



sinarmas land

***“Building for a better
future”***

**4Q & FY 2019
Financial Results Presentation**

CORONER COURT

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01. KEY HIGHLIGHTS

02. FINANCIAL PERFORMANCE

03. BUSINESS UPDATES

04. APPENDIX

Key Highlights for 4Q & FY 2019

- The Group's 4Q & FY 2019 revenue increased by 36.1% and 35.7% over the corresponding period to S\$375.7 million and S\$1,172.9 million respectively. The contribution was attributed mainly by higher sales of commercial and industrial land parcels in Indonesia and higher sales of residential units and apartments in BSD City, Indonesia
- The Group's recurring income grew 2.0% to S\$165.0 million with stronger contribution from its commercial office and hospitality portfolio in Indonesia
- Profit attributable to Owners of the Company ("PATMI") increased by 225.6% in FY 2019 to S\$387.5 million following higher revenue recognition and a one-off restructuring of an associated company which had a positive effect of S\$373.7 million
- Financial position as of 31 December 2019 remained healthy with total assets of S\$7,757.5 million of which cash and cash equivalents stand at S\$1,090.3 million and net debt-to-equity ratio of 20.5%
- BSDE exceeded FY 2019 marketing sales target of IDR6.2 trillion by achieving IDR6.5 trillion
- DMAS exceeded FY 2019 marketing sales target of IDR1.25 trillion by achieving IDR2.97 trillion
- Hyundai Motor Group will build its first 77.6 hectares state-of-the-art manufacturing plant in Kota Deltamas with an investment of approximately US\$1.55 billion over 5 years
- On 1 December 2019, the Group invested AUD40.0 million in Mapletree Australia Commercial Office Trust (MASCOT). MASCOT is a private REIT with a portfolio of 10 commercial office buildings in Australia located in Sydney, Melbourne, Adelaide, Perth and Brisbane with gross asset values of approximately AUD1.4 billion
- SML is proposing a first and final dividend of 0.38 Singapore cents per share to be paid on 24 June 2020, subjected to shareholders approval

01. KEY HIGHLIGHTS

02. FINANCIAL PERFORMANCE

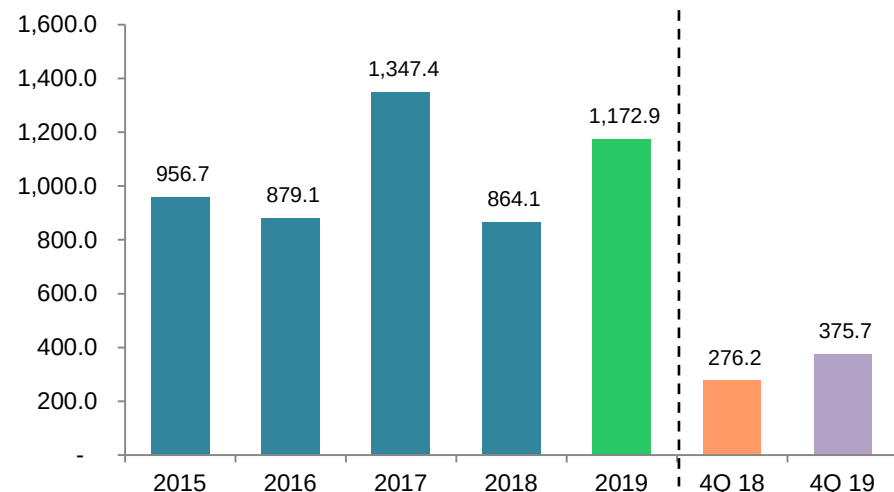
03. BUSINESS UPDATES

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4Q & FY 2019 Financial Highlights

Revenue

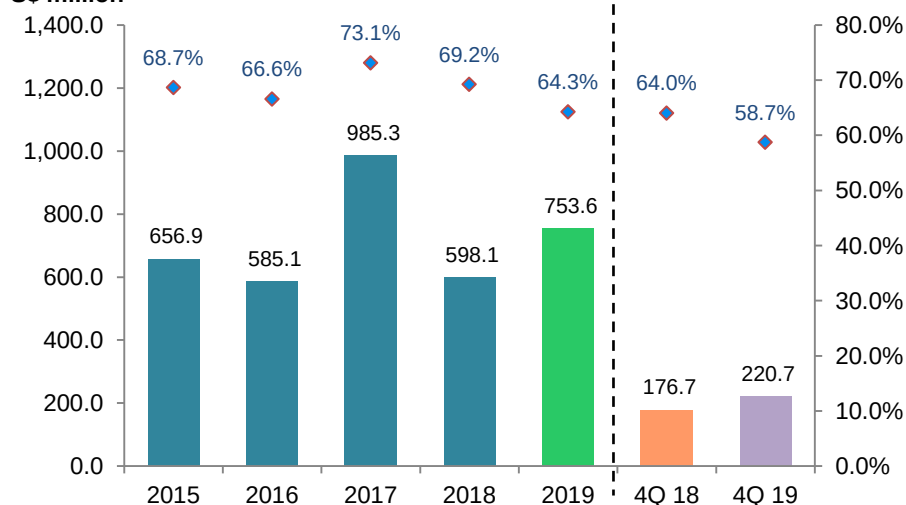
S\$ million



- Total Revenue in 4Q 2019 and FY 2019 increased by 36.1% and 35.7% respectively to S\$375.7 million and S\$1,172.9 million from S\$276.2 million and S\$864.1 million in the previous corresponding period
- Higher revenue was contributed from sales of commercial and industrial land parcels in Kota Deltamas and Karawang International Industrial City, Indonesia, as well as higher sales of housing apartment and undeveloped land parcels in BSD City, Indonesia
- The increases were partially offset by lower sales from land offices and commercial shophouses in BSD City

Gross Profit and Gross Profit margin

S\$ million

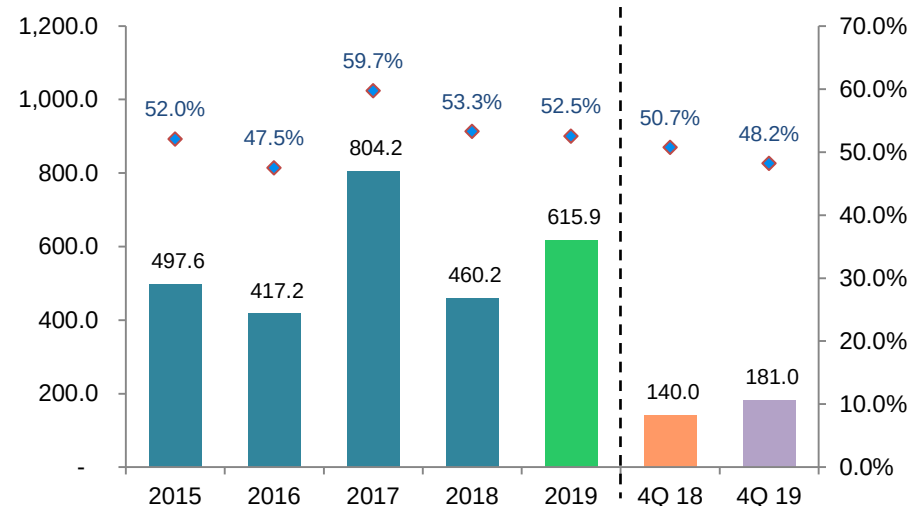


- In line with higher revenue, the Group's 4Q2019 and FY2019 gross profit gained S\$44.0 million and S\$155.5 million respectively to S\$176.7 million S\$598.1 million
- However, higher development and land sales related cost incurred by the Indonesia division resulted in the Group's gross profit margin to decrease slightly from 69.2% in FY 2018 to 64.3% in FY2019

4Q & FY 2019 Financial Highlights

EBITDA and EBITDA margin

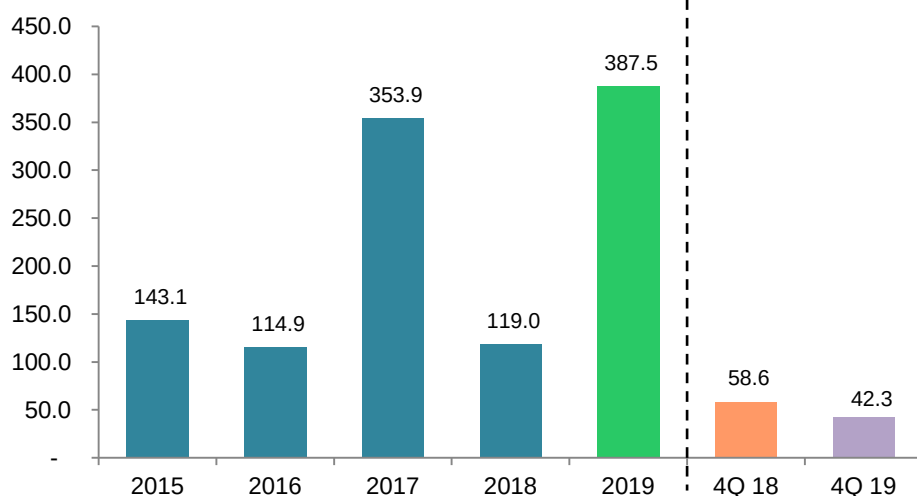
S\$ million



- EBITDA increased 33.9% to S\$616.0 million in FY 2019 from S\$460.2 million in FY 2018 which follows higher revenue contribution from the Indonesia division and prudent management of selling and general & administrative expenses incurred during the year
- EBITDA margin decreased by a marginally 0.8 percentage point from 53.3% to 52.5% in FY2019 due to prudent operating expenses management

Profit attributable to Owners of the Company

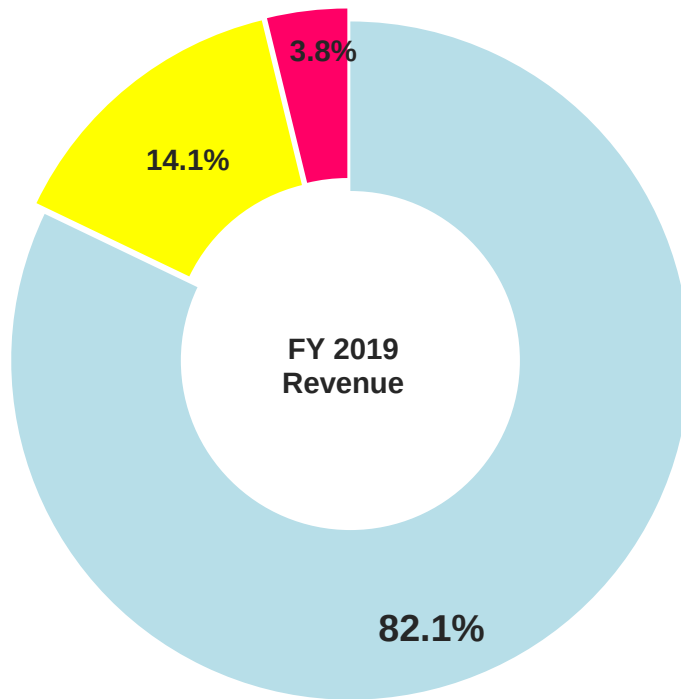
S\$ million



- Profit attributable to Owners of the Company surged 225.6% in FY 2019 to S\$387.5 million due to the gain in revenue, prudent operating expenses management and one-off exceptional item
- The restructuring of PT Bumi Serpong Damai Tbk ("BSDE")'s stake in PT Plaza Indonesia Realty Tbk ("PLIN"), the acquisition of units in Dana Investasi Real Estat Simas Plaza Indonesia ("DIRE", similar to Real Estate Investment Trust) as well as acquisition of shares in PT Plaza Indonesia Mandiri ("PIM"), the Group recorded a one-off exceptional item aggregating to S\$373.7 million in FY 2019

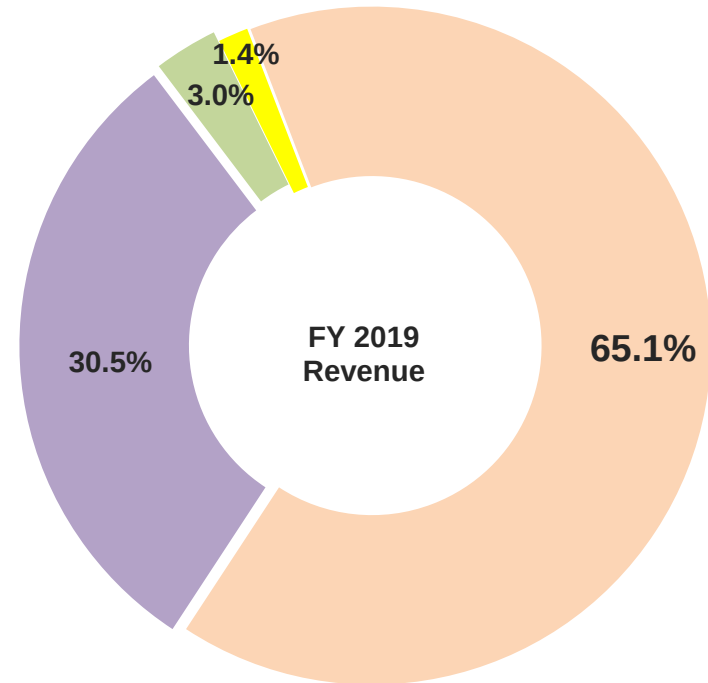
FY 2019 Revenue Breakdown

Revenue – Product Breakdown (%)



- Sales of Development Properties and Land
- Rental Income
- Others

Revenue – Geographical Breakdown (%)

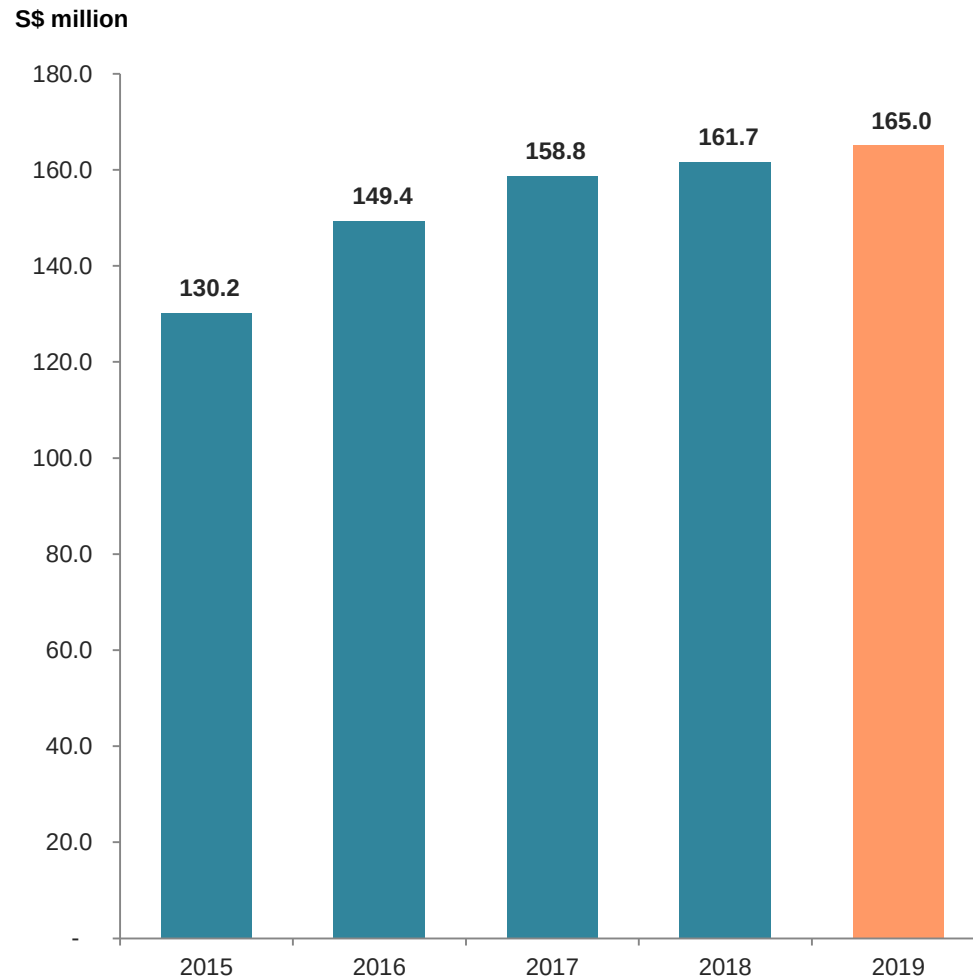


- BSDE
- Non-BSDE
- UK
- Others*

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

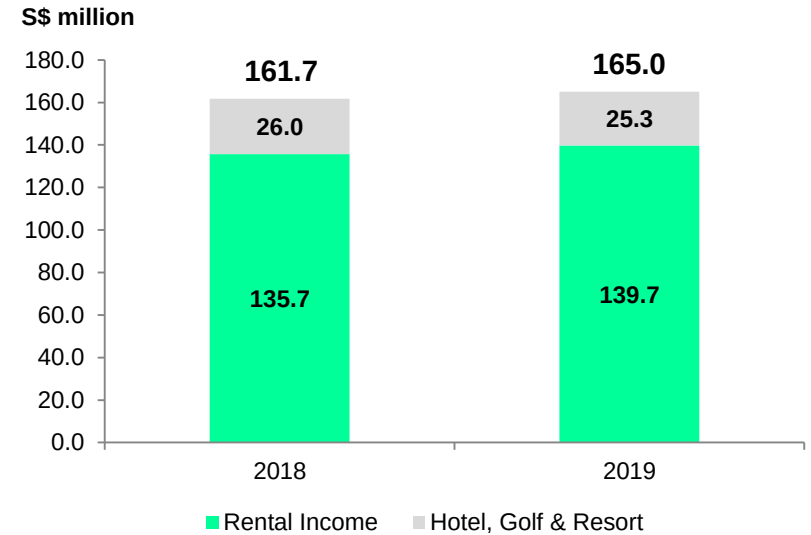
FY 2019 Recurring Income (Revenue) Breakdown

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

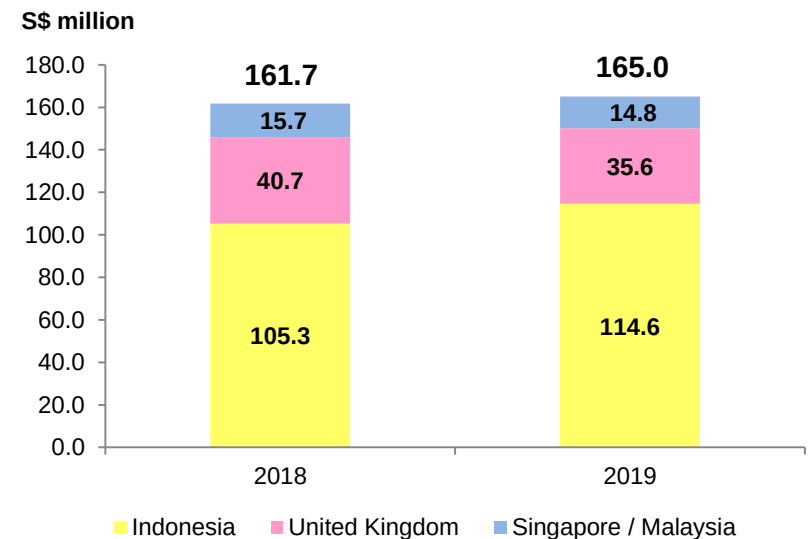


* : Recurring income (Revenue) includes rental income, hotel revenue and revenue from golf and resort operations

Recurring Income (Revenue) – Product Breakdown



Recurring Income (Revenue) – Geographical Breakdown

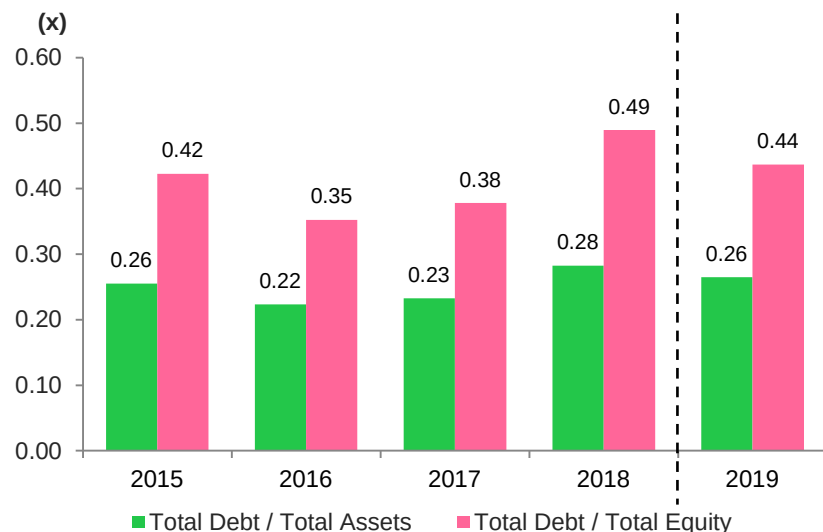


FY 2019 – Financial Snapshot

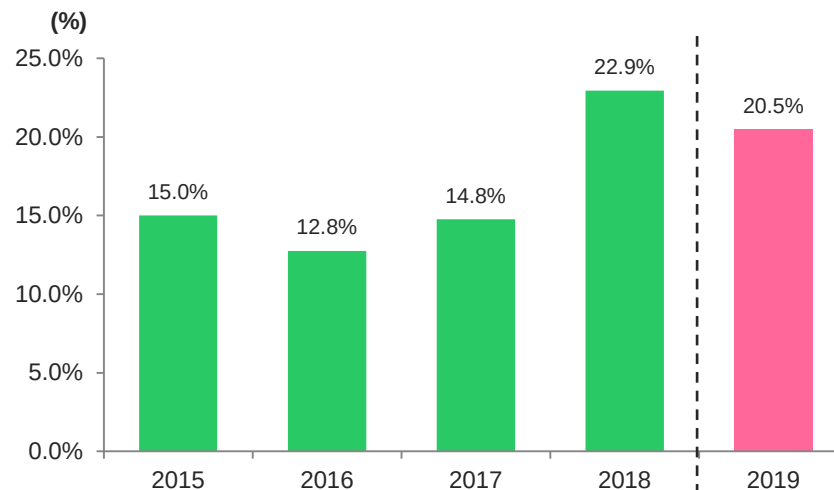
(S\$ '000)	As at 31 Dec 2019	As at 31 Dec 2018
Assets		
Cash and cash equivalents	1,090,335	984,135
Investment properties	1,711,750	1,613,038
Properties held for sale	1,328,584	1,224,017
Properties under development for sale	1,764,906	1,664,855
Other assets	1,861,968	1,074,489
Total Assets	7,757,543	6,560,534
Liabilities		
Borrowings	1,236,312	948,052
Bond Payables	815,866	903,756
Other liabilities	1,006,694	925,419
Total Liabilities	3,058,872	2,777,227
Equity		
Total Capital and reserves	2,559,514	2,037,832
Non-controlling Interest	2,139,157	1,745,475
Total Equity	4,698,671	3,783,307

Key Financial Ratios

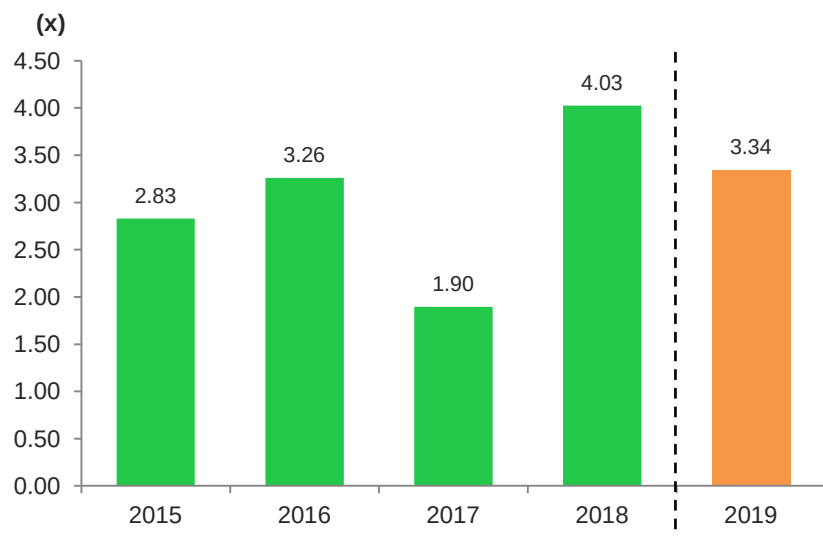
Debt / Assets and Debt / Equity



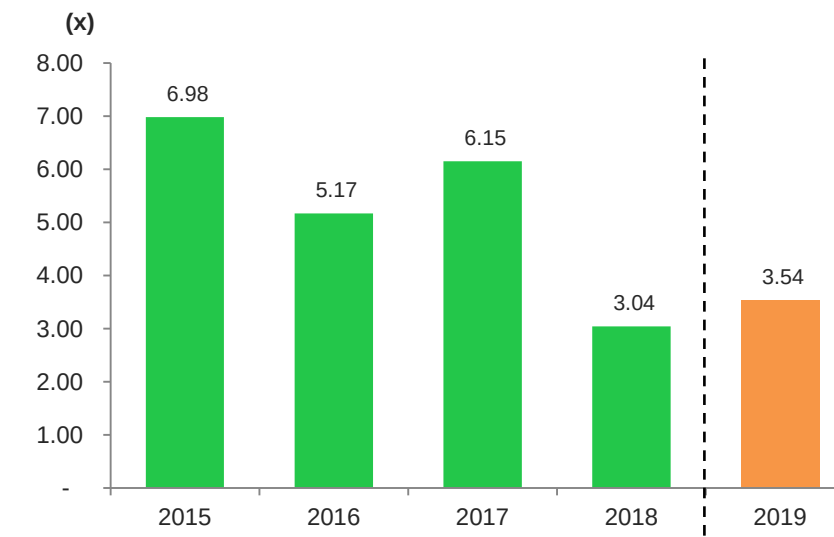
Net Debt / Equity



Total Debt / EBITDA



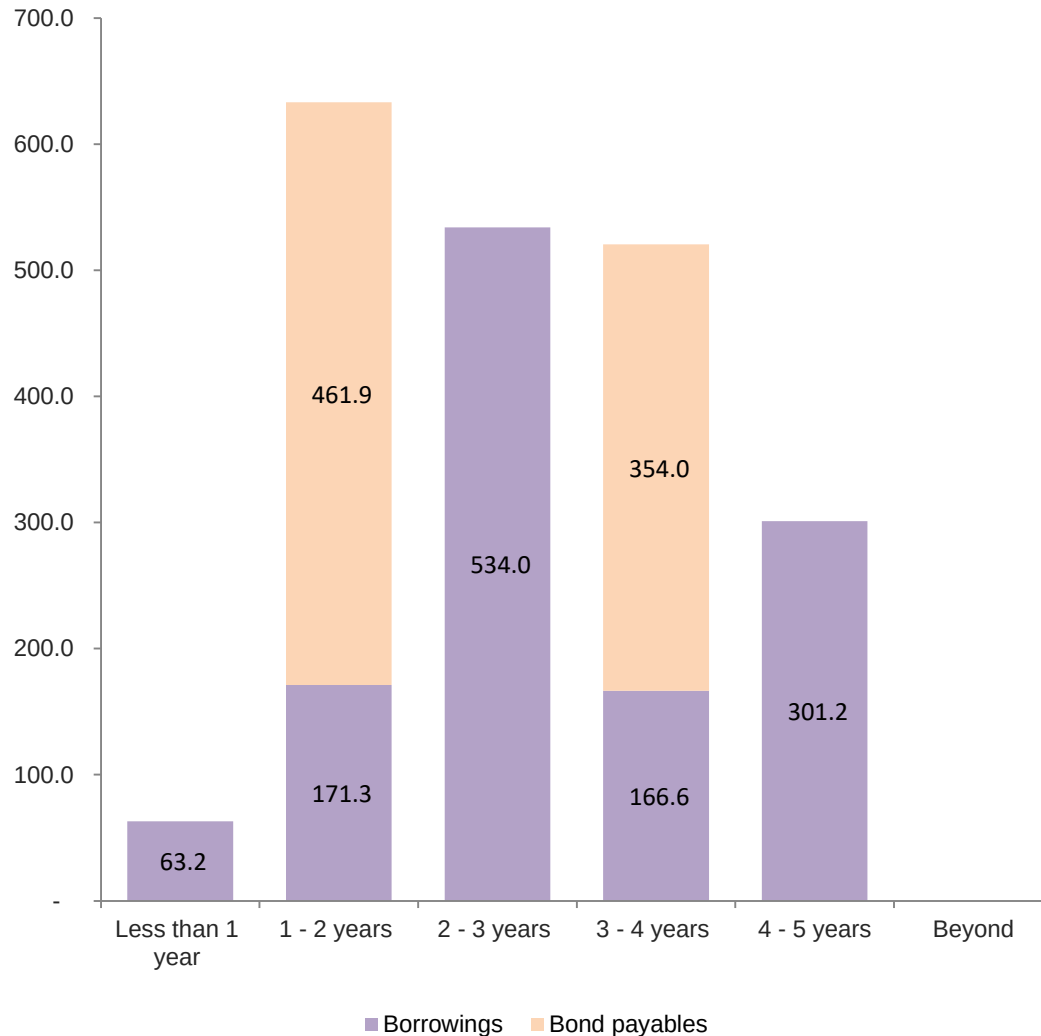
EBITDA / Interest Expense



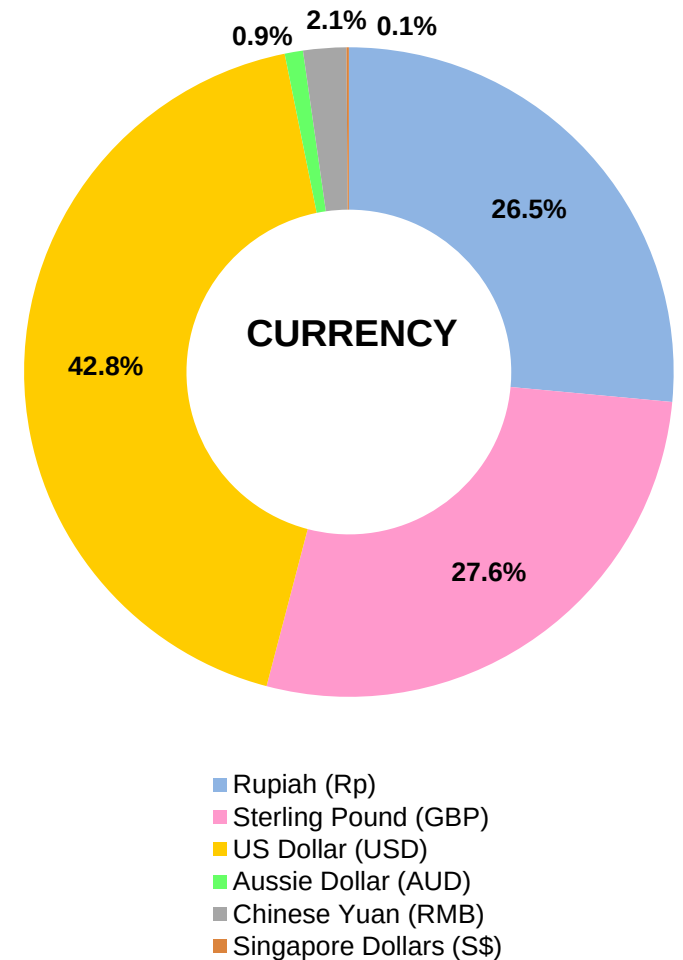
Debt Maturity Profile & Funding Mix

Debt Maturity Profile as at 31 Dec 2019

S\$ million



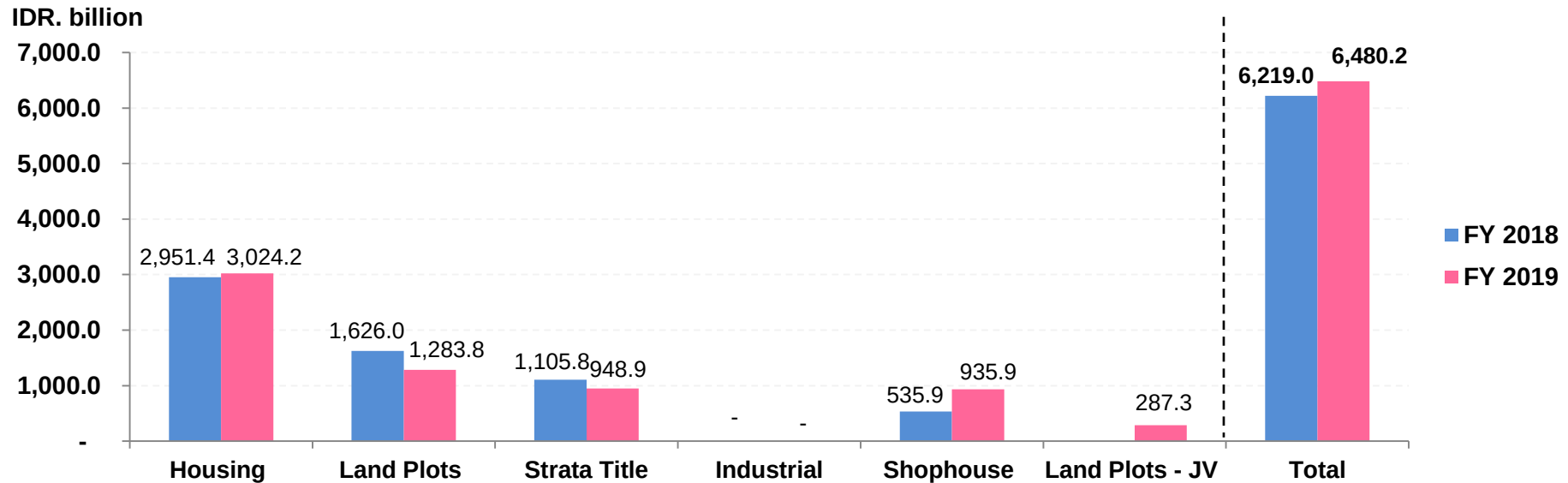
Funding Mix as at 31 Dec 2019



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Indonesia Property Division – BSDE

surpass full-year sales target for FY 2019



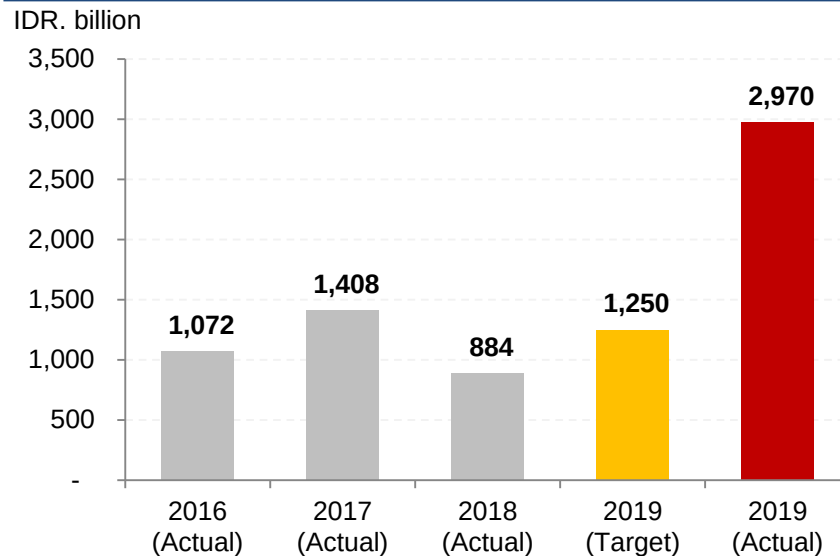
- BSDE achieved **IDR6.5 trillion of marketing sales for FY 2019** exceeding its marketing sales target of IDR6.2 trillion
- FY 2019 marketing sales recorded a marginal increase of 4% against FY 2018 resulting from higher sales contribution from primarily housing and Shop Houses sales. The increase was also supported by land sales to the Government of Indonesia for the construction of toll road
- Residential units pre-sales generated IDR3.0 trillion in FY 2019, mainly from new and existing cluster including Mozia, Savia, Greenwich, Vanya Park, FleekHauz, Fleekhauz-R, Imajihauz, Nava Park and Zora in BSD City. There were also additional sales from Taman Banjar Wijaya and Grand City Balikpapan
- Commercial business units pre-sales (inclusive of commercial land plot) generated IDR3.5 trillion in FY 2019, mainly from existing development including Southgate Condominium TB Simatupang South Jakarta, The Elements Rasuna CBD Jakarta, Aerium West Jakarta, Akasa Serpong, and Upperwest BSD City

Indonesia Property Division – DMAS

surpass full-year sales target for FY 2019



Marketing Sales in IDR billion



Land Bank Update as of 31 December 2019

In hectares	Industrial	Commercial	Residential	Total
Total Area	1,718	757	706	3,181
Land Sold	1,272	276	193	1,741
Land Bank	446	481	513	1,440

- PT Puradelta Lestari Tbk. (DMAS) is an integrated township developer of Kota Deltamas, located in Central Cikarang, with total development area up to 3,181 hectares. Kota Deltamas is a prime township at east of Jakarta with strategic location, wide land bank, direct toll access, and equipped with comprehensive facilities and infrastructures
- DMAS achieved **marketing sales of IDR2.97 trillion for FY 2019** its surpassing full year target of IDR1.25 trillion
- In 4Q 2019, DMAS sold 77.6 hectares of industrial land. For FY 2019, DMAS sold 120 hectares of industrial land and 12 hectares of commercial land

Sinarmas Land invested in Mapletree Australia Commercial Trust for AUD40 million



- On 2 December 2019, SML announced that it has invested into Mapletree Australia Commercial Trust (MASCOT), an Australian commercial office REIT, for a total consideration of AUD40 million (S\$37.3 million)
- MASCOT owns 10 Grade A office assets that are strategically located in key Australian gateway cities (Sydney, Melbourne, Adelaide, Brisbane and Perth) with a total portfolio asset of approximately AUD1.4 billion
- With a total net lettable area of approximately 160,000 square metres, the portfolio comprises of reputable occupiers from well-diversified industries such as technology, media and telecom, government as well as mining, oil and gas
- This investment would further strengthen the Group's property investment footprint outside of Indonesia particularly in commercial office sector in matured markets.

DMAS to house Hyundai Motor's first manufacturing plant in Indonesia



- Hyundai Motor Group has entered into a memorandum of understanding (MOU) with the Indonesian government on **26 November 2019** to build its first manufacturing plant in Kota Deltamas, Indonesia
- **With an investment of approximately US\$1.55 billion**, the 77.6 hectares state-of-the-art manufacturing plant will commenced its construction in December 2019 and is expected to begin commercial production in the second half of 2021 with an initial annual capacity of 150,000 units, and 250,000 units at full capacity
- The plant will produce compact SUV, compact MPV, and sedan models specifically designed for its customers in the South East Asian market.
- This deal further solidify Kota Deltamas's importance as a key automotive manufacturing hub in Bekasi with Suzuki, Mitsubishi Motors, SAIC-GM-Wuling and Astra Honda Motors in its establishment

Indonesia Property Division – BSDE

4th Quarter Major Launch Updates



- On 19 November 2019, BSD City launched the Provence Suites in the eastern part of the city. This exclusive cluster has a limited offering of 102 residential units with prices starting from IDR1.2 billion and 23 commercial shophouses units starting from IDR 2.0 billion
- Developed over a land area of 1.7 hectares, Provence Suites has easy access to shopping centers, schools, hospitals, BSD - JORR toll gate, and Electric Railway (KRL) station Rawa Buntu - Jakarta.
- Carrying the theme of 'Home for Urban Generation', Provence Suites is a modern mixed-use cluster targeted at urban dwellers seeking a home close to their place of businesses. As of 31 December 2019, 70% of the shop house units and 100% of the residences units were sold.

Indonesia Property Division – BSDE

4th Quarter Major Launch Updates



- On 1 November 2019, BSD City launched an extension clusters in between Nusaloka and Savia development area, dedicated for residential development named “Savia Park”
- Savia Park is located at Phase 1 of BSD City, with strategic access to/from Jakarta - Serpong toll gate, accessible to Rawa Buntu train station (commuter line to Jakarta CBD), located nearby Modern Market I, and surrounded by various reputable schools
- There is a total of 82 units with each unit price starting from IDR0.9 billion to IDR2.0 billion, with a land area from 60 to 116 sqm and built-up area of 68 to 116 sqm
- As of 31 December 2019, 70% of the launched units were sold

Indonesia Property Division – BSDE

4th Quarter Major Launch Updates



- BSD City has launched a new shop house development called “ICE Business Park” on 8 November 2019
- Located right opposite the Indonesia Convention Exhibition – ICE (Largest exhibition spaces in Indonesia), ICE Business Park shop houses are also surrounded by Q-Big Mall and IPEKA Christian School
- ICE Business Park is a three-storey building carrying a contemporary, modern concept to support retail businesses within BSD City
- This retail commercial cluster offers shop houses from 59 to 78 sqm land area and building area from 176 to 234 sqm. This development offers 80 ready-for-sale units with a price ranges from IDR3.3 billion to IDR4.7 billion
- As at 31 December 2019, more than 90% of the launched units were sold out

Indonesia Property Division – BSDE

4th Quarter Major Launch Updates



- On 25 October 2019, BSD City launched a new cluster, Imajihaus, which is located within Phase 2 of BSD City, surrounded by Q-Big Mall, IPEKA Christian School and Indonesia Convention and Exhibition – ICE
- This 4-storey residence is located in the middle of Greenwich Park developed over 3.4 hectares of land area. Imajihaus is a compact concept residence based on a minimalist, stylish, modern design, equipped with smart interiors such as smart furniture & smart home systems
- Imajihaus consist of 155 units with each unit price starting from IDR1.4 billion to IDR1.6 billion, with a land area from 55 to 65 sqm and built-up area of 77 sqm.
- On the launch date, all 155 units were fully sold, contributing marketing sales of IDR163 billion

Indonesia Property Division – BSDE

4th Quarter Major Launch Updates



- **BSD City launched a new cluster, FleekHauz R, in BSD City Phase 2, next to Greenwich Park BSD City, Q-Big Mall, IPEKA Christian School and Indonesia Convention and Exhibition – ICE following the successful sell-out of Fleek Hauz cluster in the third quarter of 2019**
- FleekHauz R is developed over 1.5 hectare of land, offering a compact residential concept, equipped with stylish and moderns fixture and furniture. There is a total of 160 units with each unit price starting from IDR938 million to IDR1.2 billion, with a land area 45 sqm and built-up area varying from 40 to 60 sqm
- On the launch date, all 160 units were fully sold to eager homebuyers on the waiting list of Fleek Hauz, contributing marketing sales of IDR 163 billion

Bank Indonesia's LTV Ratio Relaxation

Table 2. New LTV/FTV Ratio

Category	Meets NPL/NPL Criteria				Does Not Meet NPL/NPL Criteria					
	Property Loan & Property Financing based on Akad Murabahah & Akad Istishna		Property Financing based on akad MMQ & akad IMBT		Property Financing based on Akad Murabahah & Akad istishna			Property Financing based on akad MMQ & akad IMBT		
	1	≥2	1	≥2	1	2	≥3	1	2	≥3
Landed House										
Type >70	-	85%	-	9%	85%	75%	65%	90%	80%	70%
Type >21 - 70	-	90%	-	95%		85%	75%	-	85%	75%
Type ≤21	-	-	-	-		-	-	-	-	-
Apartment										
Type >70	-	85%	-	90%	85%	75%	65%	90%	80%	70%
Type >21 - 70	-	90%	-	90%	95%	85%	75%	95%	85%	75%
Type ≤21	-	90%	-	90%		85%	75%	-	85%	75%
Office House	-	90%	-	90%		85%	75%	-	85%	75%

Source: DBS

Table 3. LTV/FTV Ratio for Green Property

Category	Meets NPL/NPL Criteria				Does Not Meet NPL/NPL Criteria					
	Property Loan & Property Financing based on Akad Murabahah & Akad Istishna		Property Financing based on akad MMQ & akad IMBT		Property Financing based on Akad Murabahah & Akad istishna			Property Financing based on akad MMQ & akad IMBT		
	1	≥2	1	≥2	1	2	≥3	1	2	≥3
Landed House										
Type >70	-	90%	-	95%	90%	80%	70%	90%	80%	70%
Type >21 - 70	-	95%	-	-		90%	80%	-	85%	75%
Type ≤21	-	-	-	-		-	-	-	-	-
Apartment										
Type >70	-	90%	-	95%	90%	80%	70%	95%	85%	75%
Type >21 - 70	-	95%	-	95%	-	90%	80%	-	90%	80%
Type ≤21	-	95%	-	95%	-	90%	80%	-	90%	80%
Office House	-	95%	-	95%	-	90%	80%	-	90%	80%

- In September 2019, Bank Indonesia announced the easing of loan-to-value (LTV) and financing-to-value (FTV) ratios for property and motor vehicles loan
- Starting from 2 December 2019, LTV for property financing shall relaxed by 5%, motor vehicles FTV will reduced by 5 – 10%.
- In a bid to combat climate change, both green properties and automotive shall be entitled to a further 5% reduction
- Through these initiatives, Bank Indonesia aims to make it more attractive for consumers to purchase property, especially green-certified property, hence boosting overall credit growth as well as Indonesia's macroeconomic growth

Indonesia Property Division – Initiatives to boost Indonesia property sector

- To spur economy growth, the Indonesian government has initiated a series of measures to stimulate the Indonesia property sector, especially the luxury property segment
- In June 2019, Indonesia government has revised its luxury goods tax policy for luxury property:

Tax	Revised	Previously
20% luxury goods tax	Greater than IDR 30 billion (all types of property)	• IDR 10 billion (apartments) • IDR 20 billion (landed houses)

- In addition, the government cut the luxury houses income tax rates to 1% from the previous 5%

Period	1% Income Tax	5% Income Tax
Before 19 June 2019	• Lesser than IDR 5 billion (apartments) • Lesser than IDR 10 billion (landed houses)	• Greater than IDR 5 billion (apartments) • Greater than IDR 10 billion (landed houses)
After 19 June 2019	All types of property that is lesser than IDR 30 billion	All types of property that is greater than IDR 30 billion

- Luxury residences are defined as 500sqm houses or 150 sqm apartments or condominiums
- All of these tax incentives, together with Bank Indonesia decision to relax the Indonesia property sector LTV and FTV ratio in September 2019, is expected to further stimulate Indonesia property sector

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4Q 2019 vs 4Q 2018

Consolidated Income Statement

(S\$ '000)	4Q 2019	4Q 2018	Change %
Revenue	375,738	276,168	36.1
Cost of Sales	(155,057)	(99,453)	55.9
Gross Profit	220,681	176,715	24.9
<i>Operating Expenses</i>			
Selling Expenses	(29,118)	(24,972)	16.6
General and administrative expenses	(48,030)	(45,575)	5.4
Operating profit	143,533	106,168	35.2
Finance income	18,604	16,989	9.5
Others	(47,334)	12,504	n.m.
Profit before income tax	114,803	135,661	(15.4)
Income tax	(16,052)	(16,132)	(0.5)
Profit for the period	98,751	119,529	(17.4)

Attributable to:

Owners of the Company	42,342	58,617	(27.8)
Non-controlling interests	56,409	60,912	(7.4)

FY 2019 vs FY 2018

Consolidated Income Statement



(S\$ '000)	FY 2019	FY 2018	Change %
Revenue	1,172,871	864,134	35.7
Cost of Sales	(419,261)	(266,028)	57.6
Gross Profit	753,610	598,106	26.0
<i>Operating Expenses</i>			
Selling Expenses	(100,941)	(100,954)	(0.0)
General and administrative expenses	(168,641)	(164,205)	2.7
Operating profit	484,028	332,947	45.4
Finance income	69,946	51,038	37.0
Others	(159,429)	(114,740)	39.0
Exceptional Items, net	373,701	-	n.m.
Profit before income tax	768,246	269,245	185.3
Income tax	(43,862)	(40,123)	9.3
Profit for the period	724,384	229,122	216.2
Attributable to:			
Owners of the Company	387,516	119,028	225.6
Non-controlling interests	336,868	110,094	206.0

Statement of Financial Position

(S\$ '000)	As at 31 Dec 2019	As at 31 Dec 2018
Current Assets		
Cash and cash equivalents	1,090,335	984,135
Properties held for sale	1,328,584	1,224,017
Other current assets	725,405	323,592
Total Current Assets	3,144,324	2,531,744
Non-Current Assets		
Associated companies	561,091	247,149
Joint ventures	126,436	142,262
Properties under development for sale	1,764,906	1,664,855
Investment properties	1,711,750	1,613,038
Property, plant and equipment	149,209	147,461
Other non-current assets	299,827	214,025
Total Non-Current Assets	4,613,219	4,028,790
Total Assets	7,757,543	6,560,534
Short-term borrowings	63,174	35,870
Short-term payables and liabilities	769,471	675,290
Bonds payables	815,866	903,756
Long-term borrowings	1,173,138	912,182
Long-term liabilities	237,223	250,129
Total Liabilities	3,058,872	2,777,227
Total Capital and reserves	2,559,514	2,037,832
Non-controlling Interest	2,139,157	1,745,475
Total Equity	4,698,671	3,783,307
Total Liabilities and Equity	7,757,543	6,560,534

Thank You

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