

PRESS RELEASE – FOR IMMEDIATE RELEASE

SINARMAS LAND PATMI RECORDED 44.7% INCREASE TO S\$145.7 MILLION IN FY2021

Singapore – 28 February 2022 – Singapore Exchange (SGX) Mainboard-listed **Sinarmas Land Limited** (“SML” and together with its subsidiaries, the “Group”) announced today its unaudited profits attributable to owners of the company (PATMI) for the full-year ended 31 December 2021 (“FY2021”) jumped 44.7% to S\$145.7 million attributed primarily from the improved performance from its associated companies and joint ventures, as well as lower tax expenses and finance costs.

FINANCIAL HIGHLIGHTS

	FY2021 (S\$'000)	FY2020 (S\$'000)	Variance (%)
Revenue	895,000	910,476	(1.7)
Gross Profit	544,970	572,907	(4.9)
EBITDA ¹	430,043	473,782	(9.2)
Net Profit for the period	235,434	175,931	33.8
PATMI ²	145,697	100,663	44.7

FY 2021 revenue declined 1.7% year-on-year to S\$895.0 million attributed primarily from lower industrial land sales. The lack of industrial land sale was largely offset by higher revenue recognition for residential and apartment units in Indonesia, exhibiting the Group’s resilience and ability to deliver as we navigate the unprecedented challenges during this pandemic.

Likewise, the Group’s recurring income dipped 7.5% year-on-year to S\$115.8 million, mainly due to lower hospitality and rental income. Throughout the year, the Group’s hospitality business was negatively impacted by closed international borders and various degrees of mobility restrictions imposed by the local government. Similarly, rental income from Indonesia division slid due to rental discounts extended to tenants, aiding them through this challenging period. Recurring rental income from the UK property group also dipped slightly due to the disposal of investment property in April 2021. In line with the lower revenue, the Group’s gross profit declined by 4.9% to S\$545.0 million

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.

² PATMI is Profit After Tax and Minority Interests

and a lower gross profit margin of 60.9% in FY2021 primarily due to the lower sale of land parcels with a higher profit margin.

The total operating expenses remained stable at S\$238.1 million during the current year compared to S\$238.3 million in the previous year. The increase in selling expenses was due to higher promotion and marketing expenses to drive the higher marketing sales achieved by Indonesia's BSD City during the year. The higher selling expenses were negated by lower general and administrative expenses from lower salaries and related costs due to lower headcounts and reversal of post-employment benefits following changes to Indonesia labour law requirements.

Mirroring the dip in revenue, the Group's FY2021 EBITDA reported a decline of 9.2% to S\$430.0 million. The EBITDA margin also decreased by four percentage point to 48.0% in FY2021 as a result of a lower gross profit margin, coupled with a lower finance income during the year.

Net finance expenses increased from S\$119.9 million in FY2020 to S\$126.3 million in FY2021, mainly attributed to lower interest income following the redemption and settlement of certain interest-bearing financial instruments during the current year.

The Group recorded a higher share of profit in associated companies of S\$17.4 million in FY2021 as compared to a loss of S\$48.8 million in the previous year mainly attributable to the reversal of fair value loss in an associated company in Indonesia, as well as recognition of profit from sales of development properties in an associated company in China. The Group also recorded a higher share of profit in joint ventures of S\$15.4 million in FY2021 due to the recognition of revenue from the completed residential and commercial units in a joint venture in Indonesia.

Net operating income increased 56.8% to S\$15.5 million in FY2021, mainly contributed by the increase in net property management income and higher disposal gains from certain fixed assets in Indonesia. In FY2021, the Group recorded an exceptional gain of S\$39.5 million comprising of S\$24.4 million gain following the disposal of SML Great Pte Limited, which owns the investment property Unlimited House in Central London, and S\$15.1 million negative goodwill arising from the consolidation of a new subsidiary, PT Itomas Kembangan Perdana, following the acquisition of the remaining shareholding interest in this joint venture.

Income tax expense was lower at S\$35.2 million in FY2021 as compared to S\$44.7 million in the previous year mainly due to the absence of withholding tax expense of S\$11.0 million incurred upon remittance of dividends from Indonesian subsidiaries last year. These resulted in the Group recording

a higher net profit attributable to owners of S\$145.7 million in FY2021 compared to S\$100.7 million in FY2020.

The Group's balance sheet remained healthy as of 31 December 2021 with total assets of S\$7,943.6 million, of which cash and cash equivalents stand at S\$1,331.3 million. Following the repayment of USD-denominated bonds in FY2021, the Group's total debt decreased significantly, resulting in a net debt-to-equity ratio of 8.7%, demonstrating the strong solvency of the Group to meet future liabilities.

Ms. Margaretha Widjaja, SML's Executive Director and Vice-Chairman of SML Indonesia Division, said: *"As the world economies began to turnaround, Indonesia recorded a 3.69% growth in 2021, pulling out of the economic contraction on the back of strong exports and increased domestic consumption from the gradual relaxation of Covid-19 curbs. The road to recovery in 2022, however, will be shadowed by inflation-led rate hikes, global supply chain disruptions, the ongoing Russia-Ukraine war and threats of new Covid-19 variants. Hence, we are cautious about business recovery in 2022 although our Indonesian listed subsidiaries chalked a resilient performance this year."*

PT Bumi Serpong Damai Tbk ("BSDE") achieved 110% of its 2021 marketing sales target to hit IDR7.7 trillion and also surpassed previous year by 19%. PT Puradelta Lestari Tbk ("DMAS") achieved 88% of its 2021 marketing sales target of IDR2 trillion, mainly from industrial land sales. For 2022, BSDE has set a marketing sales target of IDR7.7 trillion and launched the "Double Dream" marketing promotion, offering attractive incentives on ready-to-move-in properties and under-construction developments, while DMAS has set a target of IDR1.8 trillion as it received enquiries for approximately 70 hectares of industrial land since the beginning of this year.

Outside Indonesia, the Group has successfully exited its investment in China's Chengdu Youxing Garden Co. Ltd and completed the disposal of SML Great Pte Ltd, which owns the investment property, Unlimited House, in Central London, United Kingdom, recording notable gains for both divestments. The Group will continue to seek out new property investments and partnerships to expand our global footprint in 2022. Additionally, the Group, through its wholly-owned subsidiary, incorporated SML INVITE Fund Management VCC, a variable capital company (VCC) to explore further investment opportunities in digital and technology-related funds." 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”) – with a combined market capitalisation in excess of S\$4.36 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, Australia and the United Kingdom.

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