associated companies	-	(18,999)
Net cash outflow from deconsolidation of a subsidiary	(48)	-
Additional investment in a joint venture	(524)	-
Proceeds from disposal of property, plant and equipment	312	-
Proceeds from disposal of an associated company	-	3
Proceeds from disposal of certain interest in an associated company	-	44,128
Proceeds from disposal of certain interest in a joint venture	12,971	-
Capital expenditure on investment properties	(9,371)	(28,284)
Capital expenditure on property, plant and equipment	(2,099)	(2,959)
Capital expenditure on properties under development and held for sale	(12,565)	(49,219)
Dividends from joint ventures	6,249	7,066
Payment for investment in financial assets	(144,140)	(89,571)
Payment for intangible assets	(22,303)	-
Increase in long-term receivables	-	(71,808)
Net cash used in investing activities	<u>(171,518)</u>	<u>(211,445)</u>
Cash flows from financing activities		
Proceeds from borrowings	26,371	190,582
Payment for borrowings	(58,413)	(31,144)
Proceeds from issuance of bonds and notes	407,962	-
Payment for bonds and notes	-	(104,805)
Acquisition of additional interest in a subsidiary	-	(52)
(Increase)/Decrease in time deposits pledged	(1,769)	11,430
Payment for lease liabilities	(510)	(240)
Payment for deferred bond charges	(5,995)	-
Payment for dividends	(65,587)	(54,945)
Payment for shares buy back	(107)	-
Capital subscribed by non-controlling shareholders	-	641
Net cash generated from financing activities	<u>301,952</u>	<u>11,467</u>
Net increase/(decrease) in cash and cash equivalents	259,372	(20,998)
Cash and cash equivalents at beginning of the period	1,031,455	914,452
Effect of exchange rate changes on cash and cash equivalents	18,375	54,300
Cash and cash equivalents at end of the period (See Note)	<u>1,309,202</u>	<u>947,754</u>

Note:

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

	As at 30/6/2020 <u>S\$'000</u>	As at 30/6/2019 <u>S\$'000</u>
Cash on hand, cash in banks and time deposits	1,369,851	1,006,007
Less: Time deposits pledged	<u>(60,649)</u>	<u>(58,253)</u>
	<u>1,309,202</u>	<u>947,754</u>

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

	← Attributable to Owners of the Company →						Total	Non-Controlling Interests	Total Equity
	Issued capital	Treasury shares	Foreign currency translation deficit	Other reserves	Fair value reserve	Retained earnings			
The Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
Balance at 1.1.2020	2,057,844	(170,460)	(1,364,330)	(22,322)	3,256	2,055,526	2,559,514	2,139,157	4,698,671
Profit for the period	-	-	-	-	-	(2,362)	(2,362)	3,728	1,366
Foreign currency translation differences	-	-	9,788	-	-	-	9,788	6,922	16,710
Total comprehensive income/(loss) for the period	-	-	9,788	-	-	(2,362)	7,426	10,650	18,076
Changes in interest in subsidiaries	-	-	-	253,788	-	-	253,788	(253,788)	-
Dividends paid	-	-	-	-	-	(16,170)	(16,170)	-	(16,170)
Dividend paid to non-controlling shareholders	-	-	-	-	-	-	-	(49,417)	(49,417)
Deconsolidation of a subsidiary	-	-	-	-	-	-	-	(17,457)	(17,457)
Shares buy back and held as treasury shares	-	(107)	-	-	-	-	(107)	-	(107)
Balance at 30.06.2020	2,057,844	(170,567)	(1,354,542)	231,466	3,256	2,036,994	2,804,451	1,829,145	4,633,596
Balance at 1.1.2019	2,057,844	(170,460)	(1,514,239)	(15,167)	3,256	1,676,556	2,037,790	1,745,475	3,783,265
Profit for the period	-	-	-	-	-	330,784	330,784	255,918	586,702
Foreign currency translation differences	-	-	104,142	-	-	-	104,142	119,490	223,632
Other comprehensive loss for the period	-	-	-	(65)	-	-	(65)	(67)	(132)
Total comprehensive income/(loss) for the period	-	-	104,142	(65)	-	330,784	434,861	375,341	810,202
Capital subscribed by non-controlling shareholders	-	-	-	-	-	-	-	641	641
Changes in interest in a subsidiary	-	-	-	32	-	-	32	(84)	(52)
Dilution of interest in an associated company	-	-	3,856	(6,518)	-	-	(2,662)	(494)	(3,156)
Dividends paid	-	-	-	-	-	(8,512)	(8,512)	-	(8,512)
Dividend paid to non-controlling shareholders	-	-	-	-	-	-	-	(46,433)	(46,433)
Balance at 30.06.2019	2,057,844	(170,460)	(1,406,241)	(21,718)	3,256	1,998,828	2,461,509	2,074,446	4,535,955

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

<u>The Company</u>	<u>Issued capital</u>	<u>Treasury shares</u>	<u>Retained earnings</u>	<u>Total</u>
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2020	2,057,844	(170,460)	138,991	2,026,375
Profit for the period, representing total comprehensive income for the period	-	-	81,816	81,816
Dividends paid for 2019	-	-	(16,170)	(16,170)
Shares buy back and held as treasury shares	-	(107)	-	(107)
Balance at 30 June 2020	<u>2,057,844</u>	<u>(170,567)</u>	<u>204,637</u>	<u>2,091,914</u>
Balance at 1 January 2019	2,057,844	(170,460)	140,931	2,028,315
Dividends paid for 2018	-	-	(8,512)	(8,512)
Loss for the period, representing total comprehensive loss for the period	-	-	(4,612)	(4,612)
Balance at 30 June 2019	<u>2,057,844</u>	<u>(170,460)</u>	<u>127,807</u>	<u>2,015,191</u>

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

Details of the Company's issued and paid-up capital were as follows:

	As at	
	30/06/2020	30/06/2019
Number/Percentage of treasury shares	294,159,800 / 6.47%	293,456,700 / 6.45%
Number of issued shares (excluding treasury shares)	4,255,159,396	4,255,862,496

Movements in the Company's issued and paid-up capital (excluding treasury shares) since 31 December 2019 were as follows:

	Number of ordinary shares
Balance as at 1 January 2020	4,255,862,496
Shares buy back and held as treasury shares	(703,100)
Balance as at 30 June 2020	<u>4,255,159,396</u>

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 30 June 2020 and 31 December 2019 were 4,255,159,396 and 4,255,862,496 respectively.

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

Movements in the Company's treasury shares since 31 December 2019 were as follows:

	Number of ordinary shares
Balance as at 1 January 2020	293,456,700
Shares buy back in March 2020	403,100
Shares buy back in April 2020	300,000
Balance as at 30 June 2020	<u>294,159,800</u>

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 2019

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 adopted various new and revised Singapore Financial Reporting Standards International ("SFRS(I)s") that are relevant to its operations and effective for period beginning 1 January 2020. The adoption of the new and revised SFRS(I)s has had no material financial impact on the Group's financial statements.

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

	The Group	
	1st Half 2020	1st Half 2019
(Loss)/Earnings per ordinary share for the period after deducting any provision for preference dividends:-		
(i) Based on weighted average number of ordinary shares	(SGD0.06cents)	SGD7.77cents
Weighted average number of shares (excluding treasury shares)	4,255,497,534	4,255,862,496
(ii) On a fully diluted basis	Not applicable	Not applicable
Weighted average number of shares (excluding treasury shares)	Not applicable	Not applicable

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

	The Group		The Company	
	As at 30/6/2020	As at 31/12/2019	As at 30/6/2020	As at 31/12/2019
Net asset value (total assets less total liabilities) per ordinary share based on issued share capital (excluding treasury shares) of 4,255,159,396 (31 December 2019: 4,255,862,496) shares	S\$1.09	S\$1.10	S\$0.49	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				Corporate & investment holding	Total
	Indonesia	United Kingdom	Others (see note 1)	Total Property Business		
For half year ended						
Revenue						
30 June 2020	263.2	18.9	5.5	287.6	-	287.6
30 June 2019	535.3	18.0	7.6	560.9	-	560.9
Increase/(Decrease)	(272.1)	0.9	(2.1)	(273.3)	-	(273.3)
Increase/(Decrease) %	(50.8)	5.0	(27.6)	(48.7)	-	(48.7)
Gross Profit						
30 June 2020	167.8	11.6	2.6	182.0	-	182.0
30 June 2019	368.4	11.4	4.0	383.8	-	383.8
Increase/(Decrease)	(200.6)	0.2	(1.4)	(201.8)	-	(201.8)
Increase/(Decrease) %	(54.5)	1.8	(35.0)	(52.6)	-	(52.6)
EBITDA						
30 June 2020	150.1	15.2	2.2	167.5	(9.2)	158.3
30 June 2019	322.2	15.4	3.8	341.4	(2.6)	338.8
Increase/(Decrease) in earnings	(172.1)	(0.2)	(1.6)	(173.9)	(6.6)	(180.5)
Increase/(Decrease) %	(53.4)	(1.3)	(42.1)	(50.9)	(253.8)	(53.3)
Interest on borrowings						
30 June 2020	87.5	6.7	7.3	101.5	(2.4)	99.1
30 June 2019	76.8	7.6	7.4	91.8	(4.7)	87.1
Increase/(Decrease)	10.7	(0.9)	(0.1)	9.7	2.3	12.0
Increase/(Decrease) %	13.9	(11.8)	(1.4)	10.6	48.9	13.7
Depreciation						
30 June 2020	20.4	4.7	0.8	25.9	0.2	26.1
30 June 2019	18.9	4.6	1.0	24.5	0.2	24.7
Increase/(Decrease)	1.5	0.1	(0.2)	1.4	-	1.4
Increase/(Decrease) %	7.9	2.2	(20.0)	5.7	-	5.4
Foreign exchange (loss)/gain						
30 June 2020	(9.4)	-	(5.0)	(14.4)	7.6	(6.8)
30 June 2019	(5.5)	-	(1.0)	(6.5)	(2.3)	(8.8)
Increase/(Decrease) in loss	3.9	-	4.0	7.9	(9.9)	(2.0)
Increase/(Decrease) %	71.0	-	400.0	121.5	n.m.	(23.5)
Share of associates' profit						
30 June 2020	(0.6)	-	(0.4)	(1.0)	-	(1.0)
30 June 2019	10.4	-	-	10.4	-	10.4
Increase/(Decrease) in profit	(11.0)	-	(0.4)	(11.4)	-	(11.4)
Increase/(Decrease) %	n.m.	-	n.m.	n.m.	-	n.m.
Share of joint ventures' profit						
30 June 2020	(2.5)	-	(0.1)	(2.6)	-	(2.6)
30 June 2019	3.4	-	-	3.4	-	3.4
Increase/(Decrease) in profit	(5.9)	-	(0.1)	(6.0)	-	(6.0)
Increase/(Decrease) %	n.m.	-	n.m.	n.m.	-	n.m.
Pre-tax profit/(loss)						
30 June 2020	29.7	3.9	(11.3)	22.3	0.6	22.9
30 June 2019	608.6	3.2	(5.8)	606.0	(0.4)	605.6
Increase/(Decrease) in profit	(578.9)	0.7	(5.5)	(583.7)	1.0	(582.7)
Increase/(Decrease) %	(95.1)	21.9	(94.8)	(96.3)	n.m.	(96.2)
Net profit/(loss) attributable to Owners of the Company						
30 June 2020	14.7	3.8	(11.4)	7.1	(9.5)	(2.4)
30 June 2019	334.9	3.2	(6.8)	331.3	(0.5)	330.8
Increase/(Decrease) in profit	(320.2)	0.6	(4.6)	(324.2)	(9.0)	(333.2)
Increase/(Decrease) %	(95.6)	18.8	(67.6)	(97.9)	n.m.	n.m.

Notes:

- (1) 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, Batam (Indonesia) and Bali (Indonesia).
- (2) n.m. – not meaningful.

PERFORMANCE FOR HALF YEAR ENDED 30 JUNE 2020

For the half year ended 30 June 2020 (“1H2020”), the Group recorded lower revenue at \$287.6 million and EBITDA of \$158.3 million, mainly attributable to lower sales of commercial and industrial land parcels, as well as lower revenue from residential units in Indonesia. The significant lower sales of land parcels, higher finance costs and absence of exceptional gains have resulted in lower total profit recorded for the period.

REVENUE

The Group’s revenue decreased by 48.7% from \$560.9 million in the previous corresponding period (“1H2019”) to \$287.6 million. Revenue from Indonesia property division decreased by 50.8% in 1H2020 mainly attributable to lower sales of land for commercial and industrial purposes. In addition, the Group’s construction activities in Indonesia were adversely affected and disrupted from April 2020 onwards in view of the Covid-19 pandemic resulting in lower number of residential units handed over to buyers.

GROSS PROFIT

In tandem with lower revenue recorded in 1H2020, the Group’s gross profit decreased by 52.6% to \$182.0 million. Consequently, the overall gross profit margin was lower at 63.3% as compared to 68.4% in 1H2019.

OPERATING EXPENSES

Selling expenses of \$40.3 million comprised mainly advertising and marketing expenses, professional fees, and salaries and related expenses. General and administrative expenses of \$71.8 million comprised mainly salaries and related expenses, professional fees, repairs and maintenance, depreciation, rent, tax and licenses, office supplies and utilities. The total operating expenses reduced marginally to \$112.1 million in 1H2020 mainly due to lower marketing commissions incurred in line with lower sales recorded and lower office and utilities expenses incurred.

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 \$55.7 million in 1H2019 to \$60.7 million in line with higher average borrowings during the current period.

FOREIGN EXCHANGE LOSS

The net foreign exchange loss of the Group decreased from \$8.8 million in 1H2019 to \$6.8 million in 1H2020. Higher loss in 1H2019 was mainly due to unrealised translation loss on inter-company balances as SGD strengthened against United States Dollars (“USD”) during the previous corresponding period.

SHARE OF RESULTS OF ASSOCIATED COMPANIES, NET

The Group recorded share of profit in associated companies of \$10.4 million in 1H2019 as compared to share of loss of \$1.0 million in the current period mainly in line with the reduced construction and development activities in Indonesia during the current period. Furthermore, the comparatives included contribution from PT Plaza Indonesia Realty Tbk (“PLIN”) which ceased to be an associated company in June 2019 upon completion of the Group’s restructuring exercise.

SHARE OF RESULTS OF JOINT VENTURES, NET

The Group recorded share of loss in joint ventures of \$2.6 million in 1H2020 as compared to share of profit of \$3.4 million in 1H2019 mainly affected by the reduced construction and development activities.

OTHER OPERATING INCOME, NET

Net operating income comprised mainly building and estate management service income (net of expenses), investment income and fair value gain on financial instruments, management and lease coordination fee, gain on deconsolidation a subsidiary, net of provision for expected credit loss. Higher net operating income in 1H2020 was mainly due to gain of deconsolidation of a subsidiary of \$18.4 million, partially offset by fair value loss on financial instruments.

INCOME TAX

Income tax expense comprised final tax on revenue derived from sales of land and properties in Indonesia, withholding tax expense 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.

Despite lower profit reported in the current period, income tax expense was higher at \$21.5 million as it included withholding tax expense of \$10.1 million incurred upon remittance of dividends from a subsidiary.

NON-CONTROLLING INTERESTS

Profit attributable to non-controlling interests was lower at \$3.7 million in 1H2020 mainly in line with lower profit recorded for the period.

REVIEW OF FINANCIAL POSITION AS AT 30 JUNE 2020

Assets

The Group's total assets increased from \$7,757.5 million as at end of previous year to \$8,198.0 million as at 30 June 2020. This was mainly due to higher cash and cash equivalents, and higher investments in financial assets.

Long-term and short-term investments increased by \$145.7 million to \$492.5 million mainly due to additional placement of funds.

Liabilities

Total liabilities of the Group increased from \$3,058.9 million as at end of previous year to \$3,564.5 million as at 30 June 2020. This increase was mainly due to issuance of new bonds and higher advances and deposits received on our development properties in Indonesia.

REVIEW OF CASH FLOWS FOR HALF YEAR ENDED 30 JUNE 2020

Net cash and cash equivalents (before the effect of exchange rate changes) increased by \$259.4 million during the current period mainly as a result of cash generated from operating and financing activities of \$128.9 million and \$302.0 million respectively, partially offset by cash used in investing activities.

Net cash used in investing activities of \$171.5 million mainly related to placement in funds and capital expenditure incurred during the current period.

Net cash generated from financing activities of \$302.0 million mainly related to net proceeds from issuance of bonds, net of dividends payment made during the current period.

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

The global economy, devastated by the onslaught of Covid-19, suffered enormous negative growth shock causing a global recession and the road to recovery is expected to be protracted and choppy with reports of resurgences of the virus from around the world. The Indonesian economy suffered a GDP contraction of 5.32% in second quarter 2020 ("2Q2020") compared to a year ago, the sharpest downturn since the Asian Financial Crisis. The Indonesian government has revised its growth forecasts several times and now estimates full-year GDP growth for 2020 in the range of negative 0.4% to positive 1.0%. The Group's Indonesian Division has been adversely affected and disruption to construction activities since April 2020 as a result of the Covid-19 pandemic. The hotel business within the Indonesian Division has also been substantially shut down since 2Q2020.

Although in 1H2020, our key Indonesian subsidiaries, PT Bumi Serpong Damai Tbk (BSDE) managed to achieve 40% of their full-year marketing sales target while PT Puradelta Lestari Tbk (DMAS) was able to keep pace by achieving 53% of their full-year sales target, the Group has adopted austerity measures to reduce discretionary expenses and employed prudent cash management to ensure sufficient liquidity. Amidst the uncertainties, the Group expect its core businesses to recover slowly for the rest of the year and into the next year.

Outside of Indonesia, the Group has downsized its hotel and golfing business in Malaysia in 2Q2020 and will face challenges in other markets such as the UK and in China.

11. Dividend

(a) Current Financial Period Reported On

Any ordinary dividend declared for the current financial period reported on? No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any ordinary dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared for the half year ended 30 June 2020 as the Company generally review its dividend policy at the end of the financial year.

13. Interested persons transactions disclosure

Name of interested person ("IP")	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate* pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate* pursuant to Rule 920 (excluding transactions less than S\$100,000)
		S\$	S\$
Golden Agri International Pte Ltd	#1	486,000	-
PT Paraga Artamida	#1	160,495,566 #2	-
PT Bank Sinarmas Tbk	#1	-	9,878,901 #3
PT Smart Telecom	#1	-	646,758
PT Sinar Mas Agro Resources and Technology Tbk	#1	-	4,667,367
PT Sinarmas Sekuritas	#1	-	1,771,932
PT Sinarmas Asset Management	#1	-	1,684,700
PT Indah Kiat Pulp & Paper Tbk	#1	-	199,628
Total		160,981,566	18,849,286

Notes:

* Renewed at SML's Annual General Meeting on 27 April 2020 pursuant to Rule 920 of the SGX-ST listing manual ("Listing Manual").

#1 These IPs are regarded as associates of SML's controlling shareholder under Chapter 9 of the Listing Manual on interested person transactions.

#2 Transaction announced on SGXNET on 9 June 2020.

#3 Time deposits and current account placements with PT Bank Sinarmas Tbk during the year. Principal amount of placements as at 30 June 2020 is approximately S\$4,425,000.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

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

Not applicable.

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

Not applicable.

16. A breakdown of sales

Not applicable.

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

Not applicable.

18. Confirmation pursuant to the rule 705(5) of the listing manual

We, Ferdinand Sadeli and Robin Ng, being two directors of Sinarmas Land Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to their attention which would render the half year ended 30 June 2020 unaudited financial results to be false or misleading.

On behalf of the board of directors

Ferdinand Sadeli
Director

Robin Ng
Director

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
13 August 2020

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Submitted by Kimberley Lye Chor Mei, Company Secretary on 13 August 2020 to the SGX