

PRESS RELEASE – FOR IMMEDIATE RELEASE

**SINARMAS LAND PATMI GREW 48.9%
TO S\$127.5 MILLION FOR 1H 2022**

Singapore – 12 August 2022 – Singapore Exchange (SGX) Mainboard-listed **Sinarmas Land Limited** (“SML” and together with its subsidiaries, the “Group”) announced today its unaudited revenue for the half-year ended 30 June 2022 (“1H 2022”) jumped 41.1% to S\$506.8 million attributed primarily from by higher sales of commercial and industrial land parcels in BSD City and Kota Deltamas, Indonesia, coupled with higher revenue recognised from residential and apartment units.

FINANCIAL HIGHLIGHTS

	1H 2022 (S\$’000)	1H 2021 (S\$’000)	Variance (%)
Revenue	506,835	359,294	41.1
Gross Profit	386,542	237,885	62.5
EBITDA ¹	316,323	210,462	50.3
Net Profit for the period	171,373	123,041	39.3
PATMI ²	127,493	85,602	48.9

Likewise, the Group’s recurring income improved 16.9% year-on-year to S\$69.4 million, driven by higher hospitality and rental income. As international borders reopen and an influx of leisure travellers, the Group’s hospitality business has witnessed gradual improvement in revenue and occupancy. Likewise, rental income from the Indonesia division improved mainly due to the inclusion of rental income generated from the newly opened AEON Mall Southgate. While rental income from the UK property group improved following the easing of COVID-19 restrictions and more returning to offices, revenue contribution dipped as the UK currency depreciated against SGD compared to the same time last year.

In line with the increase in land sales with higher profit margin, the Group’s gross profit improved by 62.5% to S\$386.5 million in the current period. Consequently, the overall gross profit margin was higher at 76.3% compared to 66.2% in 1H 2021.

¹ EBITDA is earnings before income tax, non-controlling interests, interest on borrowings, depreciation, foreign exchange gain/(loss), exceptional item and share of results of associated companies and joint ventures

² PATMI is Profit After Tax and Minority Interests

The total operating expenses increased 41.7% to S\$135.3 million during the current period compared to S\$95.4 million in the previous corresponding period. The increase in selling expenses was attributed to higher promotion and marketing expenses that corresponds with the higher revenue achieved by the Indonesia division in 1H 2022. General and administrative expenses also posted a 31.6% increase due to the absence of a one-off reversal of post-employment benefits following changes to Indonesia's labour law requirements in 1H 2021.

Mirroring the increase in revenue, the Group's 1H 2022 EBITDA reported an increase of 50.3% to S\$316.3 million. The EBITDA margin also climbs 3.8 percentage points to 62.4% in 1H 2022.

Net finance expenses increased from S\$63.8 million in 1H 2021 to S\$70.8 million in 1H 2022, mainly attributed to lower interest income following the redemption and settlement of interest-bearing financial instruments during the current period.

The Group recorded a share of loss from joint ventures to the tune of S\$11.0 million compared to a profit of S\$5.9 million year-on-year, mainly coming from a reversal of unrealised gain from the sale of land to joint ventures from our Indonesia Division in the current period. However, net other operating income increased from S\$11.4 million in 1H 2021 to S\$15.6 million in 1H 2022, mainly due to higher fair value gain from financial assets.

The Group recognised a higher tax expense of S\$18.7 million in 1H 2022 compared to S\$12.5 million in 1H 2021, in line with increased sales for the period. In 1H 2021, the Group posted an exceptional gain comprising S\$24.4 million gain from the 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.

Following the improved financial performance, the Group's net profit attributable to Owners of the Company grew 48.9% to S\$127.5 million in 1H 2022 compared to the corresponding period of S\$85.6 million.

The Group's balance sheet remained healthy as of 30 June 2022, with total assets of S\$8,362.6 million and cash and cash equivalents of S\$1,386.1 million. The Group's net debt-to-equity ratio stands at 6.6%, demonstrating the strong solvency of the Group to meet future liabilities.

Ms. Margaretha Widjaja, SML's Executive Director and Vice-Chairman of SML Indonesia Division, said: "While the global economy recovers from COVID-19 pandemic, heightening geopolitical tension, higher-than-expected inflation have triggered central banks to hike interest rate and stumbling growth in China have cast a shadow over the prospect of a rapid global economic recovery.

However, the Indonesian economy continued its strong recovery performance by recording a 2Q GDP growth of 5.44%, the fastest growth in four quarters, fuelled by the resurgence of domestic consumption and commodity-led exports following the surge in global commodity prices. Despite global macroeconomic headwinds due to rising inflation, global monetary tightening policies and slower growth amongst its trading partners, we remain cautiously optimistic about business recovery for the rest of the year, as evidenced by the resilient performance of our Indonesian listed subsidiaries.

PT Bumi Serpong Damai Tbk ("BSDE") achieved IDR4.7 trillion or 61% of its 2022 marketing sales target as of end-June 2022, aided by BSDE's marketing promotion "Double Dream", offering attractive incentives on ready-to-move-in properties and under-construction developments. PT Puradelta Lestari Tbk ("DMAS") achieved 55.3% of its 2022 marketing sales target of IDR1.8 trillion, mainly from the Information Technology (Data Centre) sector, propelled by the increasing adaptation of digital technology and demand for data centres in Indonesia.

Internationally, the Group has successfully acquired 32-50 Strand, a freehold prime commercial building in Central London, for a total consideration of £195.0 million. The Group also recently completed the disposal of Horseferry Property Limited, which in turn owns the property known as 33 Horseferry Road, London, for a total consideration of £247.5 million, which is expected to contribute positively to the Group's earnings in 2H 2022. The Group will continue to seek out new property investments and partnerships opportunities to expand our global footprint." added Ms. Widjaja.

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About Sinarmas Land Limited (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”). 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 United Kingdom.

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