

**PRESS RELEASE – FOR IMMEDIATE RELEASE**

## **SINARMAS LAND RECORDED PATMI OF S\$85.6 MILLION IN 1H2021, REVERSING A LOSS OF S\$2.4 MILLION FROM 1H2020**

**Singapore – 12 August 2021** – Singapore Exchange (SGX) Mainboard-listed **Sinarmas Land Limited** (“SML” and together with its subsidiaries, the “Group”), announced today its unaudited consolidated revenue for 1st half of the year ended 30 June 2021 (“1H2021”) climb 24.9% year-on-year to S\$359.3 million attributed primarily to the sale from commercial, residential and industrial land parcels, hereby exhibiting the Group’s resilience as we ride through an unprecedented health crisis.

**FINANCIAL HIGHLIGHTS**

	<b>1H2021 (S\$’000)</b>	<b>1H2020 (S\$’000)</b>	<b>Variance (%)</b>
Revenue	359,294	287,574	24.9
Gross Profit	237,885	182,037	30.7
EBITDA <sup>1</sup>	210,462	139,924	50.4
Net Profit for the period	123,041	1,366	n.m.
PATMI <sup>2</sup>	85,602	(2,362)	n.m.

However, the Group’s recurring income dipped 10.7% year-on-year to S\$59.3 million, mainly due to lower revenue from both the hospitality and rental business. Throughout the current period, the Group’s Malaysia and Indonesia hospitality business was negatively impacted by nationwide lockdown and various degrees of mobility restrictions imposed by the local government to curb the spread of COVID-19 cases. Likewise, rental income from Indonesia slid due to rental discounts extended to tenants, aiding them through this challenging period.

Nevertheless, the Group’s 1H2021 gross profit improve from S\$182.0 million to S\$237.9 million, in line with higher revenue. The commercial land parcel sales in BSD City, which yield a higher profit margin, also boost the Group’s gross profit margin from 63.3% in 1H2020 to 66.2% in 1H2021.

<sup>1</sup> 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.

<sup>2</sup> PATMI is Profit After Tax and Minority Interests

The Group was able to achieve savings from lower operating expenses which comprised of selling expenses and general & administrative expenses. The total operating expenses dropped by 14.9% to S\$95.4 million in 1H2021, mainly from lower salaries and related costs due to the reduction in headcounts and reversal of provision for post-employment benefits following changes in Indonesian labour law requirements.

Net finance expenses (net of interest income) increased from S\$60.7 million in 1H2020 to S\$63.8 million, mainly due to lower interest income following the redemption and settlement of interest-bearing financial instruments during the current period.

The Group recognised share of profit from both associated companies and joint ventures, mainly attributable to recognition of profit from sales of development properties in an associated company in China, and recognition of revenue from the completed residential and commercial units in a joint venture in Indonesia, respectively. The higher net operating income recorded in the current period was mainly due to fair value gain on financial assets recognised in 1H2021 compared to fair value loss in 1H2020.

The current period's exceptional gain came from a S\$24.4 million gain on disposal of a subsidiary, SML Great Pte Limited, 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 a joint venture.

The Group's balance sheet as of 30 June 2021 remained healthy with total assets of S\$7,728.8 million, of which cash and cash equivalents stand at S\$1,263.9 million. Following the repayment of maturing bonds in 1H2021, the Group's total debt decreased from S\$2,377.2 million as at 31 Dec 2020 to S\$1,866.3 million. This resulted in a net debt-to-equity ratio of 13.0%, demonstrating the adequate solvency of the Group to meet future liabilities.

Ms. Margaretha Widjaja, SML's Executive Director and Vice-Chairman of SML Indonesia Division, said: "After a tremulous 2020 with the world impacted by the worst health care crisis in modern history, the global economy is slowly showing signs of improvement. The successful development and rollout of COVID-19 vaccines, boosted by the stimulus measures from governments worldwide, have buoyed the economic engine towards recovery. However, this turn for the better is expected to be patchy, especially with the new delta variant and uneven vaccination rates across the globe.

Indonesia, where our core business resides, had pulled out of recession with a 7.07% growth in the second quarter year-on-year, its first expansion in five quarters, on the back of strong export,

consumption, investment and bigger government spending. However, the sustainability of the economic recovery could be marred by the recent surge in COVID-19 infections. Despite the setback, the Group is cautiously optimistic that Indonesia will continue its path of recovery in 2021 and beyond.

In the midst of the pandemic, our Indonesian listed subsidiaries stayed resilient, with PT Bumi Serpong Damai Tbk (BSDE) achieving 65% of their full-year sales target and PT Puradelta Lestari Tbk (DMAS) achieving 45% of their full-year sales target in the first half of 2021. Nonetheless, the Group continues to maintain prudent financial discipline and employs careful cash management to ensure adequate liquidity.

During the first half of 2021 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 Unlimited House located in Central London in our UK Division. Going forward, the Group will continue to seek out new partnerships and investments to expand our international footprint," added Ms. Widjaja.

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**About Sinarmas Land Limited ([www.sinarmasland.com](http://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\$4.49 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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