

SINARMAS LAND LIMITED (REG. NO. 199400619R)

Half Year Financial Statement And Dividend Announcement

PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), 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 2019**

	1st Half 2019 S\$'000	1st Half 2018 S\$'000	Change %	2nd Qtr 2019 S\$'000	2nd Qtr 2018 S\$'000	Change %
Revenue	560,940	384,253	46.0	361,026	197,239	83.0
Cost of sales	(177,163)	(114,153)	55.2	(124,669)	(57,122)	118.3
Gross profit	<u>383,777</u>	<u>270,100</u>	42.1	<u>236,357</u>	<u>140,117</u>	68.7
Operating expenses						
Selling expenses	(43,649)	(48,084)	(9.2)	(23,738)	(25,397)	(6.5)
General and administrative expenses	(70,285)	(75,606)	(7.0)	(37,418)	(38,325)	(2.4)
Total operating expenses	<u>(113,934)</u>	<u>(123,690)</u>	(7.9)	<u>(61,156)</u>	<u>(63,722)</u>	(4.0)
Operating profit	<u>269,843</u>	<u>146,410</u>	84.3	<u>175,201</u>	<u>76,395</u>	129.3
Other income/(expenses)						
Finance income	31,380	22,780	37.8	16,003	11,510	39.0
Finance costs	(87,124)	(73,025)	19.3	(51,280)	(45,799)	12.0
Foreign exchange loss	(8,826)	(15,185)	(41.9)	(8,396)	(12,768)	(34.2)
Share of results of associated companies	10,415	3,142	231.5	3,695	(221)	n.m.
Share of results of joint ventures	3,356	(5,119)	n.m.	(2,633)	(2,102)	25.3
Other operating income	12,822	14,487	(11.5)	1,715	7,224	(76.3)
Other expenses, net	<u>(37,977)</u>	<u>(52,920)</u>	(28.2)	<u>(40,896)</u>	<u>(42,156)</u>	(3.0)
Exceptional items						
Gain on equity interest	3,360	-	n.m.	3,360	-	n.m.
Negative goodwill	2,101	-	n.m.	2,101	-	n.m.
Effect of restructuring an associated company	368,240	-	n.m.	368,240	-	n.m.
Exceptional items, net	<u>373,701</u>	<u>-</u>	n.m.	<u>373,701</u>	<u>-</u>	n.m.
Profit before income tax	605,567	93,490	547.7	508,006	34,239	n.m.
Income tax	<u>(18,865)</u>	<u>(15,744)</u>	19.8	<u>(9,813)</u>	<u>(7,825)</u>	25.4
Profit for the period	<u>586,702</u>	<u>77,746</u>	654.6	<u>498,193</u>	<u>26,414</u>	n.m.
Attributable to:						
Owners of the Company	330,784	48,020	588.8	287,473	20,006	n.m.
Non-controlling interests	<u>255,918</u>	<u>29,726</u>	760.9	<u>210,720</u>	<u>6,408</u>	n.m.
	<u>586,702</u>	<u>77,746</u>	654.6	<u>498,193</u>	<u>26,414</u>	n.m.

Note: n.m. – not meaningful.

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2019**

	1st Half 2019 S\$'000	1st Half 2018 S\$'000	2nd Qtr 2019 S\$'000	2nd Qtr 2018 S\$'000
Profit for the period	<u>586,702</u>	<u>77,746</u>	<u>498,193</u>	<u>26,414</u>
Other comprehensive income/(loss):				
<u>Items that will not be reclassified subsequently to profit or loss:</u>				
Actuarial loss on post employment benefit	-	-	(399)	-
Share of other comprehensive (loss)/income of associated companies	(120)	40	317	-
Share of other comprehensive (loss)/income of joint ventures	(12)	1	-	-
<u>Item that may be reclassified subsequently to profit or loss:</u>				
Foreign currency translation differences	223,632	(11,213)	27,335	(19,821)
Other comprehensive income/(loss), net of tax	<u>223,500</u>	<u>(11,172)</u>	<u>27,253</u>	<u>(19,821)</u>
Total comprehensive income for the period	<u>810,202</u>	<u>66,574</u>	<u>525,446</u>	<u>6,593</u>
Total comprehensive income attributable to:				
Owners of the Company	434,861	37,756	295,642	1,819
Non-controlling interests	<u>375,341</u>	<u>28,818</u>	<u>229,804</u>	<u>4,774</u>
	<u>810,202</u>	<u>66,574</u>	<u>525,446</u>	<u>6,593</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 2019 S\$'000	1st Half 2018 S\$'000	Change %	2nd Qtr 2019 S\$'000	2nd Qtr 2018 S\$'000	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")	338,780	211,821	59.9	205,383	109,443	87.7
Interest on borrowings	(87,124)	(73,025)	19.3	(51,280)	(45,799)	12.0
Depreciation	(24,735)	(28,144)	(12.1)	(12,464)	(14,314)	(12.9)
Foreign exchange loss	(8,826)	(15,185)	(41.9)	(8,396)	(12,768)	(34.2)
Exceptional items	373,701	-	n.m.	373,701	-	n.m.
Share of results of associated companies	10,415	3,142	231.5	3,695	(221)	n.m.
Share of results of joint ventures	<u>3,356</u>	<u>(5,119)</u>	n.m.	<u>(2,633)</u>	<u>(2,102)</u>	25.3
Profit before income tax	<u>605,567</u>	<u>93,490</u>	547.7	<u>508,006</u>	<u>34,239</u>	n.m.

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 2019**

	<u>Group</u>		<u>Company</u>	
	As at 30/6/2019 <u>S\$'000</u>	As at 31/12/2018 <u>S\$'000</u>	As at 30/6/2019 <u>S\$'000</u>	As at 31/12/2018 <u>S\$'000</u>
<u>Assets</u>				
Current Assets				
Cash and cash equivalents	1,006,007	984,135	951	2,062
Short-term investments	94,838	47,028	-	-
Trade receivables	19,593	26,049	-	-
Other current assets	465,574	249,262	35,289	35,285
Inventories, at cost	1,278	1,253	-	-
Properties held for sale	1,325,935	1,224,017	-	-
	<u>2,913,225</u>	<u>2,531,744</u>	<u>36,240</u>	<u>37,347</u>
Non-Current Assets				
Subsidiaries	-	-	2,348,917	2,354,974
Associated companies	530,057	247,149	-	-
Joint ventures	143,037	142,262	-	-
Long-term investments	181,308	129,555	-	-
Properties under development for sale	1,762,844	1,664,855	-	-
Investment properties	1,666,557	1,613,038	-	-
Property, plant and equipment	151,709	147,461	245	309
Right-of-use assets	1,645	-	1,598	-
Long-term receivables	74,807	82,354	-	-
Deferred tax assets	354	332	-	-
Intangible assets	8,504	1,784	-	-
	<u>4,520,822</u>	<u>4,028,790</u>	<u>2,350,760</u>	<u>2,355,283</u>
Total Assets	<u>7,434,047</u>	<u>6,560,534</u>	<u>2,387,000</u>	<u>2,392,630</u>

UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2019 (cont'd)

	<u>Group</u>		<u>Company</u>	
	As at 30/6/2019 <u>S\$'000</u>	As at 31/12/2018 <u>S\$'000</u>	As at 30/6/2019 <u>S\$'000</u>	As at 31/12/2018 <u>S\$'000</u>
<u>Liabilities and Equity</u>				
Current Liabilities				
Trade payables	36,442	41,977	-	-
Other payables and liabilities	619,280	628,779	370,074	364,176
Bonds and notes payable	41,768	39,200	-	-
Obligations under finance lease	-	357	-	40
Lease liabilities	322	-	194	-
Borrowings	33,967	35,870	-	-
Income taxes payable	3,917	4,177	-	-
	<u>735,696</u>	<u>750,360</u>	<u>370,268</u>	<u>364,216</u>
Non-Current Liabilities				
Bonds and notes payable	799,566	864,556	-	-
Obligations under finance lease	-	57	-	57
Lease liabilities	1,555	-	1,541	-
Borrowings	1,088,283	912,182	-	-
Long-term liabilities	272,980	250,060	-	-
Deferred tax liabilities	12	12	-	-
	<u>2,162,396</u>	<u>2,026,867</u>	<u>1,541</u>	<u>57</u>
Total Liabilities	<u>2,898,092</u>	<u>2,777,227</u>	<u>371,809</u>	<u>364,273</u>
Equity attributable to Owners of the Company				
Issued capital	2,057,844	2,057,844	2,057,844	2,057,844
Treasury shares	(170,460)	(170,460)	(170,460)	(170,460)
Foreign currency translation deficit	(1,406,241)	(1,514,239)	-	-
Other reserves	(21,718)	(15,167)	-	-
Fair value reserve	3,256	3,256	-	-
Retained earnings	1,998,828	1,676,598	127,807	140,973
	<u>2,461,509</u>	<u>2,037,832</u>	<u>2,015,191</u>	<u>2,028,357</u>
Non-Controlling Interests	<u>2,074,446</u>	<u>1,745,475</u>	<u>-</u>	<u>-</u>
Total Equity	<u>4,535,955</u>	<u>3,783,307</u>	<u>2,015,191</u>	<u>2,028,357</u>
Total Liabilities and Equity	<u>7,434,047</u>	<u>6,560,534</u>	<u>2,387,000</u>	<u>2,392,630</u>

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

	As at 30/6/2019			As at 31/12/2018		
	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	76,057	-	76,057	75,427	-	75,427
Amount repayable after one year	996,117	893,287	1,889,404	906,849	869,946	1,776,795
Total	1,072,174	893,287	1,965,461	982,276	869,946	1,852,222

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 2019

	1st Half 2019 S\$'000	1st Half 2018 S\$'000	2nd Qtr 2019 S\$'000	2nd Qtr 2018 S\$'000
Cash flows from operating activities				
Profit before income tax	605,567	93,490	508,006	34,239
Adjustments for:				
Depreciation	24,735	28,144	12,464	14,314
Interest expense	87,124	73,025	51,280	45,799
(Gain)/Loss on disposal of property, plant and equipment	-	(47)	-	6
Gain on disposal of investment properties	-	(1,416)	-	-
Gain on disposal of short-term investments	-	(2,320)	-	(2,303)
Gain on disposal of an associated company	(1)	-	-	-
Effect of restructuring an associated company	(368,240)	-	(368,240)	-
Gain on equity interest	(3,360)	-	(3,360)	-
Negative goodwill	(2,101)	-	(2,101)	-
Loss on disposal of a subsidiary	-	9	-	-
Fair value gain on derivative payable	-	(814)	-	(814)
Share of results of associated companies	(10,415)	(3,142)	(3,695)	221
Share of results of joint ventures	(3,356)	5,119	2,633	2,102
Allowance for/(Write back of) impairment loss on:				
Trade and other receivables	(59)	138	(99)	105
Completed properties held for sale	(145)	-	(51)	-
Changes in fair value of financial assets at fair value through profit or loss	(3,808)	(395)	(1,333)	(214)
Unrealised foreign exchange (gain)/loss	(8,096)	35,884	1,721	32,675
Interest income	(31,380)	(22,780)	(16,003)	(11,510)
Operating cash flows before working capital changes	286,465	204,895	181,222	114,620
Changes in working capital:				
Trade receivables	6,353	(6,064)	(231)	(1,983)
Other current assets and receivables	(44,903)	(4,234)	(48,792)	(5,401)
Inventories	(25)	(53)	15	(2)
Trade payables	(5,535)	2,690	(3,241)	4,488
Other payables and liabilities	(21,749)	4,073	(73,632)	37
Cash generated from operations	220,606	201,307	55,341	111,759
Interest paid	(58,873)	(66,439)	(45,617)	(45,381)
Interest received	24,066	18,666	13,421	9,439
Tax paid	(6,819)	(24,887)	(6,506)	(14,336)
Net cash generated from operating activities	178,980	128,647	16,639	61,481

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2019 (cont'd)

	1st Half 2019 S\$'000	1st Half 2018 S\$'000	2nd Qtr 2019 S\$'000	2nd Qtr 2018 S\$'000
Cash flows from investing activities				
Net cash outflow from disposal of a subsidiary	-	(8)	-	-
Acquisition of additional interest in a joint venture	-	(4,900)	-	(4,900)
Acquisition of a subsidiary, net of cash acquired	(1,802)	-	(1,802)	-
Acquisition of associated companies	(18,999)	-	(4)	-
Proceeds from disposal of investment properties	-	2,327	-	-
Proceeds from disposal of property, plant and equipment	-	81	-	28
Proceeds from disposal of an associated company	3	-	-	-
Proceeds from disposal of certain interest in an associated company	44,128	-	44,128	-
Capital expenditure on investment properties	(28,284)	(42,140)	(12,763)	(31,291)
Capital expenditure on property, plant and equipment	(2,959)	(3,730)	(2,414)	(2,335)
Capital expenditure on properties under development and held for sale	(49,219)	(141,248)	3,370	(59,042)
Dividends from associated companies and a joint venture	7,066	4,865	7,066	4,865
(Investment in)/Proceeds from financial assets, net	(89,571)	(98,073)	(42,856)	210,217
Increase in long-term receivables	(71,808)	-	(962)	-
Net cash (used in)/generated from investing activities	(211,445)	(282,826)	(6,237)	117,542
Cash flows from financing activities				
Proceeds from borrowings	190,582	312,198	95,952	-
Payment for borrowings	(31,144)	(104,780)	(7,723)	(2,323)
Proceeds from issuance of bonds and notes	-	396,426	-	396,426
Payment for bonds and notes	(104,805)	(175,000)	(104,805)	(175,000)
Acquisition of additional interest in a subsidiary	(52)	(450)	-	-
Decrease/(Increase) in time deposits pledged	11,430	(13,660)	(388)	(4,704)
Payment for obligations under finance lease	-	(2,318)	-	(898)
Payment for lease liabilities	(240)	-	(53)	-
Payment for dividends	(54,945)	(45,213)	(54,838)	(45,213)
Capital subscribed by non-controlling shareholders	641	630	-	630
Net cash generated from/(used in) financing activities	11,467	367,833	(71,855)	168,918
Net (decrease)/increase in cash and cash equivalents	(20,998)	213,654	(61,453)	347,941
Cash and cash equivalents at beginning of the period	914,452	865,577	1,004,215	733,866
Effect of exchange rate changes on cash and cash equivalents	54,300	(3,765)	4,992	(6,341)
Cash and cash equivalents at end of the period (See Note)	947,754	1,075,466	947,754	1,075,466

Note:

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

	As at 30/6/2019 S\$'000	As at 30/6/2018 S\$'000
Cash on hand, cash in banks and time deposits	1,006,007	1,153,836
Less: Time deposits pledged	(58,253)	(78,370)
	947,754	1,075,466

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								
	Issued capital	Treasury shares	Foreign currency translation deficit	Other reserves	Fair value reserve	Retained earnings	Total	Non-Controlling Interests	Total Equity
The Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 31.12.2018	2,057,844	(170,460)	(1,514,239)	(15,167)	3,256	1,676,598	2,037,832	1,745,475	3,783,307
Effect of adoption of SFRS(I) 16	-	-	-	-	-	(42)	(42)	-	(42)
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	-	-	-	-	-	43,311	43,311	45,198	88,509
Foreign currency translation differences	-	-	96,090	-	-	-	96,090	100,207	196,297
Other comprehensive loss for the period	-	-	-	(182)	-	-	(182)	132	(50)
Total comprehensive income/(loss) for the period	-	-	96,090	(182)	-	43,311	139,219	145,537	284,756
Capital subscribed by non-controlling shareholders	-	-	-	-	-	-	-	641	641
Changes in interest in a subsidiary	-	-	-	32	-	-	32	(84)	(52)
Dividend paid to non-controlling shareholders	-	-	-	-	-	-	-	(107)	(107)
Balance at 31.3.2019	2,057,844	(170,460)	(1,418,149)	(15,317)	3,256	1,719,867	2,177,041	1,891,462	4,068,503
Profit for the period	-	-	-	-	-	287,473	287,473	210,720	498,193
Foreign currency translation differences	-	-	8,052	-	-	-	8,052	19,283	27,335
Other comprehensive income for the period	-	-	-	117	-	-	117	(199)	(82)
Total comprehensive income for the period	-	-	8,052	117	-	287,473	295,642	229,804	525,446
Dilution of interest in an associated company	-	-	3,856	(6,518)	-	-	(2,662)	(494)	(3,156)
Dividends paid	-	-	-	-	-	(8,512)	(8,512)	-	(8,512)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	(46,326)	(46,326)
Balance at 30.6.2019	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

	Attributable to Owners of the Company						Non-Controlling Interests	Total Equity	
	Issued capital	Treasury shares	Foreign currency translation deficit	Other reserves	Fair value reserve	Retained earnings			Total
<u>The Group</u>	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1.1.2018 as per previously announced	2,057,844	(170,460)	(1,304,750)	(23,570)	93	1,594,155	2,153,312	1,889,817	4,043,129
Profit for the period	-	-	-	-	-	28,014	28,014	23,318	51,332
Foreign currency translation differences	-	-	7,889	-	-	-	7,889	719	8,608
Other comprehensive income for the period	-	-	-	34	-	-	34	7	41
Total comprehensive income for the period	-	-	7,889	34	-	28,014	35,937	24,044	59,981
Changes in interest in subsidiaries	-	-	-	1,201	-	-	1,201	(1,651)	(450)
Balance at 31.3.2018	2,057,844	(170,460)	(1,296,861)	(22,335)	93	1,622,169	2,190,450	1,912,210	4,102,660
Profit for the period	-	-	-	-	-	20,006	20,006	6,408	26,414
Foreign currency translation differences	-	-	(18,187)	-	-	-	(18,187)	(1,634)	(19,821)
Total comprehensive income/(loss) for the period	-	-	(18,187)	-	-	20,006	1,819	4,774	6,593
Dividends paid	-	-	-	-	-	(29,791)	(29,791)	-	(29,791)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	(15,422)	(15,422)
Capital subscribed by non-controlling shareholders	-	-	-	-	-	-	-	630	630
Balance at 30.6.2018	2,057,844	(170,460)	(1,315,048)	(22,335)	93	1,612,384	2,162,478	1,902,192	4,064,670

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>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Balance at 31 December 2018	2,057,844	(170,460)	140,973	2,028,357
Effect of adoption of SFRS(I) 16	-	-	(42)	(42)
Balance at 1 January 2019	2,057,844	(170,460)	140,931	2,028,315
Profit for the period, representing total comprehensive income for the period	-	-	5,346	5,346
Balance at 31 March 2019	2,057,844	(170,460)	146,277	2,033,661
Dividends paid for 2018	-	-	(8,512)	(8,512)
Loss for the period, representing total comprehensive loss for the period	-	-	(9,958)	(9,958)
Balance at 30 June 2019	<u>2,057,844</u>	<u>(170,460)</u>	<u>127,807</u>	<u>2,015,191</u>
Balance at 1 January 2018	2,057,844	(170,460)	164,101	2,051,485
Profit for the period, representing total comprehensive income for the period	-	-	3,658	3,658
Balance at 31 March 2018	2,057,844	(170,460)	167,759	2,055,143
Dividends paid for 2017	-	-	(29,791)	(29,791)
Loss for the period, representing total comprehensive loss for the period	-	-	(5,921)	(5,921)
Balance at 30 June 2018	<u>2,057,844</u>	<u>(170,460)</u>	<u>132,047</u>	<u>2,019,431</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

There were no movements in the Company's issued capital since 31 December 2018. Details of the Company's issued and paid-up capital were as follows:

	As at	
	30/6/2019	30/6/2018
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 30 June 2019 and 31 December 2018 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 2018.

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 2018.

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 various new and revised SFRS(I)s that are relevant to its operations and effective for period beginning 1 January 2019. Except as disclosed below, the adoption of the new and revised SFRS(I)s has had no material financial impact on the Group's financial statements.

SFRS(I) 16, *Leases* sets out a revised framework for the recognition, measurement, presentation and disclosure of leases, and replaces existing lease accounting guidance. SFRS(I) 16 requires lessees to recognise right-of-use assets and lease liabilities for all leases with a term of more than 12 months, except where the underlying asset is of low value. The right-of-use asset is depreciated and interest expense is recognised on the lease liability. The accounting requirements for lessors have not been changed substantially, and continue to be based on classification as operating and finance leases. Disclosure requirements have been enhanced for both lessors and lessees.

The Group adopted SFRS(I) 16 on 1 January 2019 based on a permitted transition approach that does not restate comparative information, but recognised the cumulative effect of initially applying SFRS(I) 16 as an adjustment to the opening balance of retained earnings on 1 January 2019. The Group also adopted an expedient offered by SFRS(I) 16, exempting the Group from having to reassess whether pre-existing contracts contain a lease.

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 and the Company have entered into leasing arrangements with lessors for rental of office premises and properties as lessee. Prior to adoption of SFRS(I) 16, the Group and the Company recognised these arrangement as operating leases and payments made under operating leases are recognised in the income statement on a straight-line basis over the period of the lease. Upon adoption of SFRS(I) 16, the Group and the Company recognised the right-of-use assets and lease liabilities. The nature of expenses related to those leases will change as SFRS(I) 16 replaces the straight-line operating lease expense with depreciation charge for right-of-use assets and interest expenses on lease liabilities. The Group does not restate the comparative information for the effect of adopting SFRS(I) 16 due to the exemption in SFRS(I) 16 but has instead recognised the effect in retained earnings and other reserves as at 1 January 2019.

The following reconciliations summaries the impacts of transition to SFRS(I) 16 on the Group's and the Company's financial statements.

Consolidated statement of financial position as at 31 December 2018 and 1 January 2019

	At 31.12.2018 S\$'000	Recognition of ROU assets and lease liabilities S\$'000	Reclass S\$'000	At 1.1.2019 S\$'000
<u>The Group</u>				
Right-of-use assets	-	1,753	-	1,753
Obligations under finance lease:				
Current	(357)	-	357	-
Non-current	(57)	-	57	-
Lease liabilities:				
Current	-	(185)	(357)	(542)
Non-current	-	(1,610)	(57)	(1,667)
Retained earnings	<u>1,676,598</u>	<u>(42)</u>	<u>-</u>	<u>1,676,556</u>
<u>The Company</u>				
Right-of-use assets	-	1,692	-	1,692
Obligations under finance lease:				
Current	(40)	-	40	-
Non-current	(57)	-	57	-
Lease liabilities:				
Current	-	(154)	(40)	(194)
Non-current	-	(1,580)	(57)	(1,637)
Retained earnings	<u>140,973</u>	<u>(42)</u>	<u>-</u>	<u>140,931</u>

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 2019	1st Half 2018	2nd Qtr 2019	2nd Qtr 2018
Earnings per ordinary share for the period after deducting any provision for preference dividends:-				
(i) Based on weighted average number of ordinary shares	SGD7.77cents	SGD1.13cents	SGD6.75cents	SGD0.47cents
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 number 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 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 30/6/2019	As at 31/12/2018	As at 30/6/2019	As at 31/12/2018
Net asset value per ordinary share based on existing issued share capital (excluding treasury shares) of 4,255,862,496 shares	S\$0.58	S\$0.48	S\$0.47	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
For half year ended	Indonesia	United Kingdom	Others (see note 1)	Total Property Business		
Revenue						
30 June 2019	535.3	18.0	7.6	560.9	-	560.9
30 June 2018	354.8	20.2	9.3	384.3	-	384.3
Increase/(Decrease)	180.5	(2.2)	(1.7)	176.6	-	176.6
Increase/(Decrease) %	50.9	(10.9)	(18.3)	46.0	-	46.0
Gross Profit						
30 June 2019	368.4	11.4	4.0	383.8	-	383.8
30 June 2018	251.8	13.6	4.7	270.1	-	270.1
Increase/(Decrease)	116.6	(2.2)	(0.7)	113.7	-	113.7
Increase/(Decrease) %	46.3	(16.2)	(14.9)	42.1	-	42.1
EBITDA						
30 June 2019	322.2	15.4	3.8	341.4	(2.6)	338.8
30 June 2018	192.2	17.4	5.0	214.6	(2.8)	211.8
Increase/(Decrease) in earnings	130.0	(2.0)	(1.2)	126.8	0.2	127.0
Increase/(Decrease) %	67.6	(11.5)	(24.0)	59.1	7.1	59.9
Interest on borrowings						
30 June 2019	76.8	7.6	7.4	91.8	(4.7)	87.1
30 June 2018	65.3	6.7	4.3	76.3	(3.3)	73.0
Increase/(Decrease)	11.5	0.9	3.1	15.5	(1.4)	14.1
Increase/(Decrease) %	17.6	13.4	72.1	20.3	(42.4)	19.3
Depreciation						
30 June 2019	18.9	4.6	1.0	24.5	0.2	24.7
30 June 2018	21.5	4.8	1.7	28.0	0.1	28.1
Increase/(Decrease)	(2.6)	(0.2)	(0.7)	(3.5)	0.1	(3.4)
Increase/(Decrease) %	(12.1)	(4.2)	(41.2)	(12.5)	100.0	(12.1)
Foreign exchange (loss)/gain						
30 June 2019	(5.5)	-	(1.0)	(6.5)	(2.3)	(8.8)
30 June 2018	(22.3)	(0.1)	1.5	(20.9)	5.7	(15.2)
Increase/(Decrease) in gain	16.8	0.1	(2.5)	14.4	(8.0)	6.4
Increase/(Decrease) %	75.3	(100.0)	n.m.	68.9	n.m.	(41.9)
Share of associates' profit						
30 June 2019	10.4	-	-	10.4	-	10.4
30 June 2018	3.1	-	-	3.1	-	3.1
Increase/(Decrease) in profit	7.3	-	-	7.3	-	7.3
Increase/(Decrease) %	231.5	-	-	231.5	-	231.5
Share of joint ventures' profit						
30 June 2019	3.4	-	-	3.4	-	3.4
30 June 2018	(5.1)	-	-	(5.1)	-	(5.1)
Increase/(Decrease) in profit	8.5	-	-	8.5	-	8.5
Increase/(Decrease) %	n.m.	-	-	n.m.	-	n.m.
Pre-tax profit/(loss)						
30 June 2019	608.6	3.2	(5.8)	606.0	(0.4)	605.6
30 June 2018	81.1	5.8	0.5	87.4	6.1	93.5
Increase/(Decrease) in profit	527.5	(2.6)	(6.3)	518.6	(6.5)	512.1
Increase/(Decrease) %	650.4	(44.8)	n.m.	593.4	n.m.	547.7
Net profit/(loss) attributable to Owners of the Company						
30 June 2019	334.9	3.2	(6.8)	331.3	(0.5)	330.8
30 June 2018	34.1	5.8	2.1	42.0	6.0	48.0
Increase/(Decrease) in profit	300.8	(2.6)	(8.9)	289.3	(6.5)	282.8
Increase/(Decrease) %	882.1	(44.8)	n.m.	688.8	n.m.	588.8

Notes:

- (1) This refers to property operations in China and the AFP Land group, which consist of the former Amcol group of companies mainly located in Singapore, Malaysia, Batam (Indonesia) and also a land bank in Bali (Indonesia).
- (2) n.m. – not meaningful.

PERFORMANCE FOR HALF YEAR ENDED 30 JUNE 2019

Revenue for the Group was at \$560.9 million for half year ended 30 June 2019 ("1H2019") as compared to \$384.3 million in the previous corresponding period ("1H2018"), representing an increase of 46.0%. The higher sales of land parcels and residential units in Indonesia and exceptional gains of \$373.7 million recorded in the current period have brought the EBITDA and net profit attributable to owners of the Company to \$338.8 million and \$330.8 million respectively in 1H2019.

REVENUE

The Group's revenue increased by 46.0% to \$560.9 million in 1H2019 mainly contributed by higher sales of commercial and industrial land parcels in Indonesia and higher sales of residential units in BSD City, Indonesia.

GROSS PROFIT

In tandem with the increase in sales of land parcels, the Group's gross profit increased from \$270.1 million in 1H2018 to \$383.8 million. The Group's overall gross profit margin remained high at 68.4% in the current period as compared to 70.3% in 1H2018.

OPERATING EXPENSES

Selling expenses comprised mainly advertising and marketing expenses, professional fees, and 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 7.9% to \$113.9 million in 1H2019 mainly due to lower promotion and marketing expenses incurred and lower depreciation expenses recorded during the current period.

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 \$50.2 million in 1H2018 to \$55.7 million in the current period mainly attributable to higher interest expenses in line with higher average borrowings during the current period.

FOREIGN EXCHANGE LOSS

The net foreign exchange loss of the Group decreased from \$15.2 million in 1H2018 to \$8.8 million in 1H2019. Higher loss in 1H2018 was mainly due to translation loss on U.S. Dollar ("USD") denominated payables as USD strengthened against Indonesian Rupiah ("IDR") during the previous corresponding period.

SHARE OF RESULTS OF ASSOCIATED COMPANIES, NET

The share of profit in associated companies increased from \$3.1 million in 1H2018 to \$10.4 million mainly attributable to foreign exchange gain recorded and higher revenue in certain associated companies in Indonesia.

SHARE OF RESULTS OF JOINT VENTURES, NET

The Group recorded a share of profit in joint ventures of \$3.4 million in 1H2019 as compared to a share of loss of \$5.1 million in 1H2018. This was mainly due to higher sales of residential units in certain joint ventures in Indonesia.

EXCEPTIONAL ITEMS

The exceptional items comprised negative goodwill and gain on equity interest previously held in a joint venture of \$5.5 million, which became the Group's subsidiary following the acquisition of the remaining equity interests in this joint venture, as well as effect of restructuring an associated company, PT Plaza Indonesia Realty Tbk ("PLIN"), of \$368.2 million.

The Group's subsidiary, PT Bumi Serpong Damai Tbk ("BSDE"), completed a restructuring exercise relating to its shareholding interests in PLIN in June 2019. Pursuant to this restructuring exercise, BSDE disposed all its shareholdings in PLIN, and acquired participation units in Dana Investasi Real Estat Simas Plaza Indonesia ("DIRE") and shares in PT Plaza Indonesia Mandiri ("PIM"). Subsequent to this restructuring exercise, BSDE owns (i) 38.83% of the units in DIRE, (ii) DIRE owns 100% of the shares in PT Plaza Indonesia Investama, which in turn owns 95.75% of the shares in PLIN; and (iii) BSDE owns 48.48% of the shares in PIM.

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 higher at \$18.9 million in the current period mainly in line with the higher revenue and taxable income recorded in certain subsidiaries.

NON-CONTROLLING INTERESTS

Profit attributable to non-controlling interests was higher at \$255.9 million in 1H2019 mainly in line with higher profit and exceptional gain recorded in BSDE.

REVIEW OF FINANCIAL POSITION AS AT 30 JUNE 2019

The Group adopted SFRS(I) 16, Leases, requiring lessees to recognise right-of-use assets and lease liabilities for all leases with effect from 1 January 2019. The cumulative effect of initial application has been adjusted against the opening balance of retained earnings on 1 January 2019 based on the permitted transition approach. Details and impact of adjustment are disclosed in Note 5 above.

Assets

The Group's total assets increased from \$6,560.5 million as at end of previous year to \$7,434.0 million as at 30 June 2019. This was mainly due to translation effect of strengthening of IDR against SGD, coupled with increases in both long-term and short term investments, investment in associated companies and other current assets.

The investment in DIRE, a real estate investment trust in Indonesia, as well as investment in Taicang Rongguan Real Estate Development Co., Ltd, a new associated company in China, has resulted in the higher investment in associated companies as at 30 June 2019.

Long-term and short-term investments increased by \$99.6 million to \$276.1 million mainly due to additional placement of funds.

Other current assets increased by \$216.3 million mainly attributable to loan granted to and dividend income receivable from associated companies, coupled with increase in advances for purchase of development properties.

Liabilities

Total liabilities of the Group increased by \$120.9 million to \$2,898.1 million as at 30 June 2019 mainly attributable to translation effect of strengthening of IDR, and increase in total borrowings.

REVIEW OF CASH FLOWS FOR HALF YEAR ENDED 30 JUNE 2019

Net cash and cash equivalents (before the effect of exchange rate changes) decreased by \$21.0 million in the current period mainly as a result of cash used in investment activities, partially offset by cash generated from operating and financing activities of \$179.0 million and \$11.5 million respectively.

Net cash used in investing activities of \$211.4 million mainly related to placement in funds, equity and loan investments in associated companies and their related company, as well as capital expenditure incurred during the current period.

Net cash generated from financing activities of \$11.5 million mainly related to net proceeds from additional borrowings after payment for dividends 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

Indonesia's GDP was marginally weaker at 5.05% in second quarter 2019 ("2Q2019"). Looking ahead, President Joko Widodo was re-elected to a second five-year term in 2Q2019 and we expect his economic policies to continue to boost investments in infrastructure. The tax on luxury properties has been reduced from 5% to 1% and it is expected that the government will also introduce corporate tax cuts. However, with the on-going US-China trade war and depressed commodity prices, economic growth may likely remain muted. Our Indonesia property division remains focused on differentiating our residential and commercial portfolio. With Bank Indonesia cutting its key rate by 25 basis points last month to help ease borrowing cost, this should help support the property market. Our industrial portfolio which is largely driven by land sales, has received more investors' enquiry this year, with around 150 hectares of land under discussions. Performance for both the United Kingdom and China property division is expected to be dampened by the weakening of both the British Pound and the Chinese Renminbi.

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/recommended, a statement to that effect

No dividend has been declared for the second quarter ended 30 June 2019 as the Company generally review its dividend policy at the end of the financial year.

13. Interested persons transactions disclosure

Name of interested person	Aggregate value of all interested person transactions during the period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) S\$	Aggregate Value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) S\$
PT Bank Sinarmas Tbk ^{#1}	Nil	7,981,288
PT Golden Energy Mines Tbk	Nil	2,836,569
PT Indah Kiat Pulp & Paper Tbk	Nil	3,360,176
PT Sinarmas Sekuritas	Nil	398,645
Total	Nil	14,576,678

Note:

^{#1} Principal amount of placements as at 30 June 2019 is approximately S\$9.5 million.

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 and second quarter ended 30 June 2019 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
14 August 2019

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Submitted by Kimberley Lye Chor Mei, Company Secretary on 14 August 2019 to the SGX