

PRESS RELEASE – FOR IMMEDIATE RELEASE

SINARMAS LAND ACHIEVES RECORD EARNINGS AS REVENUE SURGED TO A RECORD HIGH OF S\$1.3 BILLION

Singapore – 27 February 2023 – Singapore Exchange (SGX) Mainboard-listed **Sinarmas Land Limited** (“SML” and together with its subsidiaries, the “Group”) announced today its unaudited revenue for the full year ended 31 December 2022 (“FY 2022”) increased 48.8% to S\$1.3 billion attributed primarily to higher sales of commercial and industrial land parcels in BSD City and Kota Deltamas, Indonesia, coupled with higher revenue recognised from residential and apartment units. Earnings per share swelled to 8.07 Singapore cents per share from 3.42 cents last year.

FINANCIAL HIGHLIGHTS

	FY 2022 (S\$'000)	FY 2021 (S\$'000)	Variance (%)
Revenue	1,331,656	895,000	48.8
Gross Profit	964,489	544,970	77.0
EBITDA ¹	754,481	430,043	75.4
Net Profit for the year	502,738	235,434	113.5
PATMI ²	343,592	145,697	135.8

The Group’s recurring income also improved 32.5% year-on-year to S\$153.4 million, driven by higher hospitality and commercial office rental income. Following the reopening of international borders and an influx of travellers, the Group’s hospitality business has witnessed an improvement in revenue and occupancy. Likewise, rental income from the Indonesia division improved mainly due to improved occupancy and higher average rental rate, as well as the inclusion of rental income generated from the newly opened AEON Mall Southgate in Jakarta. Rental income from the UK property group also improved, deriving from our recently acquired 32-50 Strand building and the rental income increases arising from rent reviews for Alphabeta Building.

In line with the increase in land sales that typically generate higher profit margin, the Group’s gross profit improved by 77.0% to S\$964.5 million in the current year compared to FY 2021. Consequently, the overall gross profit margin was higher at 72.4% compared to 60.9% in FY 2021.

¹ EBITDA is 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

² PATMI is Profit After Tax and Minority Interests

The total operating expenses increased 31.6% to S\$313.5 million during the current year compared to S\$238.1 million in FY 2021 which can be attributed to higher promotion and marketing costs corresponding with the higher revenue achieved by the Indonesia division. General and administrative expenses also posted a 26.7% increase due to higher salaries and related costs, coupled with the absence of a one-off reversal of post-employment benefits following changes to Indonesia's labour law requirements in FY 2021.

Mirroring the increase in revenue and gross profits, the Group's FY 2022 EBITDA reported an increase of 75.4% to S\$754.5 million. The EBITDA margin also climbed 8.7 percentage points to 56.7% in FY 2022.

Net finance expenses increased from S\$126.3 million in FY 2021 to S\$138.6 million in FY 2022, mainly attributed to lower interest income following the redemption and settlement of certain interest-bearing financial investments during the current year.

The Group recorded a S\$28.6 million share of loss from joint ventures resulting from a S\$58.6 million reversal of unrealised gain from the sale of land from our subsidiaries to joint ventures in our Indonesia Division in the current year. Without this reversal, the Group's share of profit in joint ventures would have increased from S\$18.3 million to S\$30.0 million in FY2022. The Group's share of profit from associated companies dipped from S\$17.4 million to S\$3.8 million also mainly due to a S\$7.4 million reversal of unrealised gain from sale of land from our subsidiaries to associate company, as well as a lower share of fair value gain of investment in an associated company in Indonesia.

The Group posted a decrease in net other operating income from S\$15.5 million in FY 2021 to S\$4.5 million in FY 2022, mainly due to fair value losses from financial assets. Arising from the strengthening of US Dollar against Indonesia Rupiah and weakening of the British Sterling Pound against the Singapore Dollar, the Group recognised a foreign exchange loss of S\$28.1 million in the current year.

In 2022, the Group posted an exceptional gain of S\$87.7 from the disposal of a UK subsidiary, Horseferry Property Limited, which owned an investment building located in Victoria, Central London. Overall, the Group achieved a record Profit attributable to Owners of the Company of S\$343.6 million in FY 2022, 135.8% higher than S\$145.7 million in FY 2021.

The Group's balance sheet remained strong as of 31 December 2022, with total assets of S\$7.7 billion, cash and cash equivalents of S\$1.5 billion and a positive cash position net of current outstanding debt, demonstrating the strong solvency of the Group to meet future liabilities and poised for further growth in the near future with more acquisitions and new investments.

Ms. Margaretha Widjaja, SML's Executive Director and Vice-Chairman of SML Indonesia Division, said: *"As the world recovers from the COVID-19 pandemic, disruptions to global supply chain drove global inflation rate to almost 9% in 2022. To rein in inflation, central banks across the world increased interest rates aggressively, resulting in elevating financing cost and depressed consumption. However, Indonesia was able to buck the headwinds with a record GDP growth of 5.31% for 2022. Being a key commodity exporter, Indonesia benefitted from global commodity boom brought by the aftermath of the Russia-Ukraine war and a more stabilized Rupiah. The lifting of COVID-19 restrictions also helped increase domestic household consumption.*

Coupling these positive macroeconomic factors with our marketing promotions and quality offerings, PT Bumi Serpong Damai Tbk ("BSDE") achieved marketing sales of IDR8.8 trillion for FY 2022, above the marketing sales target and the previous year's achievement by 14%. PT Puradelta Lestari Tbk ("DMAS") achieved marketing sales of IDR1.86 trillion for FY 2022, marginally above the full-year 2022 marketing sales target of IDR1.8 trillion, driven by strong demand from the information technology sector, particularly industrial land for data centres. Riding on promising growth in this sector, the Group entered into a joint venture with K2 Data Centres to develop hyper-scale data centres in October 2022.

While the reopening of China borders and lower inflationary pressure look to provide a much-needed reprieve in 2023, the escalating severity of Russia-Ukraine conflict and elevated interest rates continue to cast a shadow over the global economic outlook. Nevertheless, the Group endeavours to deliver on our core competencies and seek out new growth through more joint ventures and partnerships in the year ahead. For 2023, BSDE and DMAS announced a marketing sales target of IDR8.8 trillion and IDR1.8 trillion, respectively. BSDE expects its 2023 marketing sales target to be contributed mainly by residential developments, while DMAS expects industrial land sales to be the key sales driver.

Outside Indonesia, the Group concluded two notable transactions in line with our goal to actively enhance shareholders' value. In 2022, the International Business Division successfully acquired 32-50 Strand, a freehold prime west-end commercial building and divested 33 Horseferry Road, a freehold office building with prominent retail frontage for an exceptional gain of S\$87.7 million. Both properties are located in Central London.

In 2023, the Group will continue to seek collaboration opportunities with strong regional partners, focusing on acquisition opportunities, asset enhancements, driving rental reversions for better yields and riding on our track record of delivering sustainable profits.” added Ms. Widjaja.

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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 and investments in Indonesia, Malaysia, China, Australia 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”). 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, Australia and United Kingdom.

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