

DECREASE IN SHAREHOLDING INTEREST IN SUBSIDIARY, PT PURADELTA LESTARI TBK

1. INTRODUCTION

The Board of Directors (“Board”) of Sinarmas Land Limited (the “Company” or “SML” and together with its subsidiaries, the “Group”) wishes to announce that SML has decreased its effective interest in PT Puradelta Lestari Tbk (“PDL”), from 66.96% to 56.96%, following the placement by AFP International Capital Pte. Ltd., a subsidiary of the Group, of an aggregate of 4,820,000,000 ordinary shares of PDL of par value of IDR100 each (“PDL Shares”), representing approximately 10% of the issued share capital of PDL, for a total consideration of IDR1,205 billion (equivalent to SGD120,500,000) (the “Transaction”).

2. INFORMATION ON PDL

PDL, a subsidiary of SML listed on the Indonesia Stock Exchange (“IDX”), is engaged in the construction / development of Kota Deltamas, a mixed development project located at Bekasi Regency, West Java, Indonesia, comprising residential units, commercial centres, industrial estate, business park, schools, hospital and other public facilities.

3. CONSIDERATION

Consideration for the Transaction was determined based on the negotiated share price of IDR250 per PDL Share, representing a discount of approximately 10% to the market closing price of PDL’s Shares on 23 August 2016 of IDR278.

4. RATIONALE AND BENEFIT

The Board views the Transaction to be beneficial to the Group, as it would increase the public float and improve trading liquidity of PDL Shares on IDX.

5. USE OF PROCEEDS

The proceeds from the Transaction is intended to be used for the Group’s working capital and/or future acquisitions.

6. DISCLOSEABLE TRANSACTION

Based on the unaudited consolidated financial information of the Group for the period ended 30 June 2016, the relative figures for the Transaction, as computed on the bases set out in Rule 1006 of the Singapore Exchange Securities Trading Limited's Listing Manual ("Listing Manual"), are as follows:

Bases in Rule 1006

(a)	Net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets.	4.7%
(b)	Difference in net profits attributable to the Group's effective interest in PDL, compared with the Group's net profits.	3.5%
(c)	Aggregate value of the consideration received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	5.6%
(d)	Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable

As the relative figure under Rule 1006 (c) exceeds 5% but does not exceed 20%, the Transaction constitutes a "Discloseable Transaction" as defined in Chapter 10 of the Listing Manual. Accordingly, the Company's shareholders' approval is not required for the Transaction.

7. FINANCIAL EFFECTS

The pro-forma financial effects of the Transaction, based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2015, are set out below. The pro-forma financial effects are presented for illustration purposes only and are not intended to reflect the actual future financial situation of the Company or the Group after the Transaction.

7.1 Earnings Per Share ("EPS")

Assuming that the Transaction had been effected on 1 January 2015, the effect on the EPS of the Company will be as follows:

	Before Transaction	After Transaction
Profit attributable to the owners of the Company (S\$'000)	143,117	130,558
Weighted average number of shares (excluding treasury shares)	3,124,063,553	3,124,063,553
EPS (cents)	4.58	4.18

7.2 Net Tangible Assets (“NTA”)

Assuming that the Transaction had been effected on 31 December 2015, the effect on the NTA per share of the Company will be as follows:

	Before Transaction	After Transaction
NTA attributable to the owners of the Company (S\$'000)	1,746,899	1,784,059
Number of shares (excluding treasury shares)	4,255,862,496	4,255,862,496
NTA per share (cents)	41.05	41.92

8. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or the controlling shareholders of SML has any interest, direct or indirect, in the Transaction, save that Mr Muktar Widjaja is the President Commissioner of PDL.

(Note: The amount in SGD equivalent using exchange rate as at 23 August 2016 of IDR1= SGD0.0001)

By Order of the Board
SINARMAS LAND LIMITED

Ferdinand Sadeli / Robin Ng Cheng Jiet
Directors
26 August 2016

SINARMAS LAND LIMITED

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