



sinarmas land

***“Building for a better
future”***

**2Q &1H 2019
Financial Results Presentation**

CORONER COURT

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01. KEY HIGHLIGHTS

02. FINANCIAL PERFORMANCE

03. BUSINESS UPDATES

04. APPENDIX

Key Highlights for 2Q & 1H 2019

- The Group's 2nd Quarter ("2Q") & 1st Half ("1H") 2019 revenue increased by 83.0% and 46.0% compared to the corresponding period last year respectively to S\$361.0 million and S\$560.9 million. This was contributed mainly by higher sales of commercial and industrial land parcels in BSD City and Kota Deltamas.
- In tandem with the higher revenue, 2Q & 1H 2019 gross profit increased by 68.7% and 42.1% compared to the corresponding period last year respectively to S\$236.4 million and S\$383.8 million.
- Profit attributable to owners of the Company increased by 588.8% in 1H 2019 to S\$330.8 million in line with the higher revenue and a one-off restructuring of an associated company which had a positive effect of S\$368.2 million.
- 1H 2019 financial position remained healthy with total assets of S\$7,434.0 million of which cash and cash equivalents stand at S\$1,006.0 million and a net debt to equity ratio of 21.2%.
- BSDE achieved IDR 2.7 trillion of marketing sales for 1H 2019 or 43.5% of full year 2019 ("FY 2019") target of IDR 6.2 trillion.
- DMAS managed to achieve marketing sales of IDR1,218 billion for 1H 2019 or 97.4% of full year 2019 ("FY 2019") target of IDR 1,250 billion.
- Sinarmas Land and Grab announced the launch of a pilot project for an innovative mobility solution, GrabWheels. This is part of the development of the BSD City region into an integrated smart digital city.
- Following the signing of a Shareholder Agreement with Citramas Group on 25 February 2019 to jointly develop Nongsa Digital Economy Hub, both parties has appointed Surbana Jurong as the Master Planner for this development.

01. KEY HIGHLIGHTS

02. FINANCIAL PERFORMANCE

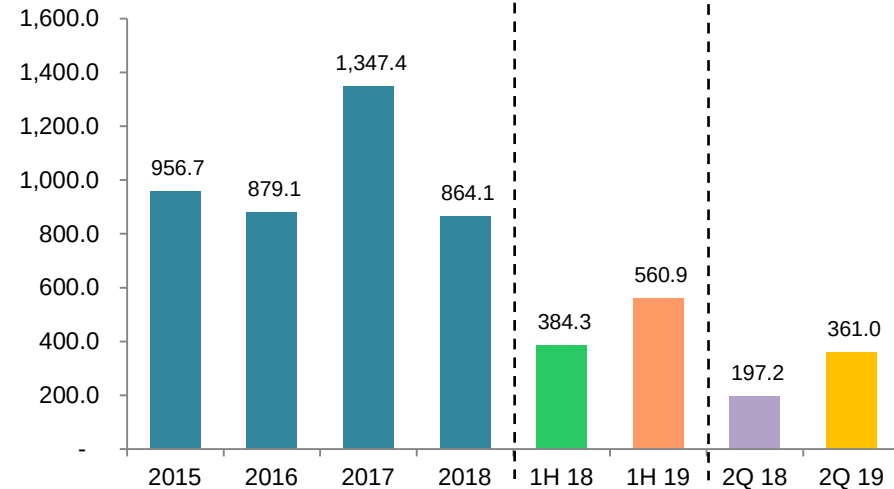
03. BUSINESS UPDATES

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2Q & 1H 2019 Financial Highlights

Revenue

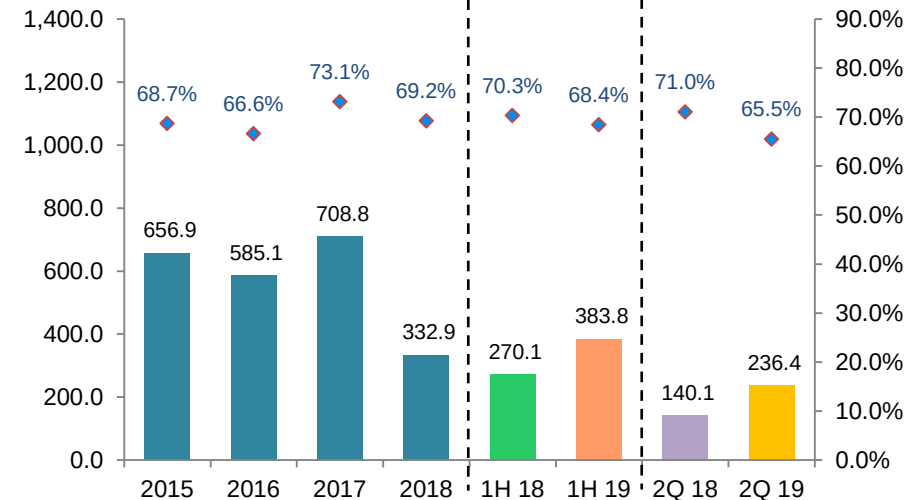
S\$ million



- Total revenue in 2Q & 1H 2019 increased by 83.0% and 46.0% respectively to S\$361.0 million and S\$560.9 million, contributed mainly by higher sales of commercial land parcels in BSD City and Kota Deltamas
- In addition, higher contribution from the sales of industrial land parcel in Kota Deltamas and Karawang International Industrial City led to the increase in 1H 2019's revenue

Gross Profit and Gross Profit margin

S\$ million

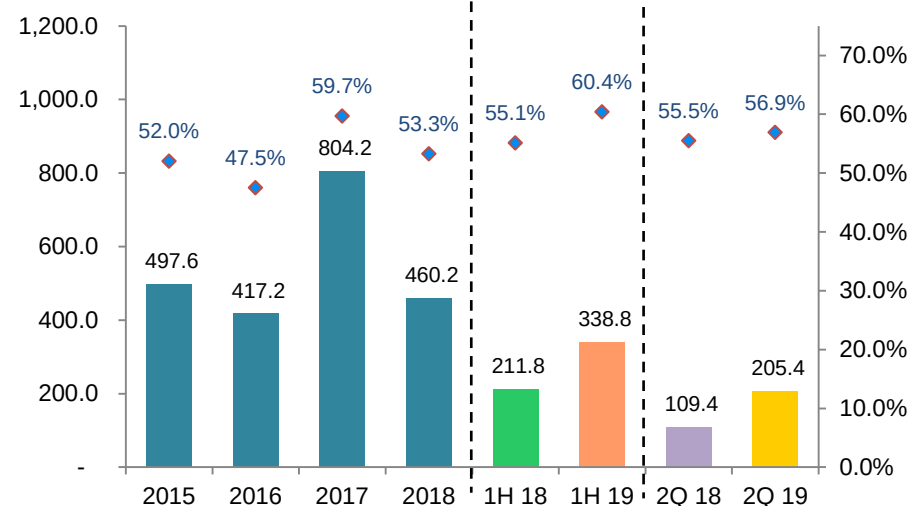


- In tandem with the higher revenue, 2Q & 1H 2019 gross profit increased by 68.7% and 42.1% compared to the corresponding period last year respectively to S\$236.4 million and S\$383.8 million.
- Despite higher gross profit, 2Q & 1H 2019 gross profit margin reduced marginally by 5.5 and 1.9 percentage points to 65.5% and 68.4% respectively due to higher average land costs for Kota Deltamas, BSD City and Karawang International Industrial City.

2Q & 1H 2019 Financial Highlights

EBITDA and EBITDA margin

S\$ million

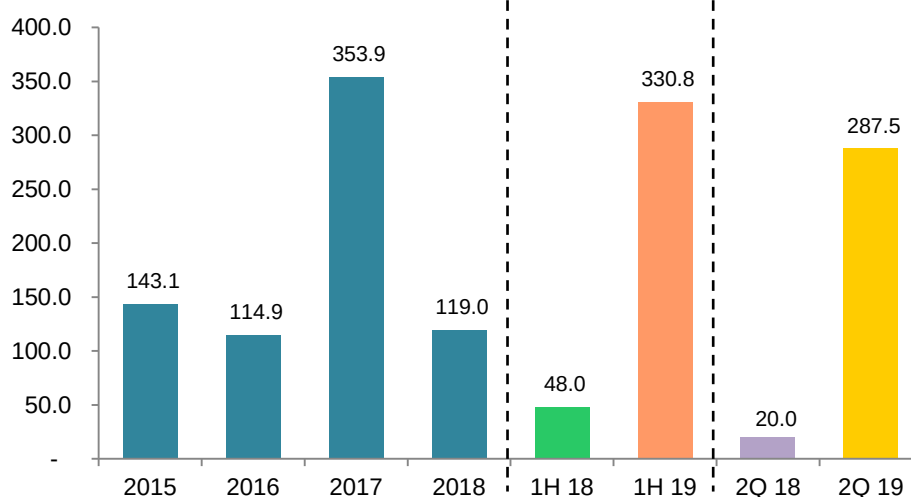


EBITDA increased 87.7% and 59.9% to S\$205.4 million and S\$338.8 million in 2Q and 1H 2019 respectively in line with the higher revenue contribution from Indonesia division, coupled with lower promotion and marketing expenses incurred and lower depreciation recorded in the period.

In line with the higher gross profit margin, EBITDA margin increased by 1.4 percentage points to 56.9% in 2Q 2019 and 5.3 percentage point to 60.4% in 1H 2019

Profit attributable to Owners of the Company

S\$ million

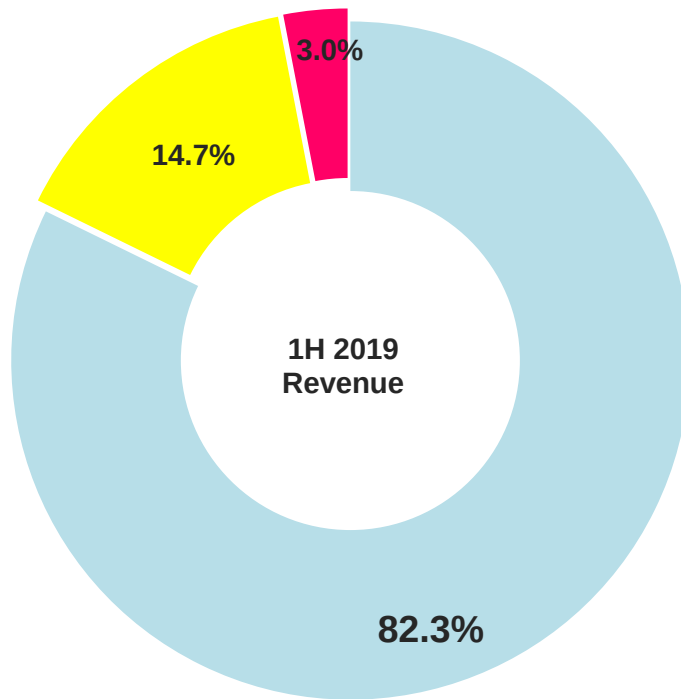


Profit attributable to owners of the Company increased by 588.8% in 1H 2019 to S\$330.8 million due to the restructuring of an associated company which had a positive effect of S\$368.2 million.

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 1H 2019

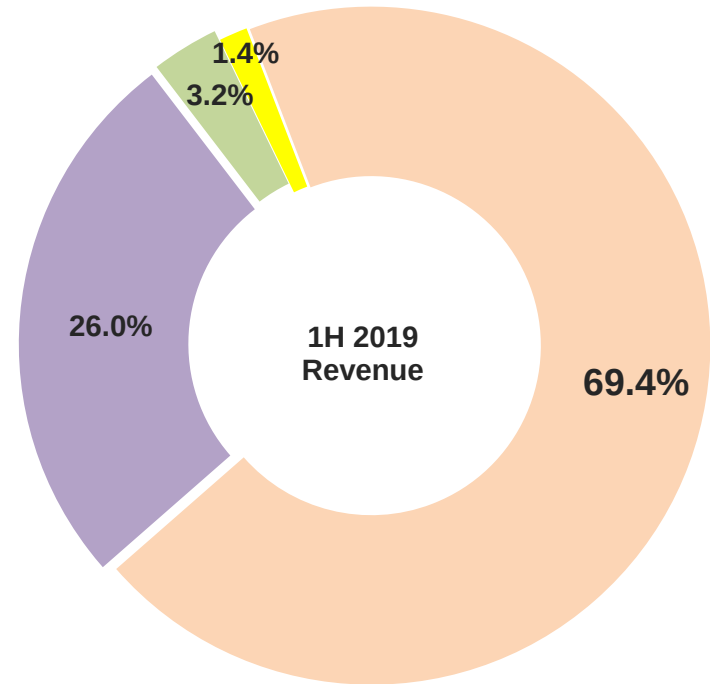
1H 2019 Revenue Breakdown

Revenue – Product Breakdown (%)



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

Revenue – Geographical Breakdown (%)

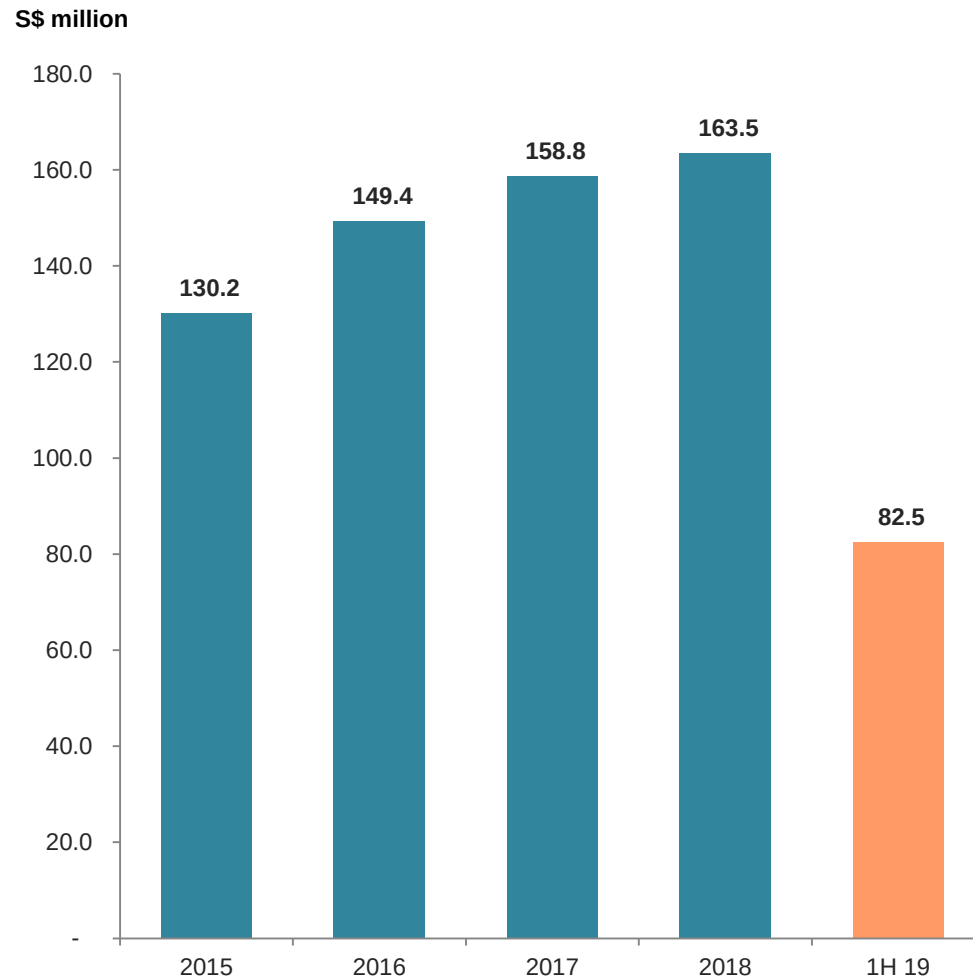


- BSDE
- Non-BSDE
- UK
- Others*

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

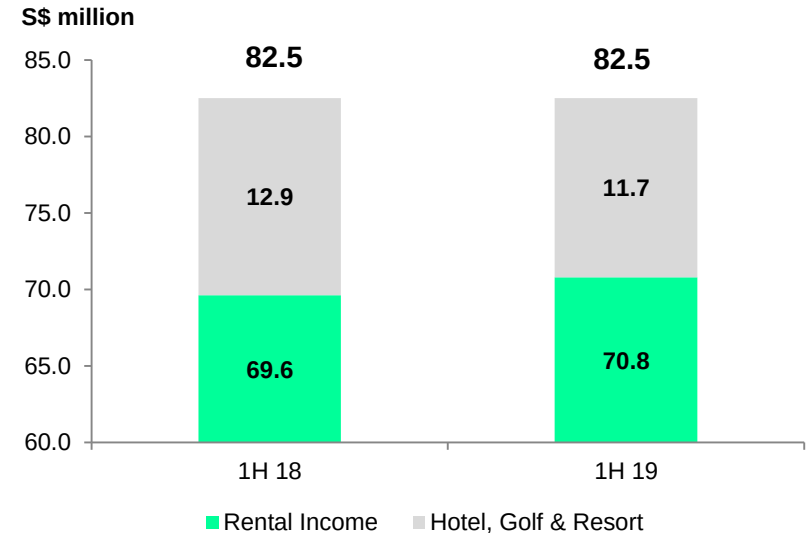
1H 2019 Recurring Income (Revenue) Breakdown

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

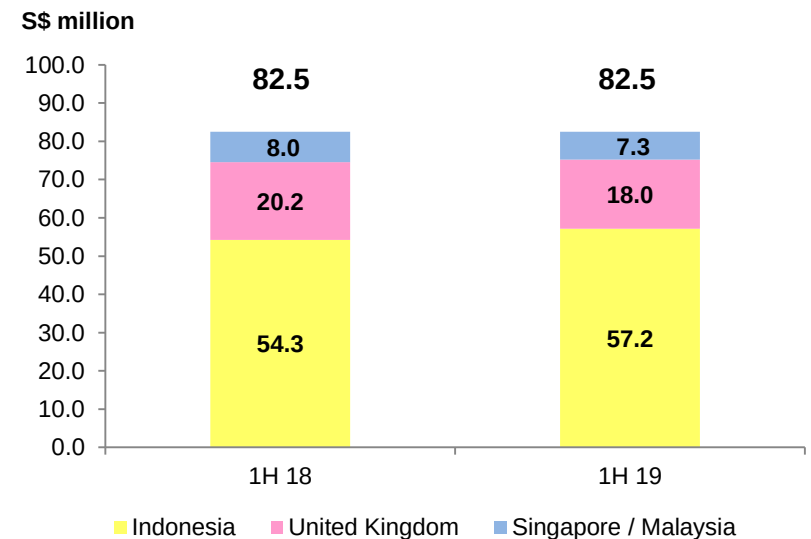


* : Recurring income (Revenue) includes rental income, hotel revenue and revenue from golf and resort operations

Recurring Income (Revenue) – Product Breakdown



Recurring Income (Revenue) – Geographical Breakdown

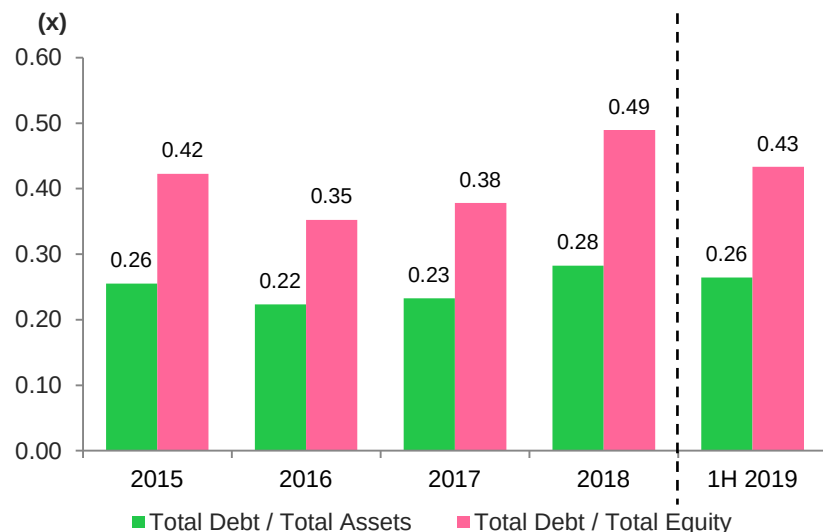


1H 2019 – Financial Snapshot

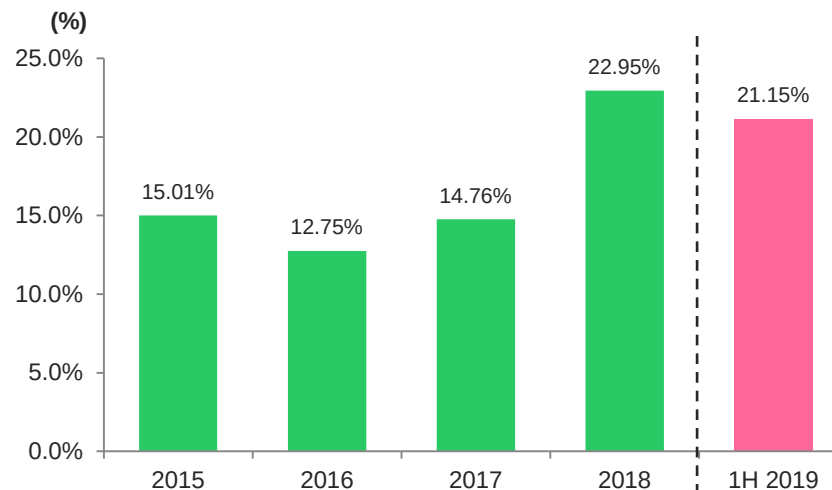
(S\$ '000)	As at 30 Jun 2019	As at 31 Dec 2018
Assets		
Cash and cash equivalents	1,006,007	984,135
Investment properties	1,666,557	1,613,038
Properties held for sale	1,325,935	1,224,017
Properties under development for sale	1,762,844	1,664,855
Other assets	1,672,704	1,074,489
Total Assets	7,434,047	6,560,534
Liabilities		
Borrowings	1,122,250	948,052
Bond Payables	841,334	903,756
Other liabilities	934,508	925,419
Total Liabilities	2,898,092	2,777,227
Equity		
Total Capital and reserves	2,461,509	2,037,832
Non-controlling Interest	2,074,446	1,745,475
Total Equity	4,535,955	3,783,307

Key Financial Ratios

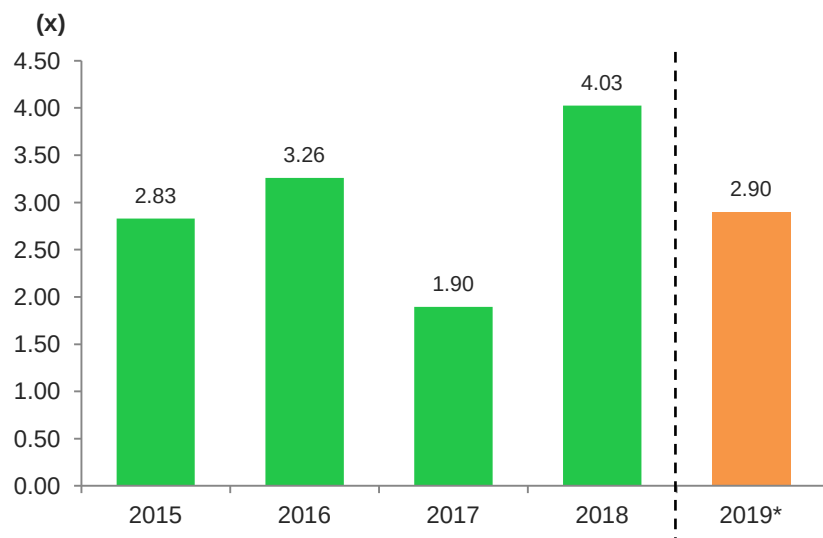
Debt / Assets and Debt / Equity



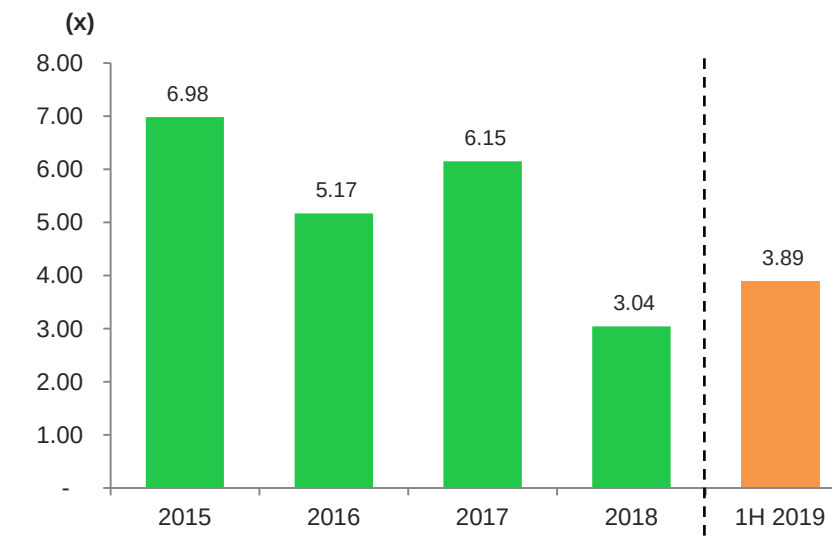
Net Debt / Equity



Total Debt / EBITDA



EBITDA / Interest Expense

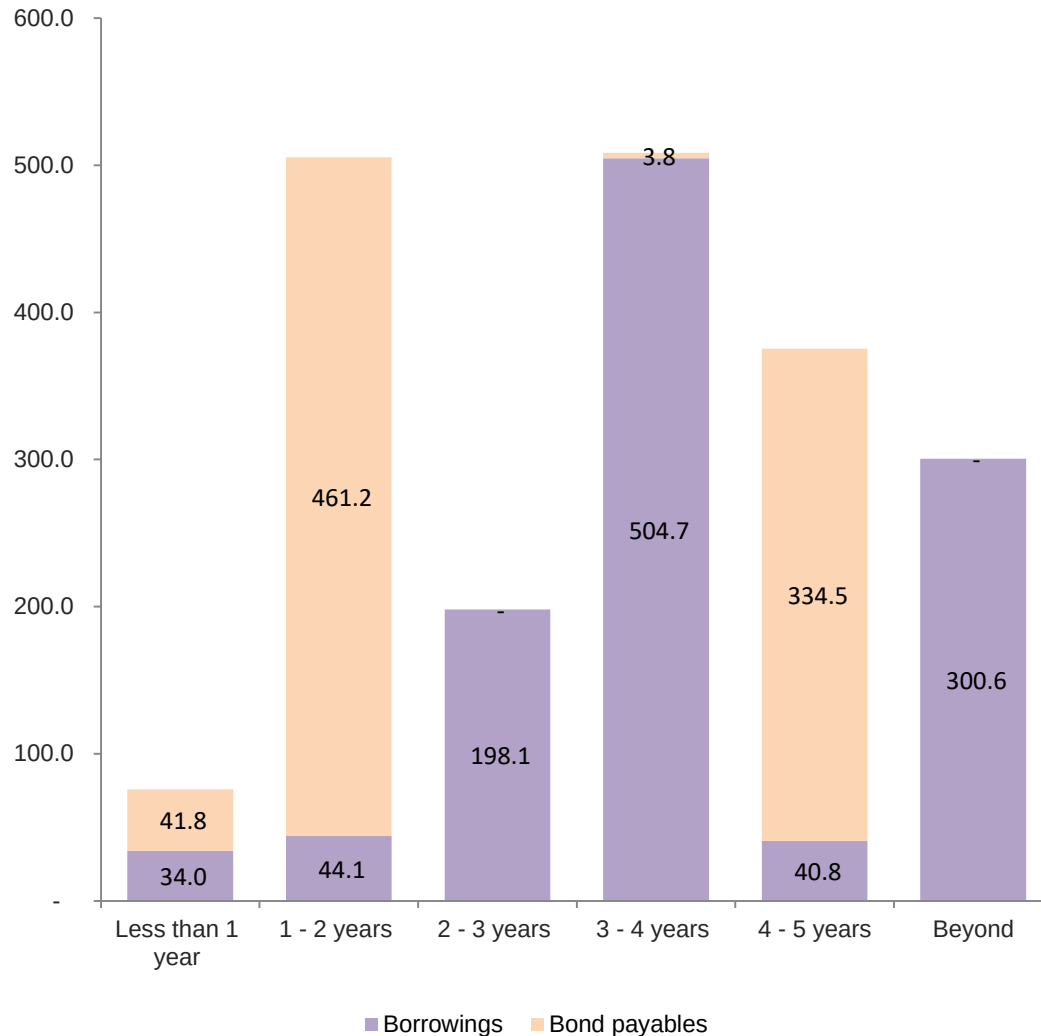


* : Annualized

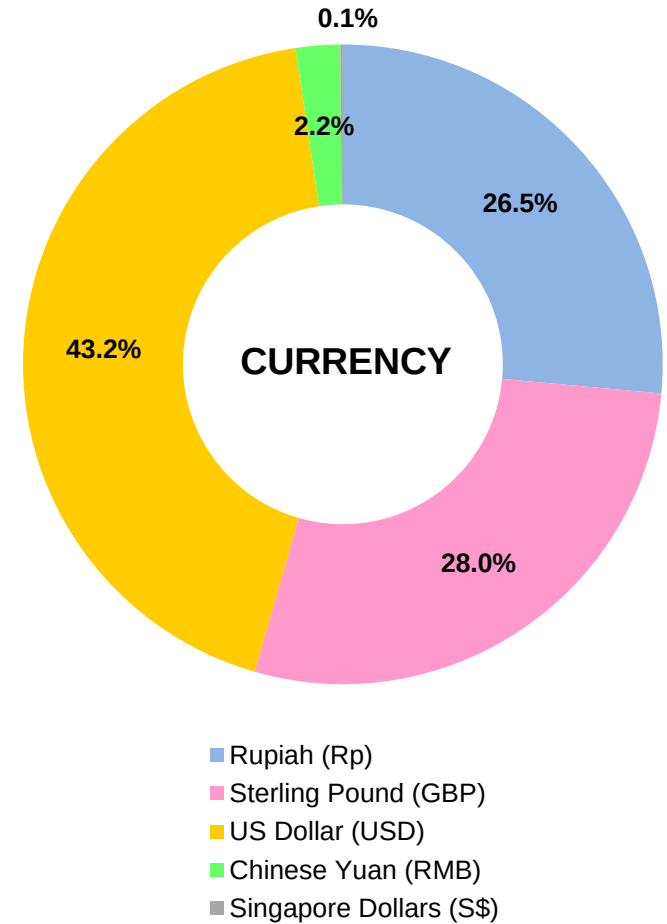
Debt Maturity Profile & Funding Mix

Debt Maturity Profile as at 30 June 2019

S\$ million

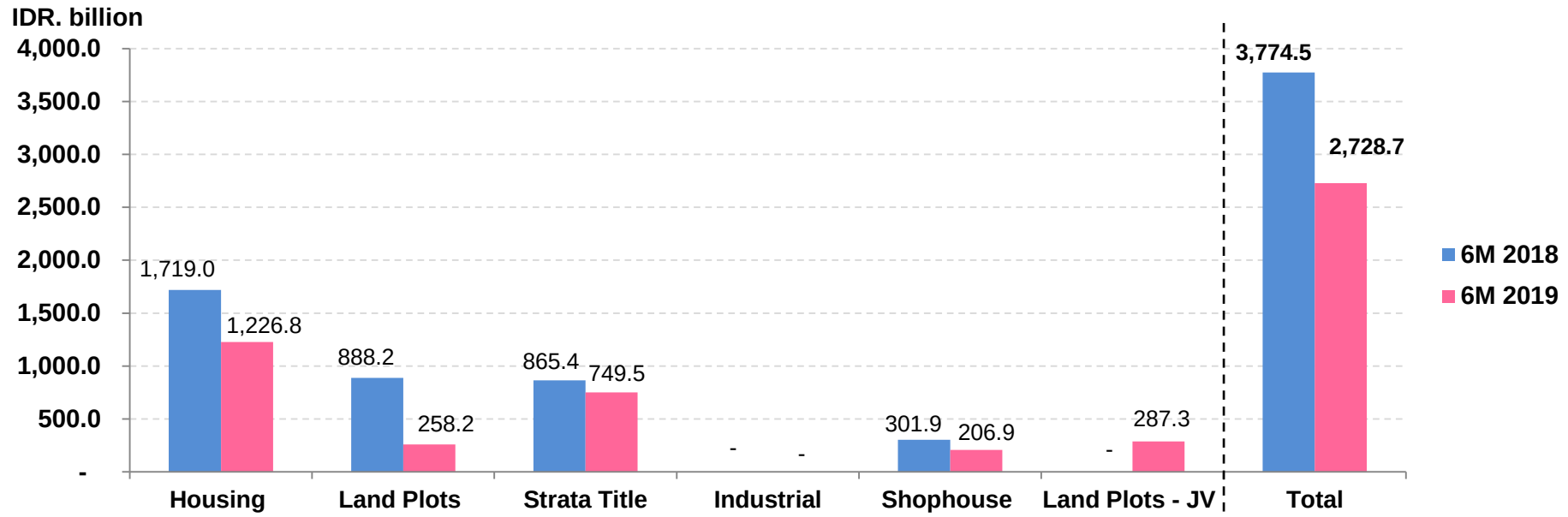


Funding Mix as at 30 June 2019



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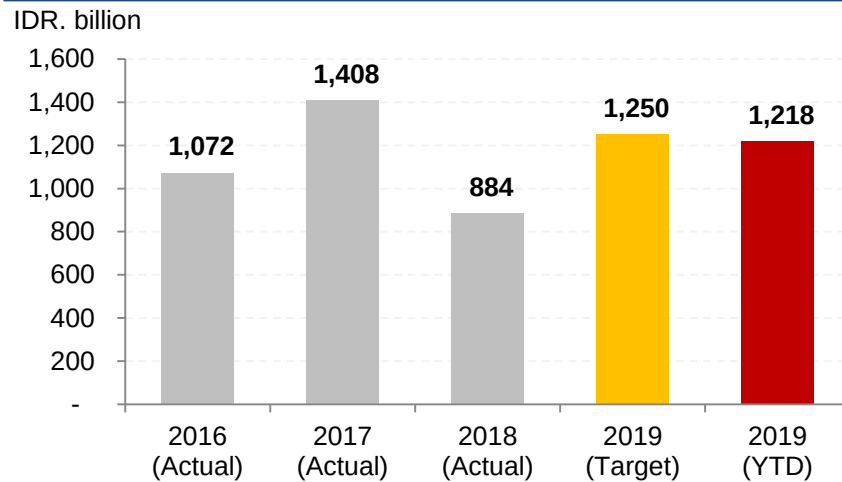
Indonesia Property Division – BSDE achieved Marketing Sales target of IDR 2.7 trillion for 6M 2019



- BSDE achieved **IDR 2.7 trillion of marketing sales for 6M 2019** or 44% of 2019 full year IDR 6.2 trillion marketing sales target
- 6M 2019 marketing sales recorded a decrease of 28% compared to 6M 2018 resulting from lower sales contribution from most of the segment, with the exception of land plot sold to a joint venture company, PT Sahabat Kota Wisata, to develop a shopping mall in Kota Wisata, Cibubur, West Java
- Residential units pre-sales generated IDR 1.2 trillion in 6M 2019 or 45% of its full year segment contribution, mainly from existing cluster including Mozia, Savia, Greenwich, Vanya Park, Nava Park and Zora in BSD City
- Commercial units pre-sales generated IDR 1.2 trillion in 6M 2019 or 44% of its full year segment contribution, mainly from existing development including Southgate Condominium, The Elements, Aerium, Akasa Serpong, and Upperwest BSD City

Indonesia Property Division – DMAS hit 97% full-year sales target for 6M 2019

Marketing Sales in IDR billion



Land Bank Update as of 30 June 2019

In hectare	Industrial	Commercial	Residential	Total
Total Area	1,718	757	706	3,181
Land Sold	1,237	273	193	1,703
Land Bank	462	481	513	1,456

- PT Puradelta Lestari Tbk. (DMAS) is an integrated township developer of Kota Deltamas, located in Central Cikarang, with total development area up to 3,200 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 managed to achieve **marketing sales of IDR1,218 billion for 6M 2019** or **97% of full year 2019 ("FY 2019") target of IDR 1,250 billion**
- 6M 2019 marketing sales were contributed by 25 hectares of industrial land and 12 hectares of commercial land

Indonesia Property Division – BSDE – Major Launch Updates



- ANIGRE is a sub-cluster residential development in Taman Banjar Wijaya, a 120 ha development situated in Tangerang Banten
- Banjar Wijaya is a middle to upper class residences development that is located at the city center of Tangerang, close to major hospitals, schools, shopping center, train station, and bus terminal
- As part of the matured Pinewood residential cluster, ANIGRE has an extensive range of existing amenities including Sport Club, Children's Playground and Commercial shophouses to fulfil its residents' daily needs
- Built on a 1.5 ha of land, ANIGRE shall feature 120 unit for its first launch with prices starting from IDR 1.4 to 3.0 billion per unit
- Each unit ranges from 90 to 230 sqm building area and 76 to 173 sqm land area

Indonesia Property Division – BSDE – Major Launch Updates

- BSDE launched Kazumi, the third cluster of The Zora which is an exclusive residential area in the strategic area of BSD City. **The Kazumi cluster in The Zora area is designed as smart homes and energy efficient homes and is built of the highest quality.** The Zora is a collaborative residential project between BSDE and a Japanese consortium led by Mitsubishi Corporation.
- In developing this 2.8 hectare cluster in the Zora area, BSDE has collaborated exclusively with renowned **Japanese architectural consultant, Mitsubishi Jisho Sekkei Inc. as their master plan consultant and Belt Collins as the landscape design consultant.**
- Kazumi's offer price starts from IDR 5.0 to 7.9 billion per unit, with specification of 208 to 280 sqm building area and 120 to 238 sqm land area. The Zora is located at Phase 2 of BSD City with 68 units open for sale.



Indonesia Property Division – BSDE – Major Launch Updates



Amata Type 200



Aure Type 135

- **BSD City** planned to launched 2 new clusters in The Mozia development area by the name of “**Amata**” and “**Aure**”
- The Mozia is located in the heart of BSD City Phase 2, surrounded by Qbig Mall, IPEKA Christian School and direct connection to Indonesia Convention and Exhibition Hall (“ICE”)
- “**Amata**” – A total of 80 units of landed houses with specifications ranging from 116 to 200 sqm of built up area over 96 to 160 sqm of land area. The starting price ranges from IDR 2.3 to 1.4 billion per unit
- “**Aure**” – A total of 101 units of landed houses with specifications ranging from 88 to 135 sqm of built up area over 84 to 120 sqm of land area. The starting price ranges from IDR 1.9 to 2.9 billion per unit

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
- In July 2019, Bank Indonesia has cut the 7-day reverse repo rate for the first time since September 2017 by 25 basis points to 5.75%
- All of these tax incentives compliments Bank Indonesia move in August 2018 that relaxed the Indonesia property sector loan-to-value (LTV) ratio requirement

Listing of DIRE Simas Plaza Indonesia onto Indonesia Stock Exchange



- PT Plaza Indonesia Realty Tbk (“PLIN”) has spun off a portion of its assets into a **Dana Investasi Real Estat (“DIRE”, similar to Real Estate Investment Trust) Simas Plaza Indonesia (“DIRE PI”)** and got it **listed on the Indonesia Stock Exchange on 4 July 2019.**
- Post IPO, BSDE will own 38.83% of the units in DIRE PI.
- DIRE PI’s assets include Plaza Indonesia Shopping Mall (105,072 sqm of leased area), Grand Hyatt Indonesia Hotel (427 rooms), The Plaza Office (70,880 sqm of leased area) , fX Sudirman Shopping Mall (41,335 sqm of leased area).

Surbana Jurong Appointed Master Planner for Nongsa Digital Economy Hub, Batam



- Following the signing of a Shareholder Agreement with Citramas Group on 25 February 2019 to jointly develop Nongsa Digital Economy Hub, **both parties has appointed Surbana Jurong on 18 July 2019 as the Master Planner for this development.**
- Located 30 minutes from Singapore by ferry and 15 minutes from the international airport Hang Nadim Batam, Nongsa Digital Economy Hub **envisions to be a digital bridge between Indonesia and Singapore, to attract startups, local and international companies undertaking digital-related activities to set up in Indonesia.**
- Surbana Jurong's scope of work includes the development of a concept master plan of the hub which covers a total area of 62 hectares, and this includes an Eco Digital Project, the Nuvasa Bay Town Center, and the Nongsa Digital Park (NDP). The consultancy scope covers urban design and architectural conceptualization.

GrabWheels – An Innovative Green Mobility Solutions in BSD City



- Grab and Sinarmas Land announced the launch of a pilot project for an innovative mobility solution, **GrabWheels**. This service is in the form of an environmentally friendly electric scooter and can be used in several locations in BSD City during the trial period which lasts until mid-2019.
- This innovation in transportation technology is the beginning of joint research conducted by both parties to integrate various modes of public transportation. Multimodal-based transportation solutions have been implemented in BSD City, ranging from long-distance transportation by Commuter Line electric buses and electric trains to short-distance transportation with BSD Link shuttle buses and GrabWheels electric scooters.
- This is part of the development of the BSD City region into an integrated smart digital city.

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Bank Indonesia's LTV Ratio Relaxation

PROPERTY LOAN & PROPERTY FINANCING BASED ON MURABAHAH & ISTISHNA DEEDS

PROPERTY TYPE (m ²)	Current Regulation			Relaxation	
	Property Loan & Financing			Property Loan & Financing	
	I	II	III etc	I	II etc

HOUSE

Type >70m ²	85%	80%	75%	-	80%
Type 22-70m ²	-	85%	80%	-	85%
Type <=21m ²	-	-	-	-	-

APARTMENT

Type >70m ²	85%	80%	75%	-	80%
Type 22-70m ²	90%	85%	80%	-	85%
Type <=21m ²	-	85%	80%	-	85%

SHOP/OFFICE HOUSE

	-	85%	80%	-	85%
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PROPERTY FINANCING BASED ON MMQ & IMBT DEEDS

PROPERTY TYPE (m ²)	Current Regulation			Relaxation	
	Property Financing			Property Financing	
	I	II	III etc	I	II etc

HOUSE

Type >70m ²	90%	85%	80%	-	85%
Type 22-70m ²	-	90%	85%	-	90%
Type <=21m ²	-	-	-	-	-

APARTMENT

Type >70m ²	90%	85%	80%	-	85%
Type 22-70m ²	90%	85%	80%	-	85%
Type <=21m ²	-	85%	80%	-	85%

SHOP/OFFICE HOUSE

	-	85%	80%	-	85%
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Source: Bank Indonesia

- Starting from 1 Aug 2018, Bank Indonesia will relax the loan-to-value (LTV) and financing-to-value (FTV) ratios in the country's property sector
- Depending on the buyer's risk profile and construction stages, first-time property buyers can make zero down-payment for their property
- In addition, consumer is able to take up to five separate mortgage facilities with the relaxation of FTV.
- Through these initiatives, Bank Indonesia aims to make it more attractive for consumers to purchase property, hence boosting overall credit growth as well as Indonesia's macroeconomic growth

2Q 2019 vs 2Q 2018

Consolidated Income Statement

2Q 2019 versus 2Q 2018 Consolidated Income Statement

(S\$ '000)	2Q 2019	2Q 2018	Change %
Revenue	361,026	197,239	83.0
Cost of Sales	(124,669)	(57,122)	118.3
Gross Profit	236,357	140,117	68.7
<i>Operating Expenses</i>			
Selling Expenses	(23,738)	(25,397)	(6.5)
General and administrative expenses	(37,418)	(38,325)	(2.4)
Operating profit	175,201	76,395	129.3
Finance income	16,003	11,510	39.0
Others	(56,899)	(53,666)	6.0
Exceptional Items, net	373,701	-	n.m.
Profit before income tax	508,006	34,239	n.m.
Income tax	(9,813)	(7,825)	25.4
Profit for the period	498,193	26,414	n.m.

Attributable to:

Owners of the Company	287,473	20,006	n.m.
Non-controlling interests	210,720	6,408	n.m.

1H 2019 vs 1H 2018

Consolidated Income Statement

1H 2019 versus 1H 2018 Consolidated Income Statement

(S\$ '000)	1H 2019	1H 2018	Change %
Revenue	560,940	384,253	46.0
Cost of Sales	(177,163)	(114,153)	55.2
Gross Profit	383,777	270,100	42.1
<i>Operating Expenses</i>			
Selling Expenses	(43,649)	(48,084)	(9.2)
General and administrative expenses	(70,285)	(75,606)	(7.0)
Operating profit	269,843	146,410	84.3
Finance income	31,380	22,780	37.8
Others	(69,357)	(75,700)	(8.4)
Exceptional Items, net	373,701	-	n.m.
Profit before income tax	605,567	93,490	547.7
Income tax	(18,865)	(15,744)	19.8
Profit for the period	586,702	77,746	654.6

Attributable to:

Owners of the Company	330,784	48,020	588.8
Non-controlling interests	255,918	29,726	760.9

Statement of Financial Position

Statement of Financial Position

(S\$ '000)	As at 30 Jun 2019	As at 31 Dec 2018
Current Assets		
Cash and cash equivalents	1,006,007	930,287
Properties held for sale	1,325,935	1,230,153
Other current assets	581,283	368,517
Total Current Assets	2,913,225	2,528,957
Non-Current Assets		
Associated companies	530,057	266,378
Joint ventures	143,037	146,089
Properties under development for sale	1,762,844	1,755,445
Investment properties	1,666,557	1,656,565
Property, plant and equipment	151,709	178,097
Other non-current assets	266,618	29,619
Total Non-Current Assets	4,520,822	4,032,193
Total Assets	7,434,047	6,561,150
Short-term borrowings	33,967	35,870
Short-term payables and liabilities	659,961	675,290
Bonds payables	841,334	903,756
Long-term borrowings	1,088,283	912,182
Long-term liabilities	274,547	250,129
Total Liabilities	2,898,092	2,777,227
Total Capital and reserves	2,461,509	2,037,832
Non-controlling Interest	2,074,446	1,745,475
Total Equity	4,535,955	3,783,307
Total Liabilities and Equity	7,434,047	6,560,534

Thank You

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