



**SINGAPORE LAND GROUP LIMITED**  
*(Incorporated in Singapore. Registration Number 196300181E)*  
**AND ITS SUBSIDIARIES**

**CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED 30 JUNE 2022**

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## SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

### CONSOLIDATED INCOME STATEMENT

For the half year ended 30 June 2022

	Note	Half Year Ended 30 June		
		2022 S\$'000	2021 S\$'000 (Restated)	Change %
<b>Revenue</b>	5	264,029	229,429	15
Cost of sales		(152,549)	(132,463)	(15)
<b>Gross profit</b>		111,480	96,966	15
Other income				
- Interest income	5	7,194	4,492	60
- Miscellaneous income	5	5,025	4,570	10
Expenses				
- Selling and distribution	6	(12,144)	(9,630)	(26)
- Administrative	6	(16,169)	(14,551)	(11)
- Finance	6	(4,821)	(4,671)	(3)
- Other operating				
- Reversal of impairment loss/(Impairment loss) on financial assets		78	(1,116)	n.m.
- Others	6	(31)	(24)	(29)
Share of results of associates	7	38,539	11,019	250
Share of results of joint ventures	8	13,124	13,135	(0)
<b>Profit before fair value gains</b>		142,275	100,190	42
Fair value gain on subsidiaries' investment properties		240,220	2,438	9,753
<b>Profit before income tax</b>	6	382,495	102,628	273
Income tax expense	9	(15,595)	(14,020)	(11)
<b>Net profit</b>		366,900	88,608	314
<b>Attributable to:</b>				
Equity holders of the Company ("PATMI")		359,805	92,198	290
Non-controlling interests ("NCI")	10	7,095	(3,590)	n.m.
		366,900	88,608	314

Net profit attributable to equity holders of the Company ("PATMI") can be analysed as follows:

PATMI before fair value gains	120,936	89,576	35
Fair value gain on subsidiaries' investment properties, net of NCI	238,869	2,622	9,010
<b>PATMI</b>	359,805	92,198	290

n.m.: not meaningful

## SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the half year ended 30 June 2022

	Half Year Ended 30 June			
	2022	2021	Change	
Note	S\$'000	S\$'000	%	
Net profit	366,900	88,608	314	
<b>Other comprehensive income/(loss):</b>				
Items that may be reclassified subsequently to income statement:				
- Currency translation differences arising from consolidation of foreign operations	12(a)	(10,404)	7,427	n.m.
- Share of other comprehensive gain of a joint venture		1,034	-	n.m.
- Cash flow hedges - Fair value gains		6,037	1,349	348
		(3,333)	8,776	(138)
Items that will not be reclassified subsequently to income statement:				
- Financial assets at fair value through other comprehensive income ("FVOCI")				
- Fair value (losses)/gains - equity investments	12(b)	(1,183)	26,398	n.m.
- Currency translation differences arising from consolidation of foreign operations	12(a)	(22)	426	n.m.
		(1,205)	26,824	n.m.
Other comprehensive (loss)/income, net of tax		(4,538)	35,600	n.m.
<b>Total comprehensive income</b>		<b>362,362</b>	<b>124,208</b>	<b>192</b>
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company		355,293	127,288	179
Non-controlling interests		7,069	(3,080)	n.m.
		<b>362,362</b>	<b>124,208</b>	<b>192</b>

# SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

## STATEMENT OF FINANCIAL POSITION – GROUP AND COMPANY

As at 30 June 2022

	Note	The Group		The Company	
		30.06.2022	31.12.2021	30.06.2022	31.12.2021
		S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Other receivables	13	614,546	585,697	-	-
Financial assets at fair value through other comprehensive income	14	16,975	18,158	-	-
Investment in associates		615,109	588,282	-	-
Investment in joint ventures		105,368	95,669	-	-
Investment in subsidiaries		-	-	1,227,093	1,227,093
Investment properties	15	6,639,444	6,381,509	-	-
Property, plant and equipment		1,079,914	1,100,649	1,048	1,651
Derivative financial instruments		5,817	6	5,810	-
Goodwill		46,587	46,587	-	-
Deferred income tax assets		1,134	1,134	-	-
		<u>9,124,894</u>	<u>8,817,691</u>	<u>1,233,951</u>	<u>1,228,744</u>
<b>Current assets</b>					
Cash and cash equivalents		197,896	185,331	2,749	1,999
Properties held for sale	16	83,907	93,519	-	-
Derivative financial instruments		63	8	-	-
Trade and other receivables	17	87,365	74,876	1,990,966	1,917,618
Inventories		2,098	1,695	-	-
		<u>371,329</u>	<u>355,429</u>	<u>1,993,715</u>	<u>1,919,617</u>
<b>Total assets</b>		<u>9,496,223</u>	<u>9,173,120</u>	<u>3,227,666</u>	<u>3,148,361</u>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables		166,738	152,635	801,807	803,078
Derivative financial instruments		-	58	-	-
Current income tax liabilities		33,524	35,375	-	-
Lease liabilities and trade financing		23,568	23,837	547	1,094
Bank borrowings	18	135,120	167,460	134,292	51,810
		<u>358,950</u>	<u>379,365</u>	<u>936,646</u>	<u>855,982</u>
<b>Non-current liabilities</b>					
Trade and other payables		38,734	48,479	-	-
Lease liabilities and trade financing		18,339	24,498	-	-
Bank borrowings	18	387,557	336,427	344,758	298,583
Derivative financial instruments		-	229	-	227
Deferred income tax liabilities		144,895	144,579	-	-
		<u>589,525</u>	<u>554,212</u>	<u>344,758</u>	<u>298,810</u>
<b>Total liabilities</b>		<u>948,475</u>	<u>933,577</u>	<u>1,281,404</u>	<u>1,154,792</u>
<b>NET ASSETS</b>		<u>8,547,748</u>	<u>8,239,543</u>	<u>1,946,262</u>	<u>1,993,569</u>
<b>EQUITY</b>					
<b>Capital &amp; reserves attributable to equity holders of the Company</b>					
Share capital	19	1,565,688	1,565,688	1,565,688	1,565,688
Retained earnings		6,254,091	5,944,429	367,601	421,010
Reserves	20	85,528	89,975	12,973	6,871
		<u>7,905,307</u>	<u>7,600,092</u>	<u>1,946,262</u>	<u>1,993,569</u>
<b>Non-controlling interests</b>		642,441	639,451	-	-
<b>TOTAL EQUITY</b>		<u>8,547,748</u>	<u>8,239,543</u>	<u>1,946,262</u>	<u>1,993,569</u>

# SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 30 June 2022

### The Group

	Attributable to equity holders of the Company				Total	Non-controlling interests	Total equity
	Share capital	Retained earnings	Asset revaluation reserve	Other reserves			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>2022</b>							
<b>Balance at 1 January 2022</b>	1,565,688	5,944,429	58,933	31,042	7,600,092	639,451	8,239,543
Net profit	-	359,805	-	-	359,805	7,095	366,900
Other comprehensive loss	-	-	-	(4,512)	(4,512)	(26)	(4,538)
<b>Total comprehensive income/(loss)</b>	-	359,805	-	(4,512)	355,293	7,069	362,362
Employee share option scheme							
- value of employee services	-	-	-	65	65	-	65
Dividends paid in cash	-	(50,143)	-	-	(50,143)	(4,079)	(54,222)
<b>Total transactions with owners, recognised directly in equity</b>	-	(50,143)	-	65	(50,078)	(4,079)	(54,157)
<b>Balance at 30 June 2022</b>	<b>1,565,688</b>	<b>6,254,091</b>	<b>58,933</b>	<b>26,595</b>	<b>7,905,307</b>	<b>642,441</b>	<b>8,547,748</b>
<b>2021</b>							
<b>Balance at 1 January 2021</b>	1,565,688	5,685,564	58,933	28,778	7,338,963	658,536	7,997,499
Net profit/(loss)	-	92,198	-	-	92,198	(3,590)	88,608
Other comprehensive income	-	-	-	35,090	35,090	510	35,600
<b>Total comprehensive income/(loss)</b>	-	92,198	-	35,090	127,288	(3,080)	124,208
Employee share option scheme							
- value of employee services	-	-	-	69	69	-	69
Dividends paid in cash	-	(50,143)	-	-	(50,143)	(2,039)	(52,182)
<b>Total transactions with owners, recognised directly in equity</b>	-	(50,143)	-	69	(50,074)	(2,039)	(52,113)
Transfer upon disposal of financial asset at fair value through other comprehensive income	-	37,546	-	(37,546)	-	-	-
<b>Balance at 30 June 2021</b>	<b>1,565,688</b>	<b>5,765,165</b>	<b>58,933</b>	<b>26,391</b>	<b>7,416,177</b>	<b>653,417</b>	<b>8,069,594</b>

## SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

### STATEMENT OF CHANGES IN EQUITY – COMPANY

For the half year ended 30 June 2022

#### The Company

	Share capital S\$'000	Retained earnings S\$'000	Share option reserve S\$'000	Hedging reserve S\$'000	Total equity S\$'000
<b>2022</b>					
<b>Balance at 1 January 2022</b>	1,565,688	421,010	7,098	(227)	1,993,569
Net loss	-	(3,266)	-	-	(3,266)
Other comprehensive income	-	-	-	6,037	6,037
<b>Total comprehensive income/(loss)</b>	-	(3,266)	-	6,037	2,771
Employee share option scheme					
- value of employee services	-	-	65	-	65
Dividends paid in cash	-	(50,143)	-	-	(50,143)
<b>Total transactions with owners,</b>	-	(50,143)	65	-	(50,078)
<b>Balance at 30 June 2022</b>	<b>1,565,688</b>	<b>367,601</b>	<b>7,163</b>	<b>5,810</b>	<b>1,946,262</b>
<b>2021</b>					
<b>Balance at 1 January 2021</b>	1,565,688	413,143	6,838	(2,324)	1,983,345
Net loss	-	(3,106)	-	-	(3,106)
Other comprehensive income	-	-	-	1,349	1,349
<b>Total comprehensive income/(loss)</b>	-	(3,106)	-	1,349	(1,757)
Employee share option scheme					
- value of employee services	-	-	69	-	69
Dividends paid in cash	-	(50,143)	-	-	(50,143)
<b>Total transactions with owners,</b>	-	(50,143)	69	-	(50,074)
<b>Balance at 30 June 2021</b>	<b>1,565,688</b>	<b>359,894</b>	<b>6,907</b>	<b>(975)</b>	<b>1,931,514</b>

# SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the half year ended 30 June 2022

	Note	Half Year Ended 30 June	
		2022 S\$'000	2021 S\$'000
<b>Cash flows from operating activities</b>			
Profit before income tax		382,495	102,628
Adjustments for:			
Depreciation of property, plant and equipment		22,549	20,232
(Reversal of impairment loss)/Impairment loss on financial assets		(78)	1,116
Employee share option expense		65	69
Loss on disposal of property, plant and equipment		34	76
Share of results of associates		(38,539)	(11,019)
Share of results of joint ventures		(13,124)	(13,135)
Fair value gain on investment properties		(240,220)	(2,438)
Fair value (gain)/loss on derivative financial instruments		(27)	74
Interest income		(7,194)	(4,492)
Interest expense		4,821	4,671
Unrealised currency translation difference		6,187	(2,264)
		<u>116,969</u>	<u>95,518</u>
Change in working capital:			
Properties held for sale	23(a)	9,781	8,177
Derivative financial instruments		(89)	(275)
Inventories		(403)	(2,001)
Trade and other receivables		(2,742)	(9,986)
Trade and other payables		3,167	(7,534)
Cash generated from operations		<u>126,683</u>	<u>83,899</u>
Interest paid		(4,034)	(3,858)
Income tax paid	23(b)	(17,104)	(36,247)
<b>Net cash provided by operating activities</b>		<u>105,545</u>	<u>43,794</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(2,738)	(20,217)
Proceeds from disposal of property, plant and equipment		29	-
Upgrading of investment properties	23(c)	(17,715)	(24,452)
Loans to associates	23(d)	(61,067)	(27,033)
Loans to joint ventures		-	(85,300)
Repayment of loans by a joint venture	23(e)	28,100	-
Investment in associates		(600)	(1,200)
Dividends received from an associate		6,400	10,000
Dividends received from a joint venture		-	13,000
Interest received		797	825
<b>Net cash used in investing activities</b>		<u>(46,794)</u>	<u>(134,377)</u>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings	23(f)	15,196	111,921
Bank facilities fees paid		-	(900)
Principal payment of lease liabilities		(389)	(294)
(Repayment of)/Proceeds from trade financing		(6,192)	6,659
Interest paid for lease liabilities and trade financing		(579)	(371)
Dividends paid to equity holders of the Company		(50,143)	(50,143)
Dividends paid to non-controlling interests		(4,079)	(2,039)
<b>Net cash (used in)/generated from financing activities</b>		<u>(46,186)</u>	<u>64,833</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		12,565	(25,750)
Cash and cash equivalents at beginning of the financial period		182,831	178,553
<b>Cash and cash equivalents at end of the financial period</b>	23(g)	<u>195,396</u>	<u>152,803</u>

# SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

### 1. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2022 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the period ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.

The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency.

### 2. New or amended Standards and Interpretations adopted by the Group

The Group adopted new or amended Standards and Interpretations to existing standards that are mandatory for application for the financial year beginning 1 January 2022 or from their effective date, if later. The following are the amended Standards and Interpretations that are relevant to the Group:

- Amendments to SFRS(I) 1-16 Property, Plant and Equipment: Proceeds before Intended Use
- Amendments to SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract
- Principal versus Agent: Software Reseller (IFRS 15 Revenue from Contracts with Customers) IFRS Interpretation Committee (“IFRIC”) agenda decision

The adoption of these new or amended Standards and Interpretations did not result in substantial changes to the Group’s accounting policies except for the following:

Principal versus Agent: Software Reseller (IFRS 15 Revenue from Contracts with Customers) IFRIC agenda decision

For the year ended 31 December 2021, revenue from the Group’s technology operations amounted to \$197.3 million, of which \$110.3 million relates to software license reselling arrangements, either as a standalone or bundled with computer hardware, including value-added services.

The assessment of whether the Group acts as a principal or an agent is judgmental and requires a weighting of the individual factors in reaching a conclusion.

In May 2022, the International Accounting Standards Board discussed and finalised the agenda decision from IFRIC providing guidance on principal versus agent assessment under IFRS 15 Revenue from Contracts with Customers for software license resellers. The agenda decision clarified that a software manufacturer is responsible for the software’s functionality as well as issuing the licenses. Accordingly, a software reseller does not control the software licenses before they are transferred to the customer, and is an agent in such transactions.

In prior financial years, sales from software license reselling arrangements were recognised in “revenue” whilst its related costs were recognised separately in “cost of sales”. Following the agenda decision, management has reassessed whether the Group acts as a principal or an agent in its software license reselling arrangements and has determined that the Group is acting as an agent. Accordingly, the sales and the related cost of sales for such arrangements should be recognised on a net basis.



## SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

#### 2. New or amended Standards and Interpretations adopted by the Group (continued)

This change in accounting policy has been effected in the financial statements for the half year ended 30 June 2022 and has been applied retrospectively to the comparative information for the half year ended 30 June 2021.

The effects of the change are as follows:

<u>Effect on Consolidated Income Statement</u>	<u>Half year ended 30 June 2021</u>		
	<u>As previously reported</u> <u>S\$'000</u>	<u>Effects of restatement</u> <u>S\$'000</u>	<u>As restated</u> <u>S\$'000</u>
Revenue	292,280	(62,851)	229,429
Cost of sales	(195,314)	62,851	(132,463)

There is no impact noted on the Group's profit before tax, net profit, total comprehensive income and Statement of Financial Position.

#### 3. Key accounting estimates, assumptions and judgements

In preparing the condensed interim financial statements, management has made estimates, assumptions and judgements that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Estimates, assumptions and judgements are continually evaluated on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The estimates, assumptions and judgements were the same as those applied to the consolidated financial statements for the year ended 31 December 2021, as follows:

- Fair values of investment properties
- Impairment testing of goodwill
- Revenue recognition of technology operations
- Allowance for foreseeable losses of properties held for sale
- Fair value of unquoted financial assets, at FVOCI

Information about assumptions and estimation uncertainties that have the most significant risk of resulting in material adjustment within the next interim period is as follows:

##### Fair values of investment properties

The Group carries its investment properties at fair value with corresponding changes being recognised in the income statement. In determining fair values, valuation techniques which involve certain estimates are used by valuers. The key assumptions to determine the fair value of investment properties include adopted valuation per square foot, market-corroborated capitalisation rates, and estimated rental rates.

Management has assessed that the valuation methods and estimates are reflective of current market conditions.

#### 4. Seasonal Operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

## SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

#### 5. Revenue, Interest income and Miscellaneous income

	Half Year Ended 30 June		
	2022 S\$'000	2021 S\$'000	Change %
<u>Revenue from contracts with customers under SFRS(I) 15</u>			
Revenue from property trading			
- recognised at a point in time	15,578	12,230	27
Revenue from hotel operations			
- recognised at a point in time	33,295	15,922	109
- recognised over time	38,914	18,838	107
Revenue from technology operations			
- recognised at a point in time	43,148	40,929	5
- recognised over time	4,004	4,105	(2)
Revenue from marketing and management services			
- recognised over time	2,053	2,088	(2)
	<b>136,992</b>	<b>94,112</b>	<b>46</b>
<u>Other revenue</u>			
Revenue from property investments	127,037	135,317	(6)
<b>Total revenue</b>	<b>264,029</b>	<b>229,429</b>	<b>15</b>
<u>Interest income from financial assets measured at amortised cost</u>			
Deposits with financial institutions	560	272	106
Loans to associates	3,763	2,148	75
Loans to joint ventures	2,312	1,482	56
Others	559	590	(5)
<b>Total interest income</b>	<b>7,194</b>	<b>4,492</b>	<b>60</b>
<u>Miscellaneous income, including government grants</u>			
Government grant income	3,565	5,031	(29)
Less: Government grant expense - COVID-19 related rent concession given to tenants	-	(1,496)	100
Net government grants and assistance <sup>#</sup>	3,565	3,535	1
Others	1,460	1,035	41
<b>Total miscellaneous income</b>	<b>5,025</b>	<b>4,570</b>	<b>10</b>

# Included in the net related government grants and assistance are amounts received/accrued under the Job Support Schemes, PREP-UP Scheme by the Singapore government and Singapore property tax rebates and cash grants excluding those on-passed to tenants.

## SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

#### 6. Expenses and Profit before Income Tax

	Half Year Ended 30 June		
	2022 S\$'000	2021 S\$'000	Change %
<u>Selling and distribution expenses</u>			
Payroll and related expense	4,985	4,517	(10)
Advertising and promotion expense	2,789	1,793	(56)
Sales commission	1,571	1,081	(45)
Showflat expense	1,685	1,009	(67)
Others	1,114	1,230	9
	<b>12,144</b>	<b>9,630</b>	<b>(26)</b>
<u>Administrative expenses</u>			
Payroll and related expense	9,780	8,938	(9)
Information technology and related	1,570	1,531	(3)
Credit card commission	1,196	485	(147)
Legal and professional fees	338	507	33
Others	3,285	3,090	(6)
	<b>16,169</b>	<b>14,551</b>	<b>(11)</b>
<u>Other operating expenses - Others</u>			
Property, plant and equipment written-off and net loss on disposals	34	76	55
Currency exchange gain - net	(3)	(52)	(94)
	<b>31</b>	<b>24</b>	<b>(29)</b>
<u>Finance expenses</u>			
Bank loans	4,005	3,872	(3)
Lease liabilities	56	19	(195)
Bank facility fees	250	300	17
Trade financing	510	480	(6)
	<b>4,821</b>	<b>4,671</b>	<b>(3)</b>
<u>Profit before income tax</u>			
Profit before income tax is stated after charging:			
- Depreciation	22,549	20,232	(11)
- (Reversal of impairment loss)/Impairment loss on financial assets	(78)	1,116	n.m.
- Employee share option expense	65	69	6

## SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

#### 7. Share of results of associates

Comprise of:

- Share of operating profit
- Share of fair value gain on investment properties

Half Year Ended 30 June		
2022	2021	Change
S\$'000	S\$'000	%
33,249	10,737	210
5,290	282	1,776
<b>38,539</b>	<b>11,019</b>	<b>250</b>

#### 8. Share of results of joint ventures

Comprise of:

- Share of operating profit
- Share of fair value gain on investment properties

Half Year Ended 30 June		
2022	2021	Change
S\$'000	S\$'000	%
11,066	12,909	(14)
2,058	226	811
<b>13,124</b>	<b>13,135</b>	<b>(0)</b>

#### 9. Income tax expense

Tax expense attributable to profit/loss is made up of:

- Profit/Loss for the financial period:

Current income tax - Singapore  
Deferred income tax

Half Year Ended 30 June			
2022	2021	Change	
S\$'000	S\$'000	%	
16,729	15,803	(6)	
329	(454)	n.m.	
<b>17,058</b>	<b>15,349</b>	<b>(11)</b>	
- Overprovision in prior financial year:			
Current income tax - Singapore	(1,463)	(557)	163
Deferred income tax	-	(772)	(100)
<b>(1,463)</b>	<b>(1,329)</b>	<b>10</b>	
<b>15,595</b>	<b>14,020</b>	<b>(11)</b>	

## SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

#### 10. Non-controlling interest

	Half Year Ended 30 June		
	2022	2021	Change
	S\$'000	S\$'000	%
Comprise of:			
- Share of operating profit/(loss)	5,744	(3,406)	n.m.
- Share of fair value gain/(loss) on investment properties	1,351	(184)	n.m.
	7,095	(3,590)	n.m.

#### 11. Earnings per share

	Half Year Ended 30 June	
	2022	2021
Basic / Diluted earnings per share:		
- excluding fair value gain on investment properties	8.4 cents	6.3 cents
- including fair value gain on investment properties	25.1 cents	6.4 cents

Earnings per share is calculated by reference to the weighted average number of shares in issue during the financial period.

For the purpose of calculating diluted earnings per share, the weighted average number of shares in issue is adjusted to take into account the dilutive effect arising from the outstanding options granted to employees, where such shares would have been issued at a price lower than the average market price in the current first half of the year. As the impact of the dilution is insignificant, diluted earnings per share is the same as basic earnings per share.

#### 12. Other comprehensive income

(a) Currency translation differences

Currency translation differences arose mainly from the translation of the net assets of the Group's foreign operations which are denominated in RMB and GBP.

(b) Fair value losses on financial assets

The fair value losses on financial assets at FVOCI in the half year ended 30 June 2022 mainly arose from the downward revision of fair estimates based on adjusted net asset method as the valuation technique to measure the fair value of the financial assets.

#### 13. Other receivables (Non-current)

The increase was mainly attributed to shareholder's loan extended to associates for the newly acquired sites at Watten Estate and Pine Grove, as well as existing residential projects such as Clavon, Avenue South Residence, The Watergardens at Canberra and AMO Residence.

## SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

#### 14. Financial assets at fair value through other comprehensive income

The decrease was due to fair value losses from the Group's investment in unquoted equity investment in China-Singapore Suzhou Industrial Park Development Group Co, Ltd ("CSSD"), which assessed fair value has declined.

#### 15. Investment properties

Investment properties are stated at valuation as determined by independent professional valuers. The increase in the Group's investment properties was mainly from the increase in valuations for office properties, particularly those with ongoing or upcoming redevelopment works, namely Clifford Centre and Singapore Land Towers.

#### 16. Properties held for sale

The decrease was mainly due to sales of V on Shenton residential units.

#### 17. Trade and other receivables (Current)

The increase was mainly due to higher sales from technology operations.

#### 18. Bank borrowings

(a) The increase in total bank borrowings was due to loans drawn for shareholders' loan to associates for the newly acquired sites at Watten Estate and Pine Grove.

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

	As at 30.06.2022		As at 31.12.2021	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Repayable within one year or less, or on demand	828	134,292	850	166,610
Repayable after one year	13,249	374,308	14,018	322,409
	<u>14,077</u>	<u>508,600</u>	<u>14,868</u>	<u>489,019</u>

(c) Details of any collaterals:

The secured borrowings are collateralised by way of mortgage over a subsidiary's hotel property.

## SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

#### 19. Share capital

	The Company	
	30.06.2022	31.12.2021
(a) Total number of issued shares, excluding treasury shares:	1,432,667,362	1,432,667,362
(b) There is no change in the issued share capital of the Company for the half year ended 30 June 2022.		
(c) As at 30 June 2022, there were 2,110,000 (31 December 2021: 2,218,000) ordinary shares which may be issued upon the exercise of the subscription rights in full by holders of options granted to executives of the Group under the Singapore Land Group Limited Share Option Scheme.		
(d) The Company did not hold any treasury shares and there were no subsidiary holdings as of 30 June 2022 and 30 June 2021. Accordingly, there was no sales, transfers, disposal, cancellation and/or use of treasury shares or subsidiary holdings during the financial period ended 30 June 2022.		

#### 20. Reserves

	The Group		The Company	
	30.06.2022	31.12.2021	30.06.2022	31.12.2021
	S\$'000	S\$'000	S\$'000	S\$'000
Asset revaluation reserve	58,933	58,933	-	-
Fair value reserve	13,802	14,981	-	-
Share option reserve	7,163	7,098	7,163	7,098
Hedging reserve	6,844	(227)	5,810	(227)
Currency translation reserve	(1,214)	9,190	-	-
	85,528	89,975	12,973	6,871

#### 21. Dividends paid/payable

	Half Year Ended 30 June	
	2022	2021
	S\$'000	S\$'000
Final one-tier dividend paid in respect of the previous financial year of 3.5 cents (2021: 3.5 cents) per share	50,143	50,143

#### 22. Net asset value

	The Group		The Company	
	30.06.2022	31.12.2021	30.06.2022	31.12.2021
Net asset value per ordinary share	S\$5.52	S\$5.30	S\$1.36	S\$1.39
Net tangible asset backing per ordinary share	S\$5.49	S\$5.27	S\$1.36	S\$1.39

## SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

#### 23. Cash flows

(a) Cash inflow for properties held for sale

Cash inflow for properties held for sale was mainly from the proceeds for new sales of V on Shenton residential project.

(b) Income tax paid

Income tax paid in corresponding period last year was higher due to timing of instalment payments as April to June 2020's instalment payments were deferred to 2021 by the government as part of its COVID-19 assistance measure.

(c) Upgrading of investment properties

Payments for upgrading of investment properties mainly relates to expenditure for the Singapore Land Tower's asset enhancement initiatives.

(d) Loans to associates

The loans to associates was to fund the newly acquired residential sites at Watten Estate and Pine Grove.

(e) Repayment of loans by a joint venture

Partial repayment of loan was received from The Tre Ver residential project.

(f) Net proceeds from borrowings

The net proceeds from borrowings was mainly used to fund shareholders' loans to associates for the newly acquired sites at Watten Estate and Pine Grove.

(g) Cash and cash equivalents

For the purposes of the Consolidated Statement of Cash Flows, the cash and cash equivalents comprise the following:

	<u>The Group</u>	
	<u>30.06.2022</u>	<u>30.06.2021</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Fixed deposits with financial institutions	65,429	39,535
Cash at bank and on hand	132,467	115,768
	<u>197,896</u>	<u>155,303</u>
Less: Bank deposits pledged as security	(2,500)	(2,500)
Cash and cash equivalents per Consolidated Statement of Cash Flows	<u>195,396</u>	<u>152,803</u>



## SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

#### 24. Fair value measurements

##### (a) Fair value hierarchy

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities;

**Level 2:** Inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

**Level 3:** Inputs for the assets or liability which are not based on observable market data (unobservable inputs).

The following table presented the assets and liabilities measured at fair value:

	<u>Level 1</u> S\$'000	<u>Level 2</u> S\$'000	<u>Level 3</u> S\$'000	<u>Total</u> S\$'000
<u>The Group</u>				
<b>30 June 2022</b>				
<i>Assets</i>				
Financial assets, at FVOCI	-	-	16,975	16,975
Derivative financial instruments	-	5,880	-	5,880
<hr/>				
<b>30 June 2021</b>				
<i>Assets</i>				
Financial assets, at FVOCI	-	-	19,109	19,109
Derivative financial instruments	-	34	-	34
	-	34	19,109	19,143
<hr/>				
<i>Liabilities</i>				
Derivative financial instruments	-	1,124	-	1,124
<hr/>				
<u>The Company</u>				
<b>30 June 2022</b>				
<i>Assets</i>				
Derivative financial instruments	-	5,810	-	5,810
<hr/>				
<b>30 June 2021</b>				
<i>Liabilities</i>				
Derivative financial instruments	-	975	-	975
<hr/>				

## SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

#### 24. Fair value measurements (continued)

##### (b) Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

- For financial instruments traded in an active market (e.g. quoted equity shares) (Level 1) – quoted price (i.e. current bid price);
- For interest rate swaps (Level 2) – present value of the estimated future cash flows;
- For forward foreign exchange contracts (Level 2) – quoted forward currency rates at the statement of financial position date;
- For other financial assets, at FVOCI (e.g. unquoted equity shares) (Level 3) – net assets of the financial assets at FVOCI, adjusted for lack of liquidity and marketability.

##### (c) Reconciliation of fair value measurements categorised within Level 3

	Half Year Ended 30 June	
	2022	2021
	S\$'000	S\$'000
Financial assets, at FVOCI		
Beginning of the financial period	18,158	30,635
Fair value (losses)/gains recognised in other comprehensive income	(1,183)	26,398
Disposal of unquoted equity security	-	(37,924)
End of the financial period	16,975	19,109

There is no transfer between Level 1, Level 2, and Level 3 of the fair value hierarchy for the half year ended 30 June 2022 and 30 June 2021.

##### (d) Financial instruments carried at other than fair value

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values.

## SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

#### 25. Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, there were the following significant transactions between the Group and related parties during the financial period on terms agreed between the parties concerned:

	Half Year Ended 30 June	
	2022	2021
	S\$'000	S\$'000
<u>Transactions with joint ventures</u>		
Marketing fee income	-	136
<u>Transactions with associates</u>		
Sales of goods and services	12	18
Marketing fee income	553	1,247
Project management fee income	240	120
<u>Transactions with ultimate holding company</u>		
Sales of goods and services	189	330
Fees paid for software license, project implementation and support services	360	396
<u>Transactions with fellow subsidiaries</u>		
Sales of goods and services	709	599
Income from hotel and function room facilities	32	21
Fees paid for management of hotels	3,911	1,350

#### 26. Events after balance sheet date

There are no known subsequent events which will lead to adjustments to this set of interim financial statements.

#### 27. Group segmental information

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions.

For management purposes, the Group is organised into business segments based on their products and services as follows:

- Property investment – leasing of commercial office properties and retail space;
- Property trading – development of properties for sale;
- Hotel operations – operation of owned hotels;
- Technology operations – distribution of computers and related product, provision of systems integration and networking infrastructure services; and
- Others – investment in shares and provision of property management, marketing management and related services.

# SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

### 27. Group segmental information (continued)

	Property investments S\$'000	Property trading S\$'000	Hotel operations S\$'000	Technology operations S\$'000	Others S\$'000	Total S\$'000
<b>1 January 2022 to 30 June 2022</b>						
<b>Sales</b>						
Total segment sales	127,924	15,578	72,209	47,152	9,826	272,689
Inter-segment sales	(887)	-	-	-	(7,773)	(8,660)
Sales to external parties	<b>127,037</b>	<b>15,578</b>	<b>72,209</b>	<b>47,152</b>	<b>2,053</b>	<b>264,029</b>
<b>Segment results - Company and subsidiaries</b>						
Share of results of associates	84,594	2,899	18,517	5,217	4,172	115,399
Share of results of joint ventures	9,768	27,830	941	-	-	38,539
Unallocated cost	5,741	7,383	-	-	-	13,124
						(4,611)
<b>Adjusted EBITDA*</b>						162,451
Depreciation	(284)	-	(21,777)	(357)	(131)	(22,549)
<b>Adjusted EBIT*</b>						139,902
Interest income						7,194
Finance expense						(4,821)
<b>Profit before fair value gains</b>						142,275
Fair value gain on subsidiaries' investment properties	240,220	-	-	-	-	240,220
<b>Profit before income tax</b>						<b>382,495</b>
<b>1 January 2021 to 30 June 2021 (Restated)</b>						
<b>Sales</b>						
Total segment sales	136,193	12,230	34,760	45,034	9,980	238,197
Inter-segment sales	(876)	-	-	-	(7,892)	(8,768)
Sales to external parties	<b>135,317</b>	<b>12,230</b>	<b>34,760</b>	<b>45,034</b>	<b>2,088</b>	<b>229,429</b>
<b>Segment results - Company and subsidiaries</b>						
Share of results of associates	90,759	1,129	(3,254)	5,289	5,698	99,621
Share of results of joint ventures	4,912	9,265	(3,158)	-	-	11,019
Unallocated cost	3,949	9,186	-	-	-	13,135
						(3,174)
<b>Adjusted EBITDA*</b>						120,601
Depreciation	(168)	-	(19,600)	(343)	(121)	(20,232)
<b>Adjusted EBIT*</b>						100,369
Interest income						4,492
Finance expense						(4,671)
<b>Profit before fair value gains</b>						100,190
Fair value gain on subsidiaries' investment properties	2,438	-	-	-	-	2,438
<b>Profit before income tax</b>						<b>102,628</b>

\* Earnings before interest, tax, depreciation and amortization (EBITDA) and Earnings before interest and tax (EBIT) adjusted to exclude fair value gains/losses on subsidiaries' investment properties and other gains/losses which are not operational in nature.

## SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

### OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the half year ended 30 June 2022

#### A. Audit/Review by auditors

The condensed consolidated interim financial statements have neither been audited nor reviewed by the auditors.

#### B. Review of performance of the Group

##### GROUP PERFORMANCE

For the half year ended 30 June 2022, the Group recorded a revenue of \$264.0 million, higher than the corresponding period last year by \$34.6 million (15%). This was mainly due to higher revenue from hotel operations by \$37.4 million (108%), attributed to the recovery of the Singapore hospitality sector with the opening up of border restrictions and relaxation of Covid-19 measures. In addition, PARKROYAL COLLECTION Marina Bay hotel was still progressively opening in phases in early 2021 and thus contributed lower profits to the Group in the last corresponding period. Revenue from property investment decreased slightly by \$8.3 million (6%) mainly due to the non-renewals of leases in view of ongoing extensive asset enhancement works at Singapore Land Towers.

Gross profit exceeded the last corresponding period by \$14.5 million (15%) mainly due to higher profits generated by the hotel operations business unit.

Interest income increased by \$2.7 million (60%) due to higher interest earned on shareholder's loan for the development of the various residential projects.

The Group's share of results of associates increased by \$27.5 million due to higher contribution from Park Eleven Shanghai project and Singapore residential projects, Avenue South Residence and Clavon.

With the aforesaid, the resultant net profit attributable to equity holders ("PATMI") before fair value gains is \$120.9 million, higher than the corresponding period last year by \$31.4 million (35%).

After including fair value gain on subsidiaries' investment properties (net of non-controlling interests) amounting to \$238.9 million (half year ended 30 June 2021: \$2.6 million), the Group recorded a net profit attributable to equity holders of \$359.8 million for the half year ended 30 June 2022, which was higher than the last corresponding period by \$267.6 million.

##### NET ASSET VALUE ("NAV") AND GEARING

The Group shareholder's fund increased by 4.0% to \$7.9 billion. Accordingly, NAV per ordinary share of the Group increased from \$5.30 as at 31 December 2021 to \$5.52 as at 30 June 2022.

The Group's gearing ratio (net of cash) is 3.8% as at 30 June 2022 (31 December 2021: 3.9%).

As at 30 June 2022, the Group has sufficient liquidity with unutilised credit facilities exceeding \$1.2 billion in aggregate.

## SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

### OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

*For the half year ended 30 June 2022*

**C. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

**D. A commentary at the date of announcement of the significant trends and 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.**

Despite maintaining its 3 to 5 per cent GDP growth forecast for 2022, the Ministry of Trade and Industry cautioned that growth will likely be at the lower range amid a weaker external economic environment. In Singapore, the pandemic situation appears to have stabilized with the high vaccination and booster take-up rate. Following this and the easing of the domestic and border restrictions, some sectors have witnessed a strengthening of their growth outlook.

The office sector is poised to maintain its general optimism in this current environment. Although hybrid working arrangements have kept overall office demand footprint below pre-COVID levels, leasing demand for Grade A office buildings is expected to continue, driven by the technology and non-bank financial sectors as well as family offices and fund managers. At the same time, the flight to quality trend persists with an increasing number of office tenants prioritizing landlords that focus on sustainability and wellness.

The retail sector is starting to inch closer to pre-pandemic levels with the easing of restrictions and further relaxation of border measures alongside sustained economic growth. Prime retail rents in Orchard, suburban and other city areas are expected to rise, with stronger growth from the suburban areas. However, the global inflationary pressures, shortages in the labour market and the rise in the cost of energy and raw materials would continue to place pressure on the pace of recovery.

Since the relaxation of travel restrictions in most countries, the Singapore hospitality sector has recovered at a faster than expected pace. While hotels are expected to see an increase in revenue with the return of international travellers, hotel profitability is likely to be offset by rising operating costs and shortage of skilled labour. In Tianjin, city-wide occupancy was initially expected to return to pre-COVID levels but has been derailed by the resurgence of COVID-19 since the beginning of the year. Its domestic demand is likely to rebound strongly once the infections are brought under control.

The residential market is expected to remain supported by sustained demand and limited supply. While developers' demand for land remain robust amidst the dwindling supply, the rising interest rates, elevated construction costs and increasing land prices remain key concerns.

**E. Dividend information**

No dividend has been declared/recommended for the half year ended 30 June 2022 as it is not the usual practice of the Group to declare interim dividends.

**F. Interested person transactions**

The Group has not obtained a general mandate from shareholders for Interested Person Transactions.

## **SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES**

### **OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2**

*For the half year ended 30 June 2022*

#### **CONFIRMATION BY DIRECTORS**

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial results for the half year ended 30 June 2022 to be false or misleading.

#### **CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKING FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS (IN THE FORMAT SET OUT IN APPENDIX 7.7) UNDER RULE 720(1)**

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 in accordance with Rule 720(1) of the Listing Manual.

#### **BY ORDER OF THE BOARD**

Teo Hwee Ping  
Company Secretary

5 August 2022