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By accepting this document, if you are an investor in Singapore, you (A) represent and warrant that you are either an institutional investor (as defined under Section 4A(1) of the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**)) pursuant to Section 274 of the SFA, a relevant person (as defined under Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA or any person pursuant to Section 275(1A) of the SFA and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore, and (B) agree to be bound by the limitations and restrictions described therein. Any reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

You are reminded that the attached preliminary pricing supplement has been delivered to you on the basis that you are a person into whose possession the attached preliminary pricing supplement may be lawfully delivered in accordance with the laws of jurisdiction in which you are located and you may not, nor are you authorised to, deliver the attached preliminary pricing supplement to any other person.

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PRELIMINARY PRICING SUPPLEMENT DATED **[•]** 2021

Pricing Supplement

Keppel Land Limited

(UEN/ Company Registration No. 189000001G)
(Incorporated with limited liability in Singapore)

U.S.$3,000,000,000
Multicurrency Medium Term Note Programme

SERIES NO: 004
TRANCHE NO: 001

S$[•][•] Per Cent. Senior Notes Due 2026
Issue Price: [100] per cent.

Dealer

United Overseas Bank Limited
80 Raffles Place
UOB Plaza 1 #03-01
Singapore 048624

Issuing and Paying Agent

The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch
21 Collyer Quay
#03-01 HSBC Main Building
Singapore 049320

The date of this Pricing Supplement is **[•]** 2021.

PRICING SUPPLEMENT

NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT, CHAPTER 289 OF SINGAPORE – The Notes are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

[*Date*]

KEPPEL LAND LIMITED

Issue of [Aggregate Nominal Amount of Tranche] [[•] Per Cent. Senior Notes Due 2026]
under the U.S.$3,000,000,000
Multicurrency Medium Term Note Programme

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 4 August 2017. This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with the Offering Circular. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular.

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, Chapter 134 of Singapore (the **ITA**), shall not apply if such person acquires such Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.

1.	(a) Issuer:	Keppel Land Limited
	(b) Guarantor:	Not Applicable
2.	(a) Series Number:	004
	(b) Tranche Number:	001
3.	Specified Currency or Currencies:	Singapore dollars (S$)

4.	Aggregate Nominal Amount:		
	(a)	Series:	[ ]
	(b)	Tranche:	[ ]
5.	Issue Price:		[100] per cent. of the Aggregate Nominal Amount
6.	(a)	Specified Denominations:	S$250,000
	(b)	Calculation Amount:	S$250,000
7.	(a)	Issue Date:	28 May 2021
	(b)	Interest Commencement Date:	Issue Date
8.	Maturity Date:		28 May 2026
9.	Interest Basis:		[•] per cent. Fixed Rate
10.	Redemption/Payment Basis:		Redemption at par
11.	Change of Interest Basis or Redemption/Payment Basis:		Not Applicable
12.	Put/Call Options:		None
13.	(a)	Status of the Notes:	Senior
	(b)	Status of the Guarantee:	Not Applicable
14.	Listing:		SGX-ST
15.	Method of distribution:		Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16.	Fixed Rate Note Provisions		Applicable
	(a)	Rate(s) of Interest:	[•] per cent. per annum payable semi-annually in arrear

	(b) Interest Payment Date(s):	28 May and 28 November in each year up to and including the Maturity Date
	(c) Fixed Coupon Amount(s): (Applicable to Notes in definitive form.)	S$[•] per Calculation Amount
	(d) Broken Amount(s); (Applicable to Notes in definitive form.)	Not Applicable
	(e) Day Count Fraction:	Actual/365 (Fixed)
	(f) Determination Date(s):	Not Applicable
	(g) Other terms relating to the method of calculating interest for Fixed Rate Notes:	None
17.	Floating Rate Note Provisions	Not Applicable
18.	Zero Coupon Note Provisions	Not Applicable
19.	Index Linked Interest Note Provisions	Not Applicable
20.	Dual Currency Interest Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

21.	Issuer Call:	Not Applicable
22.	Investor Put:	Not Applicable
23.	Final Redemption Amount:	S$250,000 per Calculation Amount
24.	Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 7.5):	S$250,000 per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25.	Form of Notes:	Permanent Global Note exchangeable for Definitive Notes only upon an Exchange Event
26.	Governing Law of the Notes:	Singapore Law
27.	Additional Financial Centre(s) or other special provisions relating to Payment Days:	Not Applicable
28.	Talons for future Coupons or Receipts to be attached to Definitive Bearer Notes (and dates on which such Talons mature):	Not Applicable
29.	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the relevant Issuer to forfeit the Notes and interest due on late payment:	Not Applicable
30.	Details relating to Instalment Notes:	
	(a) Instalment Amount(s):	Not Applicable
	(b) Instalment Date(s):	Not Applicable
31.	Redenomination applicable, renominalisation and reconventioning provisions:	Not Applicable
32.	Consolidation provisions:	Consolidation not applicable
33.	Other terms:	Please refer to the Annexes A, B and C to this Pricing Supplement

DISTRIBUTION

34.	(a) If syndicated, names of Managers:	Not Applicable
	(b) Date of Subscription Agreement:	Not Applicable

	(c) Stabilising Manager(s) (if any):	Not Applicable
35.	If non-syndicated, name of relevant Dealer:	United Overseas Bank Limited
36.	U.S. Selling Restrictions:	TEFRA C
37.	Additional selling restrictions:	Refer to Annex A ("*Subscription and Sale*")

OPERATIONAL INFORMATION

38.	ISIN Code:	[ ]
39.	Common Code:	[ ]
40.	Any clearing system(s) other than Euroclear Bank S.A./N.V., and Clearstream:	The Central Depository (Pte) Limited
41.	Delivery:	Delivery free of payment
42.	Names and addresses of additional Paying Agent(s) (if any):	Not Applicable
43.	Registrar:	Not Applicable

LISTING APPLICATION

This Pricing Supplement comprises the final terms required for issue and admission to trading on the Singapore Exchange Securities Trading Limited of the Notes described herein pursuant to the U.S.$3,000,000,000 Multicurrency Medium Term Note Programme of Keppel Land Limited and Keppel Land Financial Services Pte. Ltd..

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of **KEPPEL LAND LIMITED**:

By:______________________________

Duly authorised

ANNEX A

The Offering Circular is hereby supplemented with the following information, which shall be deemed to be incorporated in, and form part of, the Offering Circular. Save as otherwise defined herein, terms defined in the Offering Circular have the same meaning when used in this Annex A.

COVER PAGE

The tenth paragraph on the cover page of the Offering Circular shall be deleted in its entirety and substituted therefor with the following:

"This Offering Circular has not been and will not be registered as a prospectus with the Monetary Authority of Singapore (**MAS**) and the Securities are offered by the Issuers pursuant to exemptions under Sections 274 and 275 of the Securities and Futures Act, Chapter 289 of Singapore, as modified or amended from time to time (the **SFA**). Accordingly, this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Securities may not be circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than: (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA; (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275, of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore; or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA."

The paragraph titled "Prohibition of Sales to EEA Retail Investors" found on page iii of the Offering Circular shall be deleted in its entirety and substituted therefor with the following:

"**SINGAPORE SFA PRODUCT CLASSIFICATION** – In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), unless otherwise stated before an offer of Securities, the Issuers have determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Securities are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products)."

RISK FACTORS

The section "Risk Factors" in the Offering Circular shall be amended by:

1. deleting the first paragraph of the risk factor titled "Economic and social and political conditions globally and in the countries where the Group operates may adversely impact the Group" appearing on page 11 of the Offering Circular in its entirety and substituting therefor the following:

   "The Group's properties are diversified across numerous countries including Singapore, China, Vietnam and Indonesia. A downturn in any of these economies (or in any future markets which the Group enters), or the impact that an economic decline in any of these economies (or any economy which the Group may be exposed to), could result in reduced demand for the Group's properties. This may lead to, among other things, decreases in valuations of its properties, decreases in the sales of, or prices for, residential or commercial developments, deferment in the construction of development projects, delays in the sales launches of the Group's residential projects in order to take advantage of future periods of more robust real estate demand, and/or decreases in rental or occupancy rates for commercial properties. Furthermore, a downturn in economies may lead to an increased probability of defaults by customers on their purchases of the Group's properties, inability of customers to obtain credit to finance purchases or properties and/or customer insolvencies, and the granting to the Group's customers of extensions of time to pay for their purchases of the Group's properties. These will adversely affect the Group's operations, future growth and in turn jeopardise the Group's ability to fulfil its obligations under the Securities.

In addition, the economies in which the Group operates are affected by global events. Global credit markets have in the past experienced, and may continue to experience, volatility and liquidity disruptions, which have resulted in the consolidation, failure or near failure of a number of institutions in the banking and insurance industries. Global trade wars may also impinge upon the health of the global financial system.

In recent years, the global economy and global financial markets have experienced significant volatility as a result of, among other things:

- the occurrence of several health epidemics, such as the COVID-19 pandemic;
- a deterioration in economic and trade relations between the United States and its major trading partners, including China;
- interest rate fluctuations as well as changes in policy rates by the U.S. Federal Reserve and other central banks;
- uncertainties resulting from the UK's exit from the European Union;
- the slowdown of economic growth in China and other major emerging market economies; and
- the volatility in oil prices.

These events could adversely affect the Group insofar as they result in:

- a general fall in demand for real estate and in real estate prices;
- a negative impact on the ability of tenants to pay their rents in a timely manner or at all, loss of key tenants and difficulties in finding suitable replacement tenants in a timely manner and on a comparable lease term, tenants requesting rental rebates or restructuring of their lease terms due to the impact of an economic downturn or tenants requesting waiver of interest on late payment of rent, thus reducing the Group's cash flow;
- access to debt capital markets becoming more difficult, expensive or impossible resulting in a material adverse effect on the ability of the Group to obtain debt capital to fund its

operations, meet its obligations, purchase additional properties or otherwise conduct its business;

- an increase in counterparty risk (being the risk of monetary loss which the Group may be exposed to if any of its counterparties encounters difficulty in meeting its obligations under the terms of its respective transaction); and/or

- an increased likelihood that one or more of (i) the Group's banking syndicates (if any) or (ii) the Group's insurers, may be unable to honour their commitments to the Group.

Political or constitutional instability, conflicts and/or crises in the countries in which the Group invests may also negatively impact economic conditions in these countries, which may in turn adversely affect the Group's business, financial condition, results of operations and prospects and the Group's ability to fulfil its obligations under the Securities."

2. supplementing the risk factor titled "The Group has certain hotel operations in Myanmar, a country that is currently subject to certain international trade restrictions, economic embargoes and sanctions" appearing on pages 14 and 15 of the Offering Circular with the following paragraph at the end of the risk factor:

"In addition, Myanmar had recently declared a one-year state of emergency. The situation in Myanmar and international reactions (including economic sanctions, if any) remain fluid. The impact on the economy, foreign investments and the Group's investments in Myanmar remain uncertain. Any unfavourable changes in the political, economic and social conditions of Myanmar, and the existence of conditions impacting safety and security, may adversely affect the Group's operations in Myanmar and threaten the economic potential of the Group's investments in the country."

3. deleting the risk factor titled "The outbreak of an infectious disease or any other serious public health concerns in Asia and elsewhere could adversely impact the Group's business, financial condition, prospects and results of operations" appearing on page 17 of the Offering Circular in its entirety and substituting therefor the following:

"***Occurrence of any acts of God, natural disasters, war and terrorist attacks and other events beyond the control of the Group, including the recent outbreaks of communicable diseases such as H1N1 influenza, H7N9 influenza and COVID-19, may adversely and materially affect the Group's business, financial condition, prospects and result of operations***

Acts of God, such as natural disasters, war and terrorist attacks, are beyond the control of the Group. These may materially and adversely affect the economy, infrastructure and livelihood of the population in the countries that the Group operates. The Group's properties, business and financial condition may be adversely affected should such acts of God, natural disasters or pandemics occur. There is no assurance that any war, terrorist attack or other hostilities in any part of the world, potential, threatened or otherwise, will not, directly or indirectly, have an adverse effect on the operations of the Group's properties and hence the Group's ability to fulfil its obligations under the Securities.

In addition, physical damage to the properties resulting from any acts of God, natural disasters, war, or terrorist attacks may lead to a significant disruption to the business and operation of the Group's properties. This may result in the loss of invested capital in affected properties and anticipated future revenues as the Group may not be able to rent out or sell the affected properties. The Group may also suffer a loss of or disputes with existing tenants in the affected properties and any financial obligations secured by such properties may be accelerated. These may in turn affect the Group's ability to fulfil its obligations under the Securities.

The outbreak of infectious diseases such as the Severe Acute Respiratory Syndrome, Ebola virus disease, Middle East Respiratory Syndrome coronavirus, H5N1 influenza, H1N1 influenza, H7N9 influenza and the recent outbreak of the COVID-19 coronavirus pandemic, have or could have resulted in a negative impact on the economy and business activities in the countries in which the Group operates and thereby may adversely impact the revenues and results of operations of the Group. In addition, the outbreak of such communicable diseases on a global scale may affect investment sentiment and result in volatility in the global capital markets. Such outbreak has resulted in restrictions on travel and public transportation and prolonged closures of workplaces, which may have a material adverse effect on the global economy. Any material change in the financial markets or local or regional economies as a result of these events or developments may materially and adversely affect the Group’s business, financial condition, prospects and results of operations, which may in turn affect the Group's ability to fulfil its obligations under the Securities.

The emergence of the COVID-19 pandemic has disrupted the global economy, creating uncertainty and placing global economic and social resilience to the test. There is continued uncertainty as to the further impact of COVID-19 including in relation to governmental action, potential taxation changes, strict movement controls, work stoppages, lockdown, quarantines, travel restrictions, curfews, suspension and/or termination of major events, interruptions to supply and demand chains locally and globally, leading to a substantial decline in the number of travellers and in business activity, thereby impacting the demand for the Group’s properties. There have also been adverse impacts on the global economy and share markets affecting access to capital markets for funding requirements. The potential effects of the COVID-19 pandemic on the Group’s business include, but are not limited to, adverse impacts on sales and rental revenue in relation to the Group’s properties, adverse impacts on the valuation of its assets, solvency issues experienced by the Group’s customers, suppliers as well as counterparties to the Group’s contractual arrangements, adverse legislative changes (such as the suspension of contractual rights and obligations and mandatory rental relief), changes to employee working arrangements, reduce in demand for workspaces and retail units, increases to the Group’s labour and other costs, adverse impacts to its existing and future projects (including delays to and/or suspension of any planned or potential development, redevelopment and/or asset enhancement initiatives as well as acquisitions or divestments of assets or businesses by the Group and shutdowns of the Group’s development sites and workplaces), renegotiation of terms (as well as claims) in relation to any existing projects and/or contractual arrangements (including tenancies), any or a combination of which may have a material and adverse impact on the Group’s business, financial condition, prospects and results of operations. The events relating to COVID-19 have also resulted in market volatility including in the prices of securities trading on SGX-ST and on other foreign securities exchanges. Adverse changes in global credit market conditions as a result of the uncertainty and downturn in economic conditions arising from the COVID-19 pandemic may also adversely affect the Group.

As the COVID-19 pandemic is ongoing and evolving, there is no assurance that the Group will not experience more severe disruptions in the future in the event that more stringent COVID-19 related measures are imposed or if the COVID-19 outbreak becomes more severe or protracted. This could in turn cause further deterioration in the Group’s business, financial condition, prospects and results of operations. The actual extent of the COVID-19 outbreak and its impact on the domestic, regional and global economy remains uncertain.";

4. inserting the following, immediately before the risk factor titled "Some or all of the Group's existing and planned projects may not be completed" appearing on page 18 of the Offering Circular, under the heading "Risks relating to the Group's property development business":

"**The Group is subject to risks associated with asset enhancements of its properties**

The Group's properties may be the subject of asset enhancement initiatives from time to time. Asset enhancement initiatives typically require substantial capital outlay and may take an extended period of time before positive cash flows may be generated. There can be no assurance that such capital outlay can be recovered within a brief period or if at all.

In addition, the Group finances its asset enhancement initiatives largely through internally generated funds as well as debt financing. As security for payment under debt financing, the Group may be required to mortgage or pledge certain assets to creditors and/or assign the sale and rental proceeds, performance bonds and insurances in respects of its properties to creditors.

The time taken and the costs involved in completing asset enhancement initiatives can be adversely affected by many factors, including delays in obtaining requisite licences, permits or approvals from government agencies or authorities, shortages of materials, equipment, labour and unforeseen engineering, environmental or geological problems, adverse weather conditions, natural disasters, litigation, work stoppages and labour disputes with contractors and subcontractors, accidents, changes in government policies, any failure to complete construction according to original specifications, schedule or budget, poor availability of financing and other unforeseen problems or circumstances. As a result, there can be no assurance that any or all of the current or future asset enhancement initiatives affecting the properties in which the Group has an interest will be completed within the anticipated time frame or budget, if at all.

Changes in the business environment during the period of asset enhancement may affect the revenue and cost of the asset enhancement initiative, which in turn may have a direct impact on whether or not the asset enhancement initiative is profitable. This could adversely affect the Group's business, financial condition, prospects and results of operations, thus affecting the Group's ability to fulfil its obligations under the Securities.

5. inserting the following immediately after the risk factor titled "The Group is exposed to general risks associated with the ownership and management of real estate" appearing on page 19 of the Offering Circular:

"**Losses or liabilities from latent property or equipment defects may adversely affect earnings and cash flow**

Design, construction or other latent property or equipment defects in the Group's development properties may require additional capital expenditure, special repair, maintenance expenses or the payment of damages or other obligations to third parties. Costs or liabilities arising from such property or equipment defects may involve significant and potentially unpredictable patterns and levels of expenditure which may have a material and adverse effect on the Group's business, financial condition, results of operations and prospects.

The costs of maintaining the Group's properties and the risk of unforeseen maintenance or repair requirements tend to increase over time as the Group's properties age. The business and operation of the Group's properties may be disrupted as a result of asset enhancement works and it may not be possible to collect the full rate of, or, as the case may be, any rental income on the space affected by such asset enhancement works."

6. inserting the following immediately after the risk factor titled "The Group could incur significant costs related to environmental matters" appearing on page 22 of the Offering Circular:

"**The market values of the Group's properties may differ from their appraised values as determined in the valuation reports**

The valuations of the Group's properties are based on certain assumptions which may differ materially from actual measures of the market. Property valuations generally include a subjective determination of certain factors relating to the relevant property, such as the property's relative market position, financial and competitive strengths and physical condition. Accordingly, no assurance can be given to prospective investors that the assumptions are accurate measures of the market or that the valuation of each of the Group's properties is accurate. The market value of the Group's properties or any future acquisitions may, therefore, differ from their appraised values. The appraised value of any of the Group's properties or any future acquisitions is not an indication of, and does not guarantee, a sale price at that value at present or in the future. The price at which the Group may sell a property may be lower than its appraised value or the initial acquisition price of that property."

7. deleting the risk factor titled "U.S. Foreign Account Tax Compliance Withholding may affect payments on the Notes and Perpetual Securities" appearing on page 26 of the Offering Circular in its entirety and substituting therefor the following:

"*U.S. Foreign Account Tax Compliance Act (**FATCA**) Withholding may affect payments on the Notes and Perpetual Securities*

Singapore and the United States have signed a reciprocal FATCA Model 1 Intergovernmental Agreement on 13 November 2018, which entered into force on 1 January 2021, to help implement FATCA for certain Singaporean entities. The full impact of such an agreement on the Issuers and their reporting and withholding responsibilities under FATCA is unclear. The Issuer is required to report certain information on its U.S. accountholders to the government of Singapore in order (i) to obtain an exemption from FATCA withholding on payments it receives and/or (ii) to comply with any applicable Singaporean law. It is not yet certain how the United States and Singapore will address withholding on "foreign passthru payments" (which may include payments on the Notes and Perpetual Securities) or if such withholding will be required at all.

If an amount in respect of U.S. and Singapore withholding tax were to be deducted or withheld from interest, principal or other payments on the Notes and Perpetual Securities as a result of FATCA, none of the Issuer, any paying agent or any other person would, pursuant to the Conditions of the Notes or the Conditions of the Perpetual Securities be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected. Holders of the Notes and Perpetual Securities should consult their own tax advisers on how these rules may apply to payments they receive under the Notes and Perpetual Securities.";

8. deleting the risk factor titled "Singapore taxation risk" appearing on page 30 of the Offering Circular in its entirety and substituting therefor the following:

"***Singapore taxation risk***

The Securities to be issued from time to time under the Programme during the period from the date of this Offering Circular to 31 December 2023 are intended to be "qualifying debt securities" for the purposes of the ITA, subject to the fulfilment of certain conditions more particularly described in the section "Taxation – Singapore Taxation". However, there is no assurance that the conditions for "qualifying debt securities" will continue to be met or that such Securities will continue to enjoy the tax concessions in connection therewith should the relevant tax laws be amended or revoked at any time. In addition, the tax concessions for qualifying debt securities may not be available if the Inland Revenue Authority of Singapore (**IRAS**) does not regard the Securities as debt securities for Singapore income tax purposes."; and

9. inserting the following risk factor immediately after the risk factor titled "Singapore taxation risk" appearing on page 30 of the Offering Circular:

"***Application of Singapore insolvency and related laws to the Group may result in a material adverse effect on the Securityholders***

There can be no assurance that the relevant Issuer will not become bankrupt or insolvent or the subject of judicial management, schemes of arrangement, winding-up or liquidation orders or other insolvency-related proceedings or procedures. In the event of an insolvency or near insolvency of the relevant Issuer, the application of certain provisions of Singapore insolvency and related laws may have a material adverse effect on the Securityholders. Without being exhaustive, below are some matters that could have a material adverse effect on the Securityholders.

Where the relevant Issuer is insolvent or close to insolvent and the relevant Issuer undergoes certain insolvency procedures, there may be a moratorium against actions and proceedings which may apply in the case of judicial management, schemes of arrangement and/or winding-up in relation to the relevant Issuer. It may also be possible that if a company related to the relevant Issuer proposes a creditor scheme of arrangement and obtains an order for a moratorium, the relevant Issuer may also seek a moratorium even if the relevant Issuer is not itself proposing a scheme of arrangement. These moratoriums can be lifted with court permission and in the case of judicial management, additionally with the permission of the judicial manager. Accordingly, if for instance there is any need for the bond Trustee to bring an action against the relevant Issuer, the need to obtain court permission may result in delays in being able to bring or continue legal proceedings that may be necessary in the process of recovery.

Further, Securityholders may be bound by a scheme of arrangement even if they dissent. In respect of company-initiated creditor schemes of arrangement, there are cramdown provisions that may apply to a dissenting class of creditors. The court may, notwithstanding a single class of dissenting creditors, approve a scheme provided an overall majority in number representing 75% in value of the creditors meant to be bound by the scheme have agreed to it. This is, further, provided that the scheme does not unfairly discriminate, is fair and equitable to each dissenting class, and the court is of the view that it is appropriate to approve the scheme. In such scenarios, Securityholders may be bound by a scheme of arrangement to which they may have dissented.

Further to the amendments that took effect on 23 May 2017 (some of which have been highlighted above), the Insolvency, Restructuring and Dissolution Act 2018, No. 40 of 2018 (the **IRD Act**) came into force on 30 July 2020. The IRD Act includes a prohibition against terminating, amending or claiming an accelerated payment or forfeiture of the term under, any agreement (including a security agreement) with a company which commences certain insolvency or rescue proceedings (and before the conclusion of such proceedings), by reason only that the proceedings are commenced or that the company is insolvent. This prohibition will not apply to any contract or agreement that is, or that is directly connected with, the Securities. However, it may apply to related contracts that are not found to be directly connected with the Securities.".

DOCUMENTS INCORPORATED BY REFERENCE

The section titled "Documents Incorporated by Reference" on page 35 of the Offering Circular shall be amended by inserting the following statement at end of the second paragraph:

"Copies of the most recently published audited consolidated financial statements of KLL are available on the website of the SGX-ST at www.sgx.com".

DESCRIPTION OF KEPPEL LAND FINANCIAL SERVICES PTE. LTD.

The section titled "Description of Keppel Land Financial Services Pte. Ltd." shall be amended by deleting the sub-section titled "Directors" appearing on page 152 of the Offering Circular in its entirety and substituting therefor the following:

"**Directors**

As at 7 May 2021, the Directors of KLFS are:

(1) Lim Lu-yi, Louis

(2) Tan Boon Ping."

DESCRIPTION OF KEPPEL LAND LIMITED

The section titled "Description of Keppel Land Limited" shall be amended by:

1. deleting the section in its entirety from pages 154 to 169 and substituting therefor the content set out in Annex B; and

2. inserting the following sub-sections after the sub-section titled "Legal Proceedings" appearing on page 169 of the Offering Circular:

"**Recent Developments**

For more information on any of the recent key developments set out below, investors may wish to refer to the relevant announcements published on either the website of the SGX-ST at www.sgx.com for SGXNET announcements released by Keppel Corporation or the website of Keppel Land at https://www.keppelland.com/.

1. On 16 August 2017, Keppel Corporation's indirect wholly-owned subsidiary held through Keppel Land China Limited (**KLCL**), Merryfield Investment Pte. Ltd., entered into a sale and purchase agreement to divest its entire 100% interests in Keppel Lakefront (Nantong) Property Development Co., Ltd to Nantong Wanjun Commercial Information Consultancy Co., Ltd. for a consideration of approximately RMB1,430 million (approximately S$292 million) subject to completion adjustments. The divestment was completed on 29 September 2017.

2. On 8 September 2017, Keppel Land topped the Global/ Developer/ Residential and Asia/ Developer categories, and maintained its 3rd position globally among developers in the Global Real Estate Sustainability Benchmark 2017.

3. On 19 September 2017, Keppel Land, through its wholly-owned subsidiary, PT Sukses Manis Tangguh, entered into a conditional sales and purchase agreement with Bank Central Asia to acquire a prime site in Jakarta's central business district for a total consideration of Rp 586 billion (approximately S$60 million). Keppel Land plans to develop a premium high-rise tower which could yield about 400 luxury apartments. The acquisition has been completed.

4. On 25 October 2017, KLCL entered into a sale and purchase agreement to divest its 100% stake in Keppel China Marina Holdings Pte Ltd (**KCMH**) to Delight Prime Limited (**DPL**) for a total consideration of approximately RMB2,900 million (approximately S$597.4 million) (subject to completion adjustments) (the **Keppel Cove Divestment**). KCMH indirectly owned an 80% effective stake in Sunsea Yacht Club (Zhongshan) Co. Ltd., with Sunsea Yacht Club (Hong Kong) Company Limited (**SYCHK**) holding the remaining 20% stake.

   On 20 November 2017, KLCL and KCMH were served as co-defendants a writ of summons filed by SYCHK in the High Court of the Republic of Singapore (the **Suit**). The reliefs claimed by SYCHK in the Suit were, amongst others, to restrain both KLCL and KCMH from completing the Keppel Cove Divestment. Both KLCL and KCMH were also served a summons filed by SYCHK for various interim injunctions in relation to the foregoing (the **Summons for interim relief**).

   The High Court, on 15 December 2017, ordered that the Summons for interim relief filed by SYCHK to, amongst other things, restrain KLCL from completing the Keppel Cove Divestment, was dismissed; and the Suit against KLCL and KCMH was stayed on certain terms, with costs awarded to KLCL and KCMH.

   On 22 December 2017 SYCHK sought an urgent hearing in respect of its application for permission from the High Court to appeal against the High Court order of 15 December 2017 to the Court of Appeal. At the hearing held in that afternoon, the High Court dismissed SYCHK's application (**Dismissal of Application**), with costs awarded to KLCL and KCMH. As SYCHK informed the High Court of its intention to apply to the Court of Appeal for permission to appeal the Dismissal of Application (**Application to CA**), the High Court allowed on terms SYCHK's application for, amongst other things, an order restraining KLCL from completing the Keppel Cove Divestment until the Application to CA was disposed of by the Court of Appeal.

   The Court of Appeal dismissed the Application to CA on 26 February 2018, with costs awarded to KLCL and KCMH. The Court of Appeal also discharged with immediate effect the High Court's order of 22 December 2017 restraining KLCL from completing the Keppel Cove Divestment.

   On 26 February 2018, SYCHK, by a notice of arbitration to the Singapore International Arbitration Centre initiated arbitration proceedings against KCMH for claims arising out of the joint venture between SYCHK and KCMH.

   On 3 April 2018, KLCL and DPL achieved closing of the Keppel Cove Divestment for a total consideration of approximately RMB2,900 million (approximately S$597.1 million).

5. On 23 November 2017, Keppel Land, through an indirect wholly-owned subsidiary, Glendon Pte. Ltd., increased its investment in Krystal Investments Pte. Ltd. (**Krystal Investments**) by acquiring the

balance 49% stake from Vassalerie Investment Corp for an aggregate consideration of US$24,312,406. With this acquisition, Krystal Investments is now an indirect wholly-owned subsidiary and Keppel Land's aggregate effective interest in Saigon Centre Phase 1 and 2 has increased from 53.2% to 61.3% and in Saigon Centre Phase 3, from 76.2% to 84%.

6. On 23 November 2017, Keppel Land, through its wholly-owned subsidiaries, Valicour Pte. Ltd. (**Valicour**) and Topalle Pte. Ltd. (**Topalle**), entered into a conditional joint venture agreement with Thai property developer, KPN LAND Co., Ltd (**KPN LAND**) to acquire two prime sites in Bangkok's central business district from KPN LAND and other existing landowner(s), for a total consideration of approximately THB 2.2 billion (approximately S$90 million). The partners plan to develop two premium freehold condominiums projects on these sites. Keppel Land and KPN LAND will hold a 49% and 51% stake in the condominium projects respectively. On 23 November 2018, Keppel Corporation announced that Topalle and Valicour shall be divesting their entire interests in the project companies developing the condominium projects to KPN LAND or their nominee for a total consideration of THB 165.5 million (approximately S$6.9 million). The divestment was completed on 14 December 2018.

7. On 18 December 2017, Keppel Land entered into two conditional sales and purchase agreements to acquire 100% interest in two prime sites in Ho Chi Minh City, namely a 13-hectare site located in Saigon South of Ho Chi Minh City and a six-hectare site located in District 9. The total development cost, inclusive of the land cost, is about US$297m (approximately S$407million). The acquisition was aborted.

8. On 25 December 2017, KLCL, through its wholly-owned subsidiary, Keppel Lakefront (Wuxi) Property Development Co., Ltd. secured a prime 18.03-hectare residential site in Wuxi, China, for a total consideration of RMB2,533 million (approximately S$517 million) in a government land tender. KLCL plans to develop the site into a residential project comprising 2,053 high-rise, 456 mid-rise and 246 low-rise units.

9. On 7 May 2018, Da Di Investment Pte Ltd and Shanghai Merryfield Land Co. Limited, both indirect subsidiaries of Keppel Corporation held through KLCL, entered into a sale and purchase agreement to divest their respective interests of 80% and 20% stake in Keppel Bay Property Development (Shenyang) Co. Ltd. (**KBPDS**) to Shenyang Vanke Property Development Co. Ltd. Keppel Corporation has an effective interest of 99.8% in KBPDS held indirectly through KLCL and its share of the total consideration for the divestment is about RMB502 million (approximately S$104.8 million). KBPDS owns a residential township project in Hunnan New District, Shenyang City, China. The divestment was completed on 3 July 2018.

10. On 25 May 2018, Keppel Corporation's indirect wholly-owned subsidiary, Aether Pte. Ltd. (**Aether**), held through KLCL, entered into an option agreement with CBD Aether Center Ltd (**CBD Aether**), pursuant to which Aether had agreed to grant an option to purchase to CBD Aether to acquire up to 16,702,500 shares (**Option**), representing 51% of the issued and paid-up share capital of Aether Limited (**HK Aether**) at an option price of about US$94.1 million (approximately S$125.2 million). HK Aether is the holding company of Beijing Aether Property Development Ltd which owned and was developing a prime commercial site in Chaoyang District, Beijing, China. The consideration for the proposed sale and purchase of 16,702,500 shares in HK Aether was about US$297.9 million (approximately S$396.3 million). CBD Aether exercised the Option on 19 July 2018 and the divestment was completed on 23 July 2018.

11. On 15 June 2018, Keppel Corporation's indirect wholly-owned subsidiary, Keppel China Township Development Pte. Ltd., held through KLCL, entered into a sale and purchase agreement to divest its

100% interest in Keppel Township Development (Shenyang) Co. Ltd. (**KTDS**) to Shenyang SUNAC Xinxing Enterprise Management Limited. KTDS owned and was developing a residential township project in Shenbei New District, Shenyang City, China. The consideration for the divestment was approximately RMB980 million (approximately S$205 million). The divestment was completed on 3 July 2018.

12. On 25 June 2018, Keppel Land's wholly-owned subsidiaries, Keppel Land Thu Thiem Pte. Ltd. and Orbista Pte. Ltd. (**Orbista**), entered into a sale and purchase agreement with Messrs. Pham Quang Hung for the divestment of part of their interests in Quoc Loc Phat Joint Stock Company (**QLP**), in aggregate amounting to 30% shareholding interest in QLP (**Sale Shares**). QLP was the officially appointed developer of a property located in Ho Chi Minh City, Vietnam. The consideration for the Sale Shares is VND702.0 billion (approximately S$41.2 million). The divestment was completed on 29 June 2018. Following completion, Keppel Land had a 15% interest in QLP through Orbista.

13. On 2 July 2018, a share purchase agreement was entered into in relation to the divestment of the entire issued share capital in Orbista by Oil Asia Pte. Ltd. (a wholly-owned subsidiary of Keppel Land) (**Oil Asia**) to Fortune Paradise Holdings Limited (**Fortune**) for a consideration of US$30 million (approximately S$40.2 million). On 28 September 2018, Oil Asia and Fortune entered into a supplemental agreement, to amend certain terms of the share purchase agreement, including the extension of the completion date to 30 September 2018 and increasing the purchase consideration to include a late payment interest. The final purchase consideration was US$30.17 million and the divestment was completed on 28 September 2018.

14. On 3 August 2018, Keppel Corporation's indirect wholly-owned subsidiary, Chengdu Hillstreet Development Co., Ltd, held through KLCL, entered into a conditional sale and purchase agreement with Sichuan Shengdai Food Co., Ltd (**Sichuan Shengdai**) to acquire 100% interest in a People's Republic of China company to be incorporated by Sichuan Shengdai and into which Sichuan Shengdai will inject a 3.35-hectare plot of land in Chengdu, China. Subject to completion adjustments, the consideration for the acquisition was approximately RMB373 million (approximately S$74.6 million). This acquisition has been aborted.

15. On 30 August 2018, Keppel Corporation's indirect wholly-owned subsidiary, DC REIT Holdings Pte. Ltd. (**DCRH**), entered into a sale and purchase agreement with UBS AG, Singapore Branch (**UBS**), for the sale of 55,118,336 units in Keppel DC REIT (**Sale Unit**), for a consideration of at least S$1.36 per Sale Unit or such other higher price that UBS is able to procure. The sale was completed on 5 September 2018.

16. On 5 September 2018, Keppel Land was awarded a grant of up to S$1.28 million by the Building and Construction Authority of Singapore (**BCA**) to implement new and emerging technologies at the Green Mark Platinum-certified Keppel Bay Tower*. On 9 December 2020, the BCA certified Keppel Bay Tower as a Green Mark Platinum (Zero Energy) building. It was the first commercial building in Singapore to achieve this accolade.

    *Keppel Bay Tower was divested on 18 May 2021. Please refer to paragraph [48] below.

17. On 19 September 2018, KLCL formed a joint venture with Gemdale (Group) Co., Ltd. (**Gemdale Corporation**) to jointly develop an 8.8-hectare prime residential site in Nanjing, China. KLCL entered into a share purchase agreement with Gemdale Corporation Nanjing Real Estate Development Co., Ltd. (wholly-owned subsidiary of Gemdale Corporation) (**Gemdale Nanjing**) and its related nominee to acquire all the shares in Eternal Commercial Limited (**Eternal**) and a joint venture agreement,

through Eternal, with Gemdale Nanjing and Nanjing Xinchen Enterprise Management Consulting Co., Ltd. (wholly-owned subsidiary of Gemdale Nanjing) (**Nanjing Xinchen**). Eternal will hold an approximate 40% stake in Nanjing Jinsheng Real Estate Development Co., Ltd. (**ProjectCo**), which will undertake the proposed development of the site, which was acquired by Gemdale Nanjing on 20 June 2018 via a government tender. The aggregate consideration for the acquisition of Eternal and its 40% stake in the ProjectCo is approximately RMB1,414 million (approximately S$283 million).

18. On 20 September 2018, Keppel Land topped globally and in Asia-Pacific the Developer / Diversified - Office / Residential category at the Global Real Estate Sustainability Benchmark 2018. In addition, Keppel Land ranked second in the Developer category in the Asia and East Asia sectors, as well as sixth globally in the Developer category.

19. On 28 September 2018, Keppel Land, through its wholly-owned subsidiary, Ibeworth Pte. Ltd. (**Ibeworth**), entered into an agreement with third party investors to divest 51% of its VND500 billion (approximately S$29.4 million) convertible bonds (**Bonds**) issued by Nam Long Investment Corporation (**NLG**), a leading housing developer in Ho Chi Minh City, for a consideration of VND393 billion (approximately S$23.2 million). On 2 November 2018, Ibeworth converted 49% of the Bonds into shares of NLG (which are listed on the Ho Chi Minh Stock Exchange) at a price of VND18,142 per share. Following the conversion, Ibeworth, held approximately 10% of the total enlarged number of issued shares excluding treasury shares of NLG, increasing from approximately 5% of the total number of pre-conversion issued shares.

20. On 1 October 2018, Keppel Land, through its 51%-held subsidiary, Keppel Puravankara Development Pte Ltd (**KDPL**), a joint venture company with a reputable Indian property developer, Puravankara Limited, entered into agreements to acquire a prime 3.09-hectare site in Yeshwantpur, Bangalore, from Metro Cash & Carry India Private Limited (**MCCIN**). The total consideration is approximately INR4,050 million (approximately S$81.0 million) subject to adjustments, which includes the cost of approximately INR800 million (approximately S$16.0 million) for KDPL to construct a 160,000 square feet retail-cum-office facility on the land, which will be handed over to MCCIN.

21. On 6 December 2018, Keppel Land, through its wholly-owned subsidiary, Keppel Land (Indonesia) Pte Ltd, signed a non-binding general collaboration agreement with PT Metropolitan Land Tbk (**Metland**) to cooperate on residential projects owned and occupied by Metland in Greater Jakarta, with an investment value of up to Rp 5 trillion (approximately S$470 million). Under the agreement, Keppel Land and Metland will each inject an equal amount of capital for joint residential projects. The cooperation follows Keppel Land and Metland's first collaboration to develop about 500 landed homes at The Riviera at Puri, a gated riverfront estate in Tangerang, Greater Jakarta.

22. On 18 December 2018, Keppel Corporation, through its wholly-owned subsidiary, PT. Sukses Manis Indonesia (**SMI**), entered into an agreement with Metland to jointly develop a 12-hectare residential site in the Metland Menteng township in East Jakarta, Indonesia. The stakeholding of SMI and Metland in the joint operation will be 50% and 50% respectively. SMI's total development cost for the 50% stake will be about Rp 600 billion (approximately S$57 million).

23. On 19 December 2018, KLCL secured a 10.97-hectare residential site in the Sino-Singapore Tianjin Eco-City (**Eco-City**) for a total consideration of RMB1.07 billion (approximately S$214 million) in a public land tender listed on 20 November 2018 by the Sino-Singapore Tianjin Eco-City Investment & Development Co., Ltd. The new site will be developed into an eco-community comprising 392 units of terrace houses and 180 units of low-rise apartments.

24. On 20 December 2018, DCRH, a wholly-owned subsidiary of Keppel Land, had entered into a sale and purchase agreement to acquire the remaining 77.6% of the issued share capital of PRE 1 Investments Pte. Ltd. (**PRE 1**) from Divine (AMT) Limited for an aggregate cash consideration of S$56.6 million, subject to certain adjustments as agreed between the parties. On the same day, DCRH also entered into a sale and purchase agreement to acquire the remaining 77%of the issued share capital of Katong AMC Pte. Ltd. (**Katong AMC**) from Zenith (AMT) Pte. Ltd. for a nominal cash consideration of S$1.00. PRE 1 holds the property currently known as "I12 Katong" indirectly through Katong Retail Trust, (**KRT**) a special purpose trust established in Singapore constituted by a trust deed dated 6 November 2009 made between DBS Trustee Limited (as trustee) and Katong AMC (in its capacity as trust manager of KRT) as amended, varied or supplemented from time to time. Katong AMC had also agreed to provide certain asset management services for I12 Katong (including supervising and overseeing the management of I12 Katong. Upon completion, PRE 1, KRT and Katong AMC became indirect wholly-owned subsidiaries of Keppel Corporation.

25. On 28 December 2018, KLCL secured a 4.7-hectare residential site in the Chengdu Tianfu New Area for a total consideration of RMB889.7 million (approximately S$183.4 million) in a government land tender on 27 December 2018. KLCL had also entered into a cooperation agreement with Chengdu Jin Se Hua Fu Real Estate Development Co., Ltd (**CJSHF**), whereby KLCL will establish a wholly-owned subsidiary, Chengdu Wan Ji Property Development Co., Ltd (**CWJPD**), to develop the new site. Subject to CJSHF completing the necessary procedures with the relevant authorities for the change in equity interest in CWJPD, CJSHF will then subscribe for a 70% interest in CWJPD.

26. On 31 December 2018, KLCL, through its wholly-owned subsidiary, Tosalco Pte. Ltd., entered into an equity transfer agreement to acquire 100% of the equity interest in Beijing Chang Sheng Business Consulting Co., Ltd. (**BCSBC**) which owns a completed commercial property in Haidian District, Beijing, from A Li Yun Shan (Beijing) Business Consulting Co., Ltd for an aggregate cash consideration of RMB555 million (approximately S$111 million), subject to closing adjustments as agreed between the parties. The acquisition was completed on 28 March 2019.

27. On 28 January 2019, it was announced that Portsville Pte. Ltd. (**Portsville**), a wholly-owned subsidiary of Keppel Land, would be divesting a 70% interest in Dong Nai Waterfront City LLC (**DNWC**) to NLG. DNWC is a company incorporated under the laws of Vietnam and had been granted the right to develop a township in Dong Nai Province, Vietnam. The total consideration was VND2,313 billion (approximately S$136 million), subject to post-closing adjustments. The divestment of the 70% interest was completed on 4 January 2021.

    On 1 December 2020, Keppel Corporation announced that Portsville was divesting its remaining 30% interest in DNWC to NLG for VND1,951 billion (approximately S$115.9 million). The divestment of the 30% interest was completed on 15 April 2021.

28. On 25 March 2019, Alpha Asia Macro Trends Fund III (a fund managed by Alpha Investment Partners Limited, the private fund management arm of Keppel Capital Holdings Pte. Ltd.) (**AAMTF III**) and KLCL, through their respective wholly-owned subsidiaries, and together with other co-investors, entered into a shareholders' agreement (**SHA**) with the joint venture company, North Bund Keppel Pte. Ltd. (**North Bund Keppel**). Pursuant to the SHA, after the initial round of funding through subscription of shares in North Bund Keppel, it will have a paid-up capital of approximately US$302 million, and AAMTF III and KLCL will have a shareholding interest of approximately the 42.1% and 29.8% respectively. The remaining 28.1% shareholding interest will be held by the other co-investors. North Bund Keppel had entered into a framework agreement on 3 September 2018 to acquire Yi Fang Tower, a recently completed prime Grade A office and retail mixed-use development located

in North Bund, Shanghai, China, from Yi Fang Jing Yi Enterprise Management Co. Ltd. for an aggregate consideration of RMB4.6 billion (approximately S$916 million).

29. On 20 June 2019, Keppel Land, through a wholly-owned subsidiary of KLCL, secured its first green loan facility to the amount of RMB850 million (approximately S$170 million) from the HSBC Group China for the development of Seasons City (Phase 1) in the Sino-Singapore Tianjin Eco-City, China.

30. On 11 July 2019, Monestine Pte. Ltd., a wholly-owned subsidiary of Keppel Land, entered into a sale and purchase agreement to acquire 60% of the total shares in each of Nha Be Real Estate Joint Stock Company (**NBRE**) and Phu Loc Real Estate Investment Joint Stock Company (**PLRE**) from Mr Nguyen Khanh Trung and Mr Dang Xuan Lam respectively (who are both citizens and residents of Vietnam and represented by Phu Long Real Estate Corporation (**Phu Long**)), for an aggregate consideration of VND1,304 billion (approximately S$76 million). Phu Long holds the remaining 40% of the total shares in each of NBRE and PLRE (collectively, **Project Companies**). The Project Companies are incorporated in Vietnam, and own three plots of land located at Nha Be District, Ho Chi Minh City. They are in the process of obtaining relevant approvals from the People's Committee of Ho Chi Minh City for the projects. The acquisition of the 60% interest in NBRE and PLRE were completed on 26 July 2019 and 31 July 2019 respectively.

31. On 21 August 2019, KLCL, through its wholly-owned subsidiary, Shanghai Ming Bu Industrial Co Ltd (**SMBI**), was forming a joint venture with Yincheng International Holding Co., Ltd. (**Yincheng**) and Jiangsu Aidi Property Development Co Ltd (**Jiangsu Aidi**) to acquire and develop a 3.8-hectare commercial and residential mixed-use development site in Xuanwu District, Nanjing, China (**Site**). SMBI had entered into a share purchase agreement to acquire 25% of the equity interest in Nanjing Zhijun Property Development Co Ltd (**NZPD**) from Nanjing Yinjiazhen Enterprise Management Co Ltd (a wholly-owned subsidiary of Yincheng) (**NYEM**) for RMB250 million (approximately S$49.5 million), and a joint venture agreement with NYEM, Jiangsu Aidi and NZPD. NYEM and Jiangsu Aidi will hold 25% and 50% of NZPD respectively. NZPD was awarded the land tender for the Site in July 2019. SMBI will also be advancing a shareholders' loan to NZPD amounting to RMB464 million (approximately S$91.9 million) after completion of the acquisition which will be used by NZPD for the acquisition and development of the Site.

32. On 2 September 2019, KLCL, through its wholly-owned subsidiary, Beijing Keppel Hong Hui Management Co., Ltd. (**Beijing Keppel**), entered into an equity transfer agreement to acquire 100% of the equity interest in Beijing Shunxiangren Enterprise Management Co., Ltd (**BSEM**) from Ningbo Jiasheng Yuecheng Investment Management Center (LP) and Beijing Hanhe Investment Management Co., Ltd.. BSEM indirectly owns a completed commercial property, Shangdi Neo, in Haidian District, Beijing. The consideration for the acquisition is approximately RMB20.9 million (approximately S$4.1 million), which is subject to completion adjustments, and Beijing Keppel also paid approximately RMB157.7 million (approximately S$31 million) to BSEM by way of a loan, which will be used by BSEM to repay its outstanding debts as at 31 August 2018. The acquisition was completed on 29 October 2019.

33. On 9 September 2019, Keppel Land was named the Overall Global Real Estate Sector Leader in the Global Real Estate Sustainability Benchmark 2019. Separately, Keppel Land garnered 23 accolades in the Euromoney Real Estate Survey 2019, including being named the Best Overall Real Estate Developer in the Global and Asia Pacific categories, as well as in China, Vietnam and Indonesia.

34. On 12 September 2019, Mr Ben Lee, President of KLCL, was conferred the Shanghai Magnolia Award by Mr Zhang Xiaosong, Director of the Foreign Affairs Office of Shanghai Municipal Government. The award, set up in 1989 by the Shanghai Municipal Government, recognises

foreigners for their outstanding contribution to Shanghai's economic and social development, as well as its foreign relations. Mr Lee is the only recipient from a Singaporean company recognised at the 2019 ceremony.

35. On 24 September 2019, Keppel Land, through its indirect wholly-owned subsidiary, Legello Pte Ltd (**Legello**), entered into a share sale and shareholder loan transfer agreement with Topchain Property Services Limited (**Topchain**) and Win Up Global Limited (**Win Up Global**) to: (a) acquire 30% equity interest held by Topchain in Win Up Global for US$1; (b); purchase a portion of current shareholder loan provided by Topchain to Win Up Global for HKD95.9 million; and (c) provide a new shareholder loan of HKD45.5 million (or equivalent amount in RMB) to Win Up Global, subject to adjustment after completion. Topchain and Win Up Limited Partnership will provide the corresponding shareholder loan based on their shareholding proportion (37.5% and 32.5% respectively) in Win Up Global. Win Up Global wholly-owns Win Up Investment Limited, which has entered into a sale and purchase agreement with Asian Growth Properties Co. Limited to indirectly acquire and own Westmin Plaza, an office and retail development in Liwan District, Guangzhou, China. The transaction has been completed.

36. On 27 September 2019, Keppel Land, through its indirect wholly-owned subsidiary, Kapler Pte Ltd, entered into a share sale and purchase agreement to acquire 100% equity interest of (i) China The9 Interactive (Shanghai) Ltd, (ii) The9 Computer Technology Consulting Co., Ltd. and (iii) Shanghai Kai E Information Technology Co., Ltd (collectively, the **Target Companies**) from China The9 Interactive Limited and Shanghai The9 Information Technology Co., Ltd. The Target Companies collectively own Zhangjiang Micro-electronic Port Block #3, a completed commercial asset in Pudong New District, Shanghai, China. The total consideration was approximately RMB493 million (approximately S$96.4 million), subject to completion adjustments. The transaction was completed on 21 February 2020.

37. On 31 October 2019, Keppel Land invested US$25 million in Smartworks Coworking Space Pvt. Ltd (**Smartworks**), a leading pan-India flexible space solutions provider with a presence in nine major Indian cities, namely, Delhi, Noida, Gurgaon, Kolkata, Bengaluru, Mumbai, Hyderabad, Chennai and Pune. This investment allows Keppel Land to enter one of the world's fastest-growing flexible office markets, opening doors for further growth through this collaboration. It also provides many opportunities for cross-learning and collaboration between Smartworks and Keppel Land's smart serviced co-office platform, KLOUD, which currently has a presence in Singapore, Vietnam and Myanmar.

38. On 8 November 2019, the Keppel Group held a ceremony for Saigon Sports City, a 64-hectare site which will be developed into a smart, integrated township in the prime District 2 of Ho Chi Minh City. Saigon Sports City marked a new phase in Keppel's engagement of Ho Chi Minh City. Leveraging the Keppel Group's capabilities in providing solutions for sustainable urbanisation, Keppel Land and Keppel Urban Solutions are collaborating for the masterplanning and development of Saigon Sports City, which will be developed into a vibrant, integrated township and an iconic landmark in Ho Chi Minh City.

39. On 15 December 2019, Keppel Land, through its wholly-owned subsidiary, Lipalton Pte. Ltd., entered into an investment agreement with Keystone Realtors Private Limited (which operates under the name Rustomjee Group) and Kapstone Constructions Private Limited (**KCPL**), to jointly develop the residential and supporting retail units in the 51.4-hectare integrated township in the Thane district, located in the Mumbai Metropolitan Region, India (**Urbania Township**) through KCPL. KCPL owns certain land parcels in the Urbania Township and holds development rights in the remaining land

parcels. Lipalton will be acquiring 49% of the total voting rights of KCPL, for an aggregate consideration of INR4,091 million (approximately S$78.2 million), subject to completion adjustments. The transaction was completed on 21 October 2020.

40. On 5 March 2020, Keppel Land, through its indirect wholly-owned subsidiary, Romeo Pte. Ltd. (**Romeo**), acquired 49% of the equity interest in Taicang Xuchang Property Co., Ltd. (**TXPC**) for approximately RMB498 million (approximately S$97.0 million) from Shanghai Shengji Industrial Co., Ltd.. TXPC owns a 58,526 sqm residential site in New District, Taicang city, Jiangsu province, China. On 9 October 2020, Romeo divested its entire 49% equity interest in TXPC for approximately RMB524 million (approximately S$104 million).

41. On 31 March 2020, KLCL, through its subsidiaries, Third Dragon Development Pte Ltd and Shanghai Merryfield Land Co., Ltd., was divesting 100% of the equity interest in Jiangyin Evergro Properties Co., Ltd. (**JEP**) to Aoyuan Group Chongqing Property Company Limited (**Aoyuan**) (a wholly-owned subsidiary of China Aoyuan Group Limited) for approximately RMB278.8 million (approximately S$55.6 million), subject to completion adjustments. Aoyuan will also pay RMB194.7 million (approximately S$38.9 million) to a KLCL affiliate, to repay an existing loan extended by such KLCL affiliate to JEP. JEP owns a residential and commercial mixed-use site located in Jiangyin, China. The divestment was completed on 5 June 2020.

42. On 28 May 2020, Keppel Corporation announced its Vision 2030 to drive the company’s long-term strategy and transformation. From a conglomerate of diverse parts, Keppel plans to refocus its portfolio to be an integrated business, providing end-to-end solutions for sustainable urbanisation, with an asset management arm to fund the Keppel Group’s growth and provide a platform for capital recycling. Building on Keppel’s strengths in engineering, developing and operating specialised assets, as well as capital and asset management, Keppel Corporation will focus on four key business areas, namely Energy and Environment, Urban Development, Connectivity and Asset Management – all part of a connected value chain. Besides organic growth, it will actively pursue strategic M&A opportunities to accelerate chosen growth engines, as well as selective divestments to free up its balance sheet. On 29 September 2020, Keppel Corporation reaffirmed Keppel’s Vision 2030 and will roll out the next steps in its roadmap, including plans to unlock value from S$3-5 billion of assets in the next 3 years, which will be redeployed to seize new opportunities and improve returns.

43. On 10 November 2020, KLCL, through its subsidiary, Hillwest Pte. Ltd. (**Hillwest**), was divesting 100% of the equity interest in Chengdu Hilltop Development Co. Ltd. (**CHD**) to Chengdu Longfor Development Co Ltd (**CLD**) for approximately RMB845.2 million (approximately S$168 million), subject to completion adjustments. CLD will also pay RMB414.8 million (approximately S$82.4 million) to a subsidiary of Hillwest as repayment for loans extended to CHD. CHD owns Hill Crest Villas on a 24.9-hectare site located in Mumashan, Chengdu, China. The divestment was completed on 4 February 2021.

44. On 24 November 2020, Keppel Land ranked 3rd globally in the Diversified - Office/Residential/Core category, underpinned by strong Environmental, Social and Governance (**ESG**) performance, and 2nd in the Global / Diversified - Office/Residential category in the 2020 Global Real Estate Sustainability Benchmark assessment’s Resilience module, which evaluates companies’ responses to climate-related risks and opportunities in line with the recommendations of the Task Force on Climate-related Financial Disclosures. Separately, Keppel Land retained its Green Star status, which recognises entities with commendable scores across the benchmark’s ESG components.

45. On 4 December 2020, Keppel Land, in collaboration with Keppel Capital, launched the Keppel Vietnam Fund (the **Fund**), a Vietnam-focused real estate fund with a target fund size of US$600

million. The Fund has achieved its first closing of US$400 million, including co-investment commitment from a global institutional investor.

Leveraging Keppel Land's strong track record in Vietnam, the Fund seeks to invest alongside Keppel Land in real estate projects, including residential developments, commercial properties as well as mixed-use projects and townships in Vietnam, with a focus on Ho Chi Minh City and Hanoi. Alpha Investment Partners Limited, the private fund management arm of Keppel Capital, will be the fund manager, while Keppel Land will be the development and property manager of the properties in the Fund. When fully leveraged and invested, the Fund will potentially have assets under management of approximately US$1 billion

46. On 15 December 2020, Keppel Land took a strategic minority stake in Cove Living Pte Ltd, one of Southeast Asia's fastest growing co-living companies, as the lead investor in the start-up's US$4.6 million Series A funding round. This investment is in line with Keppel's Vision 2030 and Keppel Land's strategy, where it seeks to offer a full suite of urban living solutions that are driven by technology and which are highly complementary to its core real estate business. Co-living solutions can be incorporated in its development projects, potentially augmenting their value, and be developed into scalable and sustainable recurring income streams for Keppel Land.

47. On 16 December 2020, Keppel Land was conferred the prestigious BCA Quality Excellence Award – Quality Champion (Premium) for the second consecutive year. The award recognises leading progressive developers and builders for their commitment and consistent achievement in developing high-quality buildings through workmanship excellence and quality assurance programmes.

48. On 23 December 2020, Keppel Corporation's wholly-owned subsidiaries, Agathese Pte. Ltd. (as vendor) and Keppel Land (Singapore) Pte. Ltd., entered into a sale and purchase agreement for the sale of 100% of the issued and paid-up share capital in Keppel Bay Tower Pte. Ltd. (**KBTPL**) to RBC Investor Services Trust Singapore Limited (acting in its capacity as trustee of Keppel REIT). KBTPL owns Keppel Bay Tower, which is an 18-storey office building located at 1 Harbourfront Avenue Singapore 098632. The consideration for the purchase of the shares in KBTPL is estimated to be approximately S$601 million, subject to adjustments. The divestment was completed on 18 May 2021.

49. On 23 December 2020, KLCL, through its wholly-owned subsidiary, Shanghai Fengwo Apartment Management Co., Ltd. (**SFAM**), formed a joint venture with Gemdale Corporation and its subsidiary, Gemdale Corporation Shanghai Real Estate Development Co., Ltd. (**Gemdale Shanghai**) (collectively, **Gemdale**) and Shenzhen Shengjun Investment Management Co., Ltd. (**SSIM**) to own and develop an 8.4 hectare residential site in Jiading District, Shanghai, China. Pursuant to the terms of the joint venture, SFAM subscribed for 99% equity interest in Taicang Xinwu Business Consulting Co., Ltd. (wholly-owned subsidiary of Gemdale Shanghai) (**TXBC**) for RMB9.9 million (approximately S$2.0 million) and acquired the remaining 1% equity interest from Gemdale Shanghai for RMB1 in cash. TXBC holds 15% equity interest in Taicang Zhuchong Business Consulting Co., Ltd. (**JVCo**), and Gemdale and SSIM have an indirect interest of 55% and 30% in the JVCo respectively. SFAM has also extended loans amounting to RMB648 million (approximately S$132.0 million) in favour of TXBC, which has been used for the acquisition and development of the site.

50. On 24 December 2020, Keppel Land, through its indirect wholly-owned subsidiary, West Gem Properties Limited (**West Gem**), was divesting its 100% equity interest in First King Properties Limited (**First King**) to ZGC King William Holdings Limited (**ZGC**), an entity wholly-owned by a fund managed by London and Oxford Capital Markets Limited for a consideration of GBP42.3 million (approximately S$75.3 million), subject to completion adjustments. ZGC will also pay approximately

GBP31.3 million (approximately S$55.8 million) for repayment of shareholder loans extended by First King to Fleuters Pte Ltd (wholly-owned subsidiary of Keppel Land and sole shareholder of West Gem). The divestment was completed on 29 January 2021.

51. On 4 February 2021, Elaenia Pte. Ltd., a wholly-owned subsidiary of Keppel Land, acquired the remaining 25% of the charter capital of Riviera Point Limited Liability Company (**RP**) incorporated in Vietnam for a consideration of VND535 billion (approximately S$31.67 million), subject to post-completion adjustment. RP has completed the first two phases of the residential and commercial development known as Riveria Point (**Project**) on the plot of land of approximately 89,727 sqm located in District 7, Ho Chi Minh City, and is in the process of obtaining relevant approvals from the competent authorities for the remaining phases of the Project.

52. On 30 April 2021, it was announced that Keppel Land, through its wholly-owned subsidiaries, Changzhou Fushi Real Estate Development Co., Ltd. (**Changzhou Fushi**) and Tianjin Fushi Real Estate Development Co., Ltd (**Tianjin Fushi**), entered into a cooperation framework agreement with Tianjin Pulida Real Estate Construction and Development Company Limited (**Tianjin Pulida**) and Qingdao Yuanjia Real Estate Company Limited (both subsidiaries of Sino-Ocean Group Holding Limited, which is listed on the Hong Kong Stock Exchange), to jointly develop 8 plots of land with a total size of about 28.7-hectare located in the eastern part of Tianjin in Tianjin Binhai New Area, China. Pursuant to the agreement, Tianjin Pulida agreed to pay Changzhou Fushi a total consideration of approximately RMB348 million (approximately S$71.6 million) for a 51% equity stake in Tianjin Fushi, which owns the 8 plots of land, and extend loans to Tianjin Fushi of approximately RMB109.8 million (approximately S$22.6 million) which will be used to repay existing loans from Changzhou Fushi and its affiliates. The transfer of the 51% equity stake is expected to take effect by December 2021, and upon completion, Changzhou Fushi and Tianjin Pulida will hold a 49% and 51% equity stake in Tianjin Fushi respectively.

MANAGEMENT

The section “Management” in the Offering Circular shall be amended by:

1. deleting the sub-section titled “Board of Directors” appearing on pages 170 to 173 of the Offering Circular in its entirety and substituting therefor the following:

   "**Board of Directors**

   Mr Loh Chin Hua
   Chairman

   Mr Loh is the Chief Executive Officer and Executive Director of Keppel Corporation. He was appointed as Chief Executive Officer in January 2014, after having served two years as Chief Financial Officer of Keppel Corporation. He is also Chairman of several companies within the Keppel Group.

   Mr Loh joined the Keppel Group in 2002 and founded Alpha Investment Partners, the Group’s private fund management arm, where he served as Managing Director for 10 years. Before this, he was the Managing Director at Prudential Investment Inc, leading its Asian real estate fund management business.

   Mr Loh began his career with the Government of Singapore Investment Corporation (GIC), where he held key appointments in its Singapore, San Francisco and London offices. Beyond Keppel, Mr Loh is a Board Member of the Singapore Economic Development Board, a member of the Board of Trustees of the National University of Singapore, and a Board Member of EDB Investments Pte Ltd.

   A CFA® charterholder, Mr Loh is a Colombo Plan Scholar with a Bachelor in Property Administration from the University of Auckland and a Presidential Key Executive MBA from Pepperdine University.

   Mr Lim Lu-yi Louis
   Executive Director and Chief Executive Officer

   Mr Lim was appointed the Chief Executive Officer of Keppel Land on 15 February 2021, after having served as its Chief Operating Officer since January 2018.

   Mr Lim was previously Director of Group Strategy & Development at Keppel Corporation, where he was responsible for Keppel’s corporate strategy and worked with Keppel’s business units on their strategic priorities. He was concurrently Managing Director of Keppel Technology and Innovation, a change agent and innovation catalyst for the Keppel Group which aims to transform how Keppel harnesses technology and innovation to create value for stakeholders.

   Prior to joining the Keppel Group, Mr Lim was a Partner with Bain & Company where he led the firm's Consumer Products & Retail as well as Organisation and Change Management practices in Southeast Asia. Mr Lim was also responsible for human capital development and recruitment for Bain in the region.

   Mr Lim is a board member of Keppel Infrastructure Holdings Pte Ltd. He holds both a Master and Bachelor in Economics from the Massachusetts Institute of Technology, as well as an MBA from INSEAD.

Mr Tan Swee Yiow
Non-Executive Director

Mr Tan is the Senior Managing Director of Urban Development at Keppel Corporation and Non-Executive Director of Keppel Land.

Mr Tan joined the Keppel Group in 1990 and held various senior appointment over the years. Prior to his current appointment, Mr Tan was the Chief Executive Officer of Keppel Land. Before that, he was the Chief Executive Officer and Executive Director of Keppel REIT Management Limited (the Manager of Keppel REIT). He was previously President, Singapore and concurrently Head, Hospitality Management at Keppel Land. Mr Tan also oversaw investment and development in Indonesia, Malaysia, Thailand and Myanmar when he was Head of Regional Investment. He was part of the pioneer team involved in the inception of the China-Singapore Suzhou Industrial Park.

Mr Tan continues to serve on the Board of Keppel REIT Management Limited as a Non-Executive Director. He is also a Director and Secretary of the World Green Building Council Board as well as Immediate Past President of the Singapore Green Building Council. Mr Tan serves as Deputy Chairman of the Workplace Safety and Health Council (Construction and Landscape Committee) and is the first Vice-President on the Management Committee of Real Estate Developers' Association of Singapore (REDAS).

Mr Tan holds a Bachelor of Science (First Class Honours) in Estate Management from the National University of Singapore and a Master of Business Administration in Accountancy from the Nanyang Technological University.

Mr Tan Yam Pin
Non-Executive Director

Mr Tan was appointed to the Board on 1 June 2003. A Chartered Accountant by profession, he retired as the Managing Director of the Fraser and Neave Group in October 2002.

He is a Director of Great Eastern Holdings Limited, and has been a member of the Singapore Public Service Commission since 1990. He was a former Board Member of BlueScope Steel Limited (Australia) until November 2013.

Mr Tan was awarded the Public Service Star in 1999, and the Public Service Star (Bar) in 2010.

He holds a Bachelor of Arts (Honours) Degree in Economics from the University of Singapore, and a Master of Business Administration Degree from the University of British Columbia, Canada. He is a Fellow of the Canadian Institute of Certified Accountants, Canada.

Mrs Koh-Lim Wen Gin
Non-Executive Director

Mrs Koh was appointed to the Board on 20 January 2010. She was also a Director of Keppel Land China Limited from 1 October 2010 to 30 September 2013.

Mrs Koh played a key role in shaping Singapore's cityscape through her career with the Urban Redevelopment Authority (**URA**). She was URA's Chief Planner and Deputy Chief Executive Officer between 2001 and 2008.

She was involved in a variety of high quality landmark developments which have contributed to Singapore's growth as a global city. She was also instrumental in spearheading the nation's building conservation programme covering more than 6,800 heritage buildings. The programme was awarded the prestigious Global Award for Excellence by the Urban Land Institute in 2006.

For her achievements, Mrs Koh was presented the Meritorious Service Medal in 2009, the Public Administration Medal (Gold) in 2002, and the Public Administration Medal (Silver) in 1986.

Mrs Koh has also served on several statutory boards such as the STB Hotel Licencing Board, National Parks Board, Sentosa Development Corporation Board, Land Transport Authority Board, Board of Architects, Singapore, and Preservation of Monuments Board. She has also chaired many URA Design Advisory Panels, Committees and Design Competition Juries. She continues to serve as a Senior Fellow of the URA Academy.

She graduated with a Bachelor of Architecture Degree from the University of Singapore.

Mr Yap Chee Meng
Non-Executive Director

Mr Yap was appointed to the Board on 2 December 2013.

He was the Chief Operating Officer of KPMG International for Asia Pacific and a member of its Global Executive Team. Prior to his appointment as the regional Chief Operating Officer of KPMG International in 2010, he was a Senior Partner in KPMG Singapore, the Regional Head of Financial Services in Asia Pacific, and Country Head of Real Estates and Specialised REITs Group in Singapore.

In his career spanning 37 years of experience in the financial sector, Mr Yap has served in the committees of various professional and regulatory bodies including Singapore's Accounting & Corporate Regulatory Authority and the Institute of Certified Public Accountants of Singapore.

He is currently Non-Executive Chairman of AXA Insurance Pte Ltd and the RHB Asset Management Group. Mr Yap also holds independent directorships in several companies including RHB Investment Bank Berhad, SATS Ltd, The Esplanade Co Ltd, Pavilion Energy Singapore Pte Ltd, Pavilion Energy Trading & Supply Pte Ltd and ARA Trust Management (Suntec) Limited. He is also a Council Member of the Charity Council.

Mr Yap's past independent board memberships included those in RHB Securities Singapore Pte Ltd, SMRT Corporation Ltd and the National Research Foundation (Prime Minister's Office, Singapore).

He qualified as a UK Chartered Accountant in 1981, and is now a non-practising Fellow of the Institute of Singapore Chartered Accountants and a non-practising Fellow of the Institute of Chartered Accountants in England & Wales.

Mr Willy Shee Ping Yah
Non-Executive Director

Mr Shee was appointed to the Board on 15 October 2016.

He was the Chairman of CBRE, Asia, from 2005 to 2016 and has been with the CBRE Group for more than 40 years. Upon his retirement on 30 June 2016, Mr Shee was appointed non-executive Senior Advisor to CBRE.

Before CBRE, Mr Shee was the Acting Deputy Chief Valuer at the Singapore Inland Revenue Authority. He was the Founder Director for NTUC Choice Homes Co-operative Ltd, a subsidiary of Singapore National Trade Union Congress, set up to develop executive condominiums, private apartments and commercial properties for the public, trade union and co-operative members.

Mr Shee is currently a director of Sinarmas Land Limited and Bund Center Investment Ltd and had previously served as Director of Mercatus Co-operative Ltd, Ascendas Pte Ltd, Sunway REIT Management Sdn Bhd and SLF Properties Pte Ltd.

A Colombo Plan Scholar from the University of Auckland, Mr Shee is a Fellow Member of the Singapore Institute of Directors and the Singapore Institute of Surveyors and Valuers.

Mr Chan Hon Chew
Non-Executive Director

Mr Chan is the Chief Financial Officer of Keppel Corporation Limited, appointed with effect from 1 February 2014.

Prior to joining Keppel Corporation, Mr Chan was with Singapore Airlines Limited (**SIA**) and served as Senior Vice President (SVP) of Finance since June 2006. As SVP Finance, Mr Chan was responsible for a diverse range of functions including investor relations, corporate accounting and reporting, treasury, risk management and insurance. He was also involved in SIA's strategic planning process and had represented SIA as Director on the Boards of various companies including Tiger Airways and Virgin Atlantic Airways Limited.

Prior to SIA, Mr Chan was Assistant General Manager for Finance and Corporate Services at Wing Tai Holdings Limited where he oversaw all financial matters as well as tax, legal and corporate secretarial functions from 1998 to 2003.

Mr Chan serves on the management board of the Institute of System Science, National University of Singapore since 15 April 2015.

Mr Chan's principal directorships include Keppel Infrastructure Holdings Pte Ltd, Keppel Offshore & Marine Ltd and Keppel Telecommunications & Transportation Ltd."; and

2. deleting the sub-section titled “Senior Management” appearing on pages 173 to 175 of the Offering Circular in its entirety and substituting therefor the following:

"**Senior Management**

Mr Lim Lu-yi Louis
Chief Executive Officer

Mr Lim is currently a Director and the Chief Executive Officer of Keppel Land.

Ms Tan Boon Ping
Chief Financial Officer

Ms Tan joined the Group in December 2008, and is currently the Chief Financial Officer of Keppel Land. From 2015 to 2018, she was Chief Financial Officer of Keppel Land China. From 2008 to 2015, she was the Financial Controller of Keppel Land, overseeing the Group consolidation and reporting for the Group.

Prior to joining the Group, Ms Tan worked with two other real estate developers, Ascendas Pte Ltd and City Development Limited, where she gained experiences in group consolidation, tax, financial and management reporting, forecasting and budgeting for large groups with regional presence. She started her career as an auditor with Ernst and Young and PricewaterhouseCoopers.

Ms Tan holds a Bachelor of Business Administration from National University of Singapore (NUS) and a Master in Financial Management from University of Manchester. She is a Chartered Accountant with the Institute of Chartered Accountants of Singapore.

Mr Ben Lee Siew Keong
Chief Operating Officer and President, China

Mr Lee is the President of Keppel Land China and was appointed Chief Operating Officer of Keppel Land on 15 February 2021. He was previously General Manager, Operations (and before that, General Manager, Business Development) of Keppel Land China. Based in Shanghai since 2007, Ben currently oversees the business operations of all the projects in various cities in China (including Shanghai, Beijing, Tianjin, Chengdu, Wuxi, Shenyang and Kunming).

Prior to joining the Group, Mr Lee was Senior Investment Manager in one of China's largest state-owned property company, Poly Property Group, doing business development and investment in China. He also worked as a Marketing Manager with Citibank N.A. in Singapore. He started his career as a project manager in the construction industry.

Mr Lee holds a Bachelor of Science (Building) (Second Class Upper Honours) from National University of Singapore, and a Master of Applied Finance from the University of Western Sydney.

Mr Ng Ooi Hooi
President, Singapore and Regional Investments

Mr Ng joined the Group in 2007, and is currently President, Singapore and Regional Investments, overseeing the Group's real estate businesses in Singapore, Philippines, Myanmar and Malaysia. From 2013 to 2017, he was President, Regional Investments of Keppel Land, overseeing investment and developments in India, Malaysia, Myanmar, Thailand, Philippines, Sri Lanka and Middle East. Prior to that, he was General Manager, Regional Head (and before that, General Manager, Business Development) of Keppel Land China. From 2008 to 2011, Mr Ng was deployed as Deputy Chief Executive Officer of the Sino-Singapore Tianjin Eco-City Investment and Development Co Ltd.

Prior to joining the Group, Mr Ng served 22 years in the Singapore Administrative Service, and held key appointments in several government ministries and statutory boards, including the Ministry of Home Affairs, Ministry of Communications and Information, Ministry of Information and the Arts, Ministry of Trade and Industry, Ministry of National Development, Ministry of Defence, Ministry of Law, Singapore Land Authority and Ministry of Transport.

Mr Ng holds a Master Degree in Public Administration from Harvard University, and a Bachelor of

Economics (First Class Honours) Degree from the Australian National University.

Mr Joseph Low Kar Yew
President, Vietnam

Mr Low was appointed President, Vietnam on 15 February 2021. He started his career with the Housing & Development Board (HDB) as a Property Manager in 1993. He then joined Keppel Land in September 1995 as a Business Development Executive for the Indonesia market and took on a variety of roles in Regional Investment (Thailand), Technology & E-Business, Keppel REIT Asset Management and Singapore Commercial. He also headed the Corporate Development department from 2011 to 2014. In March 2014, he was posted to Ho Chi Minh City where he assumes the role of General Manager (Operations) overseeing asset management, project development, sales and marketing and investment and divestments in Vietnam.

Mr Low holds an MBA from The University of Hull and a Bachelor of Science (Estate Management) with honours from the National University of Singapore. He is also a Chartered Financial Analyst.

Mr Samuel Henry Ng Kwang Keng
President, Indonesia

Mr Ng was appointed President, Indonesia on 15 February 2021. He is also General Manager, Customer Experience for Keppel Land China since June 2020. Mr Ng joined Keppel Land China in March 2011 as a Senior Manager, Business Development, leading the investment team in Shanghai. In September 2016, he was appointed as the City Head (General Manager, Shanghai).

Prior to joining the Group, Mr Ng was Deputy Director of Singtel's Consumer Business Group, leading a team in planning and executing consumer marketing activities in Singapore. He also worked as a Senior Manager with Hong Leong Group's hospitality arm, supporting business development and strategic procurement activities globally. He started his career as a Project Engineer with Sembcorp Industries (formerly known as Singapore Technologies Industries Corporation).

Mr Ng holds a Bachelor of Science (Building) (Second Class Honours – Upper) from National University of Singapore and a Graduate Diploma in Marketing from Marketing Institute of Singapore.

Mr Ho Kiam Kheong
President, India

Mr Ho is the President of Keppel Land India and concurrently holds the position of Country Representative for Keppel Corporation in India.

Mr Ho has more than 30 years of experience in real estate business development, project development, design and construction with major corporations. He started his career as an engineer with Singapore Technologies, designing and constructing facilities for Singapore's defence forces. In 1995, as Managing Director of ST Infrastructure Technologies (India), Mr Ho started Singapore Technologies' foray into India. He later went on a posting to UK in 2003 to manage SembCorp Simon Carves, a major plant and process engineering firm based in Manchester, with projects across Europe, Middle East, China and North & Central America.

In 2006, Mr Ho joined Capitaland where he headed the frontier markets of Vietnam, Malaysia, India, Kazakhstan and Russia in their residential and commercial office expansion plans. He later went to Abu Dhabi to join Reem Investments as Chief Development Officer. Prior to joining Keppel, Mr Ho served as the Executive Director and Managing Director, Real Estate of Rowsley Ltd for 5 years, developing the markets in UK and South East Asia.

Mr Ho holds a Bachelor of Engineering (Civil) degree from the National University of Singapore and a Master of Science in Maritime Engineering from University of Liverpool."

TAXATION

The section "Taxation" in the Offering Circular shall be deleted in its entirety and replaced therefor with the following:

"SINGAPORE TAXATION

The statements made below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by the IRAS and MAS in force as at the date of this Offering Circular and are subject to any changes in such laws, administrative guidelines or circulars, or the interpretation of those laws, guidelines or circulars occurring after such date, which changes could be made on a retroactive basis. These laws, guidelines and circulars are also subject to various interpretations and the Singapore tax authorities or the courts may later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Offering Circular are intended or are to be regarded as advice on the tax position of any holder of the Securities or of any person acquiring, selling or otherwise dealing with the Securities or on any tax implications arising from the acquisition, sale or other dealings in respect of the Securities. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Securities and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentives(s)) may be subject to special rules or tax rates. The statements should not be regarded as advice on the tax position of any person and should be treated with appropriate caution. Holders and prospective holders of the Securities are advised to consult their own professional tax advisers as to the tax consequences of the acquisition, ownership or disposal of the Securities, including the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Issuer, the Arrangers, Dealers and any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Securities.

In addition, the disclosure below is on the assumption that the IRAS regards each tranche of the Perpetual Securities as "debt securities" for the purposes of the ITA and/or that distribution payments made under each tranche of the Perpetual Securities will be regarded as interest payable on indebtedness and holders thereof may therefore enjoy the tax exemptions and concessions available to qualifying debt securities (provided that the other conditions for the qualifying debt securities scheme are satisfied). If any Tranche of the Perpetual Securities is not regarded as debt securities for the purposes of the ITA or the distribution payments made under any Tranche of the Perpetual Securities are not regarded as interest payable on indebtedness and/or holders thereof are not eligible for the tax exemptions and concessions under the qualifying debt securities scheme, the tax treatment to holders may differ. Investors and holders of any Tranche of the Perpetual Securities should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of any Tranche of the Perpetual Securities.

1. Interest and Other Payments

Subject to the following paragraphs, under Section 12(6) of the ITA, the following payments are deemed to be derived from Singapore:

(a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or

(b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15.0 per cent. final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17.0 per cent. The applicable rate for non-resident individuals is currently 22.0 per cent. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15.0 per cent. The rate of 15.0 per cent. may be reduced by applicable tax treaties.

However, certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

(a) interest from debt securities derived on or after 1 January 2004;

(b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after 17 February 2006; and

(c) prepayment fee, redemption premium and break cost from debt securities derived on or after 15 February 2007,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession.

The terms "**prepayment fee**", "**redemption premium**" and "**break cost**" are defined in the ITA as follows:

> "**prepayment fee**", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities;
>
> "**redemption premium**", in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity; and

"**break cost**", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption.

References to "**prepayment fee**", "**redemption premium**" and "**break cost**" in this Singapore tax disclosure have the same meaning as defined in the ITA.

In addition, as the Programme as a whole was arranged by DBS Bank Ltd., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch and Standard Chartered Bank, each of which was a Financial Sector Incentive (Bond Market) Company (as defined in the ITA) at such time, any tranche of the Securities (the **Relevant Securities**) issued as debt securities under the Programme during the period from the date of this Offering Circular to 31 December 2023 would be qualifying debt securities (subject to further comments below) for the purposes of the ITA, to which the following tax treatment shall apply.

(i) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as MAS may direct, to MAS of a return on debt securities for the Relevant Securities in the prescribed format within such period as MAS may specify and such other particulars in connection with the Relevant Securities as MAS may require and the inclusion by the Issuer in all offering documents relating to the Relevant Securities of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost from the Relevant Securities is derived by any person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if the non-resident person acquires the Relevant Securities using the funds and profits of such person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the **Qualifying Income**) from the Relevant Securities, paid by the Issuer and derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Securities are not obtained from such person's operation through a permanent establishment in Singapore, are exempt from Singapore tax;

(ii) subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as MAS may direct, to MAS of a return on debt securities for the Relevant Securities in the prescribed format within such period as MAS may specify and such other particulars in connection with the Relevant Securities as MAS may require), Qualifying Income from the Relevant Securities paid by the Issuer and derived by any company or body of persons (as defined in the ITA) in Singapore, is subject to tax at a concessionary rate of 10.0 per cent. (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and

(iii) subject to:

 (a) the Issuer including in all offering documents relating to the Relevant Securities a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Relevant Securities is not exempt from tax shall include such income in a return of income made under the ITA; and

(b) the furnishing by the Issuer, or such other person as MAS may direct, to MAS of a return on debt securities for the Relevant Securities in the prescribed format within such period as MAS may specify and such other particulars in connection with the Relevant Securities as MAS may require,

payments of Qualifying Income derived from the Relevant Securities are not subject to withholding of tax by the Issuer.

Notwithstanding the foregoing:

(A) if during the primary launch of any tranche of Relevant Securities, the Relevant Securities of such tranche are issued to fewer than four persons and 50.0 per cent. or more of the issue of such Relevant Securities is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Relevant Securities would not qualify as "qualifying debt securities"; and

(B) even though a particular tranche of Relevant Securities are "qualifying debt securities", if, at any time during the tenure of such tranche of Relevant Securities, 50.0 per cent. or more of such Relevant Securities which are outstanding at any time during the life of their issue is beneficially held or funded, directly or indirectly, by related party(ies) of the Issuer, Qualifying Income derived from such Relevant Securities held by:

(I) any related party of the Issuer; or

(II) any other person where the funds used by such person to acquire such Relevant Securities are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

The term "**related party**", in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

Where interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) is derived from any of the Relevant Securities by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for "qualifying debt securities" under the ITA (as mentioned above) shall not apply if such person acquires such Relevant Securities using the funds and profits of such person's operations through a permanent establishment in Singapore. Notwithstanding that the Issuer is permitted to make payments of Qualifying Income in respect of the Relevant Securities without deduction or withholding for tax under Section 45 or Section 45A of the ITA, any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) derived from the Relevant Securities is not exempt from tax shall include such income in a return of income made under the ITA.

2. Capital Gains

Singapore does not impose tax on capital gains. Any gains considered to be in the nature of capital made from the sale of the Securities will not be taxable in Singapore. However, any gains derived by any person from the sale of the Securities which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, or accruing or derived from outside Singapore and received in or remitted into Singapore, and not otherwise exempt, may be taxable as such gains are considered revenue in nature.

Holders of the Securities who apply or who are required to apply Singapore Financial Reporting Standard (**FRS**) 39, FRS 109 or Singapore Financial Reporting Standard (International) 9 (**SFRS(I) 9**) (as the case may be) for Singapore income tax purposes, may be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Securities, irrespective of disposal, in accordance with FRS 39, FRS 109 or SFRS(I) 9 (as the case may be). Please see the section below on "Adoption of FRS 39, FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes".

3. Adoption of FRS 39, FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes

Section 34A of the ITA provides for the tax treatment for financial instruments in accordance with FRS 39 (subject to certain exceptions and "opt-out" provisions) to taxpayers who are required to comply with FRS 39 for financial reporting purposes. The IRAS has also issued an e-tax guide entitled "Income Tax Implications Arising from the Adoption of FRS 39 – Financial Instruments: Recognition & Measurement".

FRS 109 or SFRS(I) 9 (as the case may be) is mandatorily effective for annual periods beginning on or after 1 January 2018, replacing FRS 39. Section 34AA of the ITA requires taxpayers who comply or who are required to comply with FRS 109 or SFRS(I) 9 for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions. The IRAS has also issued an e-tax guide entitled "Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments".

Holders of the Securities who may be subject to the tax treatment under Sections 34A or 34AA of the ITA should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Securities.

4. Estate Duty

Singapore estate duty has been abolished for all deaths occurring on or after 15 February 2008.".

SUBSCRIPTION AND SALE

The section titled "Subscription and Sale" in the Offering Circular shall be amended by:

1. deleting the sub-section titled "Public Offer Selling Restriction under the Prospectus Directive and Prohibition of Sales to EEA Investors" appearing on pages 183 and 184 of the Offering Circular in its entirety;

2. deleting the sub-section titled "Hong Kong" appearing on page 185 of the Offering Circular in its entirety and substituting therefor the following:

"**Hong Kong**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes or Perpetual Securities (except for Notes and Perpetual Securities that are "structured products" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the **SFO**) other than (i) to "professional investors" as defined in the SFO and any rules made under the SFO, or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(b) it has not issued or had in its possession for the purposes of issue and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes or Perpetual Securities, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws in Hong Kong) other than with respect to Notes or Perpetual Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the SFO and any rules made under the SFO."; and

3. deleting the sub-section titled "Singapore" appearing on pages 185 and 186 of the Offering Circular in its entirety and substituting therefor the following:

"**Singapore**

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Securities or caused the Securities to be made the subject of an invitation for subscription or purchase and will not offer or sell any Securities or cause the Securities to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Securities, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the **SFA**)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Securities pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the SFA; or

(5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Any reference to the "**SFA**" is a reference to the Securities and Futures Act, Chapter 289 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time."

ANNEX B

DESCRIPTION OF KEPPEL LAND LIMITED

Keppel Land is a wholly-owned subsidiary of Keppel Corporation Limited (**Keppel Corporation**), a Singapore flagship multinational group which provides solutions for sustainable urbanisation, focusing on energy & environment, urban development, connectivity and asset management. Keppel Land is under the urban development segment of Keppel Corporation.

Keppel Land was privatised and delisted from the SGX-ST with effect from 16 July 2015. As of 7 May 2021, the issued and fully paid up share capital of Keppel Land is S$2,437,737,590.75 comprising 1,553,741,612 ordinary shares and Keppel Corporation holds 100% of the issued share capital of Keppel Land.

Keppel Land delivers innovative and multi-faceted urban space solutions that enrich people and communities. Its sterling portfolio includes award-winning residential developments, investment-grade commercial properties and integrated townships. It is geographically diversified in Asia, with Singapore, China and Vietnam as its key markets, while it continues to scale up in other markets such as India and Indonesia. Profit contribution from overseas markets ranged between 66% to 80% of the Group's net profit in the last three years from 2018 to 2020. Several of Keppel Land's residential and commercial properties in Singapore have won prestigious awards, including the FIABCI Prix d'Excellence Awards, Building and Construction Authority (**BCA**) Green Mark Awards and Euromoney Real Estate Awards.

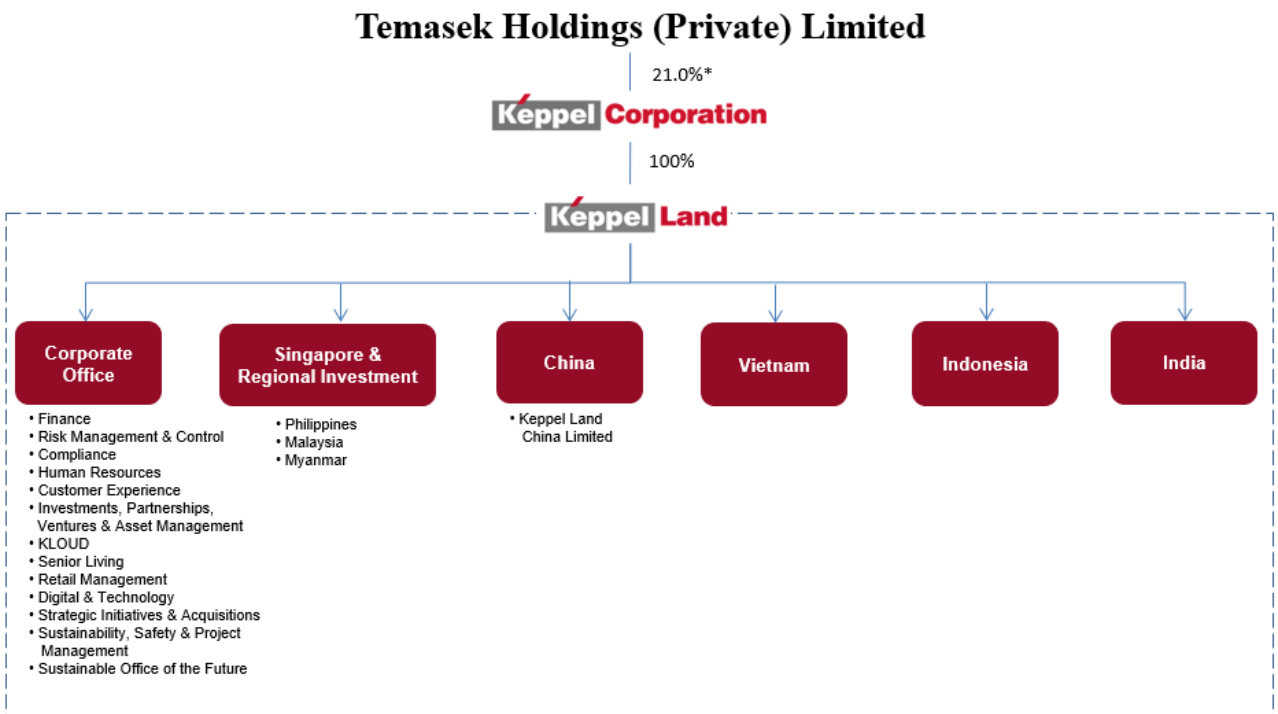
Keppel Land is Asia's premier home developer, with a pipeline of about 46,000 homes as at 31 March 2021, with the majority in China and Vietnam, and a growing portfolio in India. The company is also a leading prime office developer in Singapore, contributing to enhancing the city's skyline with landmark developments such as Marina Bay Financial Centre, Ocean Financial Centre and One Raffles Quay. Keppel Land currently has a commercial space of about 1.6 million square metres (**sm**) of gross floor area (**GFA**), of which 52% is under development and spans across Singapore and key Asian cities such as Shanghai, Beijing, Tianjin and Guangzhou in China, Ho Chi Minh City in Vietnam, Jakarta in Indonesia, Bangalore in India, Yangon in Myanmar and Manila in the Philippines.

History

Keppel Land was incorporated in 1890 as Straits Steamship Company Limited, a ship operator and owner. In 1973, Straits Steamship Company diversified into new businesses such as property, warehousing and distribution as well as leisure. In 1983, Straits Steamship Company became a subsidiary of Keppel Corporation after Keppel Corporation acquired a controlling 58% shareholding in the company from its parent, Ocean Transport and Trading Limited of Liverpool, United Kingdom.

In the late 1980s, Straits Steamship Company made several major acquisitions in Singapore for office, residential, warehouse and recreational project developments. Simultaneously, it also expanded its presence in Asia. In 1989, when property became its core business activity, it was renamed Straits Steamship Land Limited.

In February 1997, in a Keppel Group-wide exercise to adopt a common identity, Straits Steamship Land Limited was renamed Keppel Land Limited.



* Temasek Holdings (Private) Limited's direct and deemed interest in the shares of Keppel Corporation Limited as at 7 May 2021

<u>Business Strategy</u>

(i) Keppel Group's Vision 2030

On 28 May 2020, Keppel Corporation announced its Vision 2030 to drive the company's long-term strategy and transformation. From a conglomerate of diverse parts, Keppel plans to refocus its portfolio to be an integrated business, providing end-to-end solutions for sustainable urbanisation, with an asset management arm to fund the Keppel Group's growth and provide a platform for capital recycling. Building on Keppel's strengths in engineering, developing and operating specialised assets, as well as capital and asset management, Keppel Corporation will focus on four key business areas, namely Energy and Environment, Urban Development, Connectivity and Asset Management – all part of a connected value chain. Besides organic growth, it will actively pursue strategic M&A opportunities to accelerate chosen growth engines, as well as selective divestments to free up its balance sheet. On 29 September 2020, Keppel Corporation reaffirmed Keppel's Vision 2030 and will roll out the next steps in its roadmap, including plans to unlock value from S$3-5 billion of assets in the next 3 years, which will be redeployed to seize new opportunities and improve returns.

In tandem with the group-wide strategy of Keppel Corporation, Keppel Land adopts the following key strategies:

(ii) Focus on core competencies

Keppel Land has a proven track record in iconic residential projects, such as Reflections at Keppel Bay and Corals at Keppel Bay in Singapore, as well as landmark office developments such as Ocean Financial Centre, Marina Bay Financial Centre and One Raffles Quay in Singapore, and Saigon Centre in Ho Chi Minh City, Vietnam.

Urbanisation trends in Asia continue to drive demand for quality urban living solutions that Keppel Land provide. Keppel Land will continue to build on its core competencies by focusing on the residential and commercial sectors in which it has a competitive edge. With a pipeline of about 46,000 residential units and a total commercial portfolio of 1.6 million sm of GFA in key Asian cities, including commercial properties under development, Keppel Land is well-positioned to capitalise on the long-term demand for homes, office and retail spaces in its target markets.

(iii) Invest strategically and selectively in new projects across Asia

Keppel Land seeks to strike a balance between concentration and diversification into different geographies and segments. While diversification provides a counterweight when some markets or segments are down, being focused in a few markets allows it to build scalable platforms to compete against strong local and international players.

To enhance its growth and earnings potential and reduce over-reliance on any single market, Keppel Land has invested overseas, focusing on China, Vietnam and Indonesia where there is continued demand for good quality housing to meet the rising home aspirations of the growing middle-class population. To meet this demand, Keppel Land has scaled up its residential and township developments in Asia including Shanghai, Tianjin, Chengdu, Wuxi, Ho Chi Minh City, Jakarta and Mumbai. Keppel Land has also expanded its commercial presence in overseas markets such as China, Vietnam, Indonesia and India.

Keppel Land remains on the lookout for investment opportunities that dovetail with Keppel Group's Vision 2030 goals. It will continue to deepen collaboration with other Keppel business units, focus on assets that provide more recurrent and sustainable income streams, as well as leverage third-party funds through Keppel Capital to expand its capital base for growth.

(iv) Recycle capital for higher returns

Focusing on generating higher returns, Keppel Land will continue to turn its assets proactively through residential sales, en-bloc sales and divestments, while investing strategically for growth opportunities in line with Keppel Group's Vision 2030 roadmap.

In 2020, Keppel Land announced six asset divestments worth about S$1.3 billion across Singapore, China, Vietnam and the UK, and acquisition of a stake in a co-living solutions provider, as well as stakes in two new residential projects in China and India. For 1Q2021, Keppel Land announced the completion of the Group's divestment of Dong Nai Waterfront City LLC, First King Properties Limited and Chengdu Hilltop Development Co. Ltd., and acquisition of 25% of the charter capital of Riveria Point Limited Liability Company.

(v) Focus on sustainability

In line with Keppel Group's Vision 2030, Keppel Land places sustainability at the heart of its strategy and operations. Keppel Land has been a signatory to the United Nations Global Compact (**UNGC**) since 2011 and has pledged its commitment to the UNGC's 10 universal principles in the areas of human rights, labour, environment and anti-corruption. Keppel Land adopted six of the United Nations' 17 Sustainable Development Goals which are most aligned with its business. It also supports the Task Force on Climate-related Financial Disclosures (**TCFD**) and has voluntarily disclosed and incorporated its approach in four key areas as recommended by the TCFD in its reporting framework. In terms of community development, Keppel Land and Sustainable Singapore Gallery, managed by PUB, launched a public outreach programme in November 2020, titled "R.IS.E to the Challenge", to raise awareness on rising sea levels and climate action. The programme comprises a series of exhibitions and workshops to be conducted over the next two years.

Keppel Land continues to gain recognition both regionally and internationally for its environmental stewardship. Keppel Land was recognized for its sustainability efforts in the 2020 Global Real Estate Sustainability Benchmark (GRESB) assessment, and was ranked third globally in the Diversified – Office/Residential/Core category, underpinned by strong environmental, social and governance (ESG) performance. For its commitment and achievement in delivering high-quality, sustainable development, Keppel Land was awarded the prestigious BCA's Quality Excellence Award - Quality Champion (Platinum) in 2020, which was conferred to Keppel Land for the second consecutive year. In 2020, Keppel Bay Tower[1] also won the BCA Green Mark Platinum (Zero Energy) Award. It is the first commercial building in Singapore to achieve this accolade.

Keppel Land has set the benchmark for all new Singapore developments and overseas commercial projects to be certified to the BCA Green Mark Gold$_{Plus}$ standard or its equivalent, and for all overseas residential developments to be certified to the BCA Green Mark Gold standard or its equivalent. All newly acquired completed commercial buildings are also to be certified to the BCA Green Mark Gold standard or its equivalent, within two years. As at 7 May 2021, Keppel Land has garnered a total of 87 BCA Green Mark Awards for its properties in Singapore, China, Vietnam, Indonesia, India, Myanmar and the Philippines. They include one Platinum (Zero Energy), 16 Platinum, 14 Gold$_{Plus}$, 50 Gold and six Certified Awards.

(vi) Focus on innovation

To meet the emerging trends and differentiate itself, Keppel will focus on building better and smarter capabilities in the areas of property technology and new real estate solutions to offer a full suite of urban living solutions that are underpinned by technology. Keppel will further enhance its solutions offerings through continual investments in technology and to hone new capabilities for co-living, co-working and senior living, among others.

Keppel Land leveraged technology to safeguard office tenants' health and well-being during the COVID-19 pandemic, such as through the implementation of facial recognition for contactless access, mobile application access, as well as installing Ultraviolet-C lights for air sterilisation, amongst other measures.

In 2020, Keppel Land handed over Seasons Heights, Sino-Singapore Tianjin Eco-City's first smart estate, to homeowners. Seasons Heights, a pilot development under the Guidelines for the Construction of Smart Residential Areas in Tianjin Eco-City, includes some 30 smart technology applications, such as a 5G contactless thermal scanner and smart waste sorting stations.

Keppel Urban Solutions (**KUS**) is currently developing its proprietary Keppel Smart City Operating System (**KOS**), which will serve as a digital platform for the development and operation of large-scale townships. When completed, KOS can harness the power of data to provide a more efficient environment for the operation and maintenance of the Group's assets and developments. Keppel Land is working closely with KUS on developing Saigon Sports City in Vietnam into a smart and integrated township, as well as transforming the 166-hectare precinct in the northern district in the Sino-Singapore Tianjin Eco-City into a model for smart and environmentally-responsible urban living.

(vii) Develop new business engines

With disruptions challenging the traditional real estate business, Keppel Land continues to create new operating platforms and adjacent services to complement its core real estate business.

Keppel Land is growing its co-working platforms through KLOUD in Singapore, Myanmar and Vietnam as well as through its investment in Smartworks in India. Keppel Land is also experimenting with co-living concepts overseas via Waterfront Residences in Wuxi, China and West Vista in Jakarta, Indonesia. In 2020, Keppel Land acquired a stake in Cove, one of Southeast Asia's fastest growing co-living companies. It is also collaborating with Keppel Capital's 50% owned US-based senior living operator, Watermark Retirement Communities, to acquire new knowledge and insights into the sector.

On the retail front, Keppel Land is developing innovative retail formats in its malls in Singapore, China and Vietnam to complement new consumer behaviours. The retail mall I12 Katong in Singapore is undergoing

[1] Keppel Bay Tower was divested on 18 May 2021.

major asset enhancements and leveraging technology, which, when completed, will offer specially curated zones, and intuitive and personalized services across a wide range of retail offerings.

Competitive Strengths

Keppel Land's principal competitive strengths include:

Diversified property business

Keppel Land is a leading developer of premier residential developments and investment-grade commercial properties in Asia. Keppel Land believes that the size and diversity of its property business across different market segments and geographical locations aid in the mitigation of any adverse impact on certain segments of the property market or in particular cities or countries in the region, while also allowing for cross-selling to existing customers of Keppel Land. Keppel Land has continued to strengthen its presence in its key markets of Singapore, China and Vietnam as well as other markets of India and Indonesia.

KEPPEL LAND'S TOTAL ASSET DISTRIBUTION BY SEGMENT (%)
as at 31 December 2020

Property Trading		48.0
Property Investments		44.5
Others		7.5
Total	**$14.8 billion**	**100.0**

KEPPEL LAND'S TOTAL ASSET DISTRIBUTION BY COUNTRY (%)
as at 31 December 2020

Singapore		33.8
China		46.0
Vietnam		9.2
Indonesia		5.4
Others		5.6
Total	**$14.8 billion**	**100.0**

Strong financial profile

Keppel Land has a strong balance sheet of approximately S$999 million in cash as at 31 December 2020. The Group's total assets stood at S$14.8 billion as at 31 December 2020. For the years ended 31 December 2020 and 2019, Keppel Land achieved net profits of S$368.1 million and S$526.4 million respectively, and a revenue of about S$1.3 billion in each year. Despite the unprecedented challenges brought about by the COVID-19 pandemic, Keppel Land's diversification allows it to better weather the impact of COVID-19 and remain profitable for year 2020.

Keppel Land has maintained low net gearing levels over the years, giving it the financial capability and flexibility to fund its development projects through internal and external resources. It receives revenue from residential and commercial development sales and recurring income from property investment. Besides the traditional loan facilities, the Programme will provide a further avenue of funding for the Group as and when Securities are issued under the Programme.

Synergies across the Keppel Group

Keppel Land is working closely with Keppel Group's other business units in order to harness the synergies of being part of a multi-business group.

In collaboration with Keppel Capital, Keppel Land has launched the Keppel Vietnam Fund, a Vietnam-focused real estate fund with a target fund size of US$600 million. The fund seeks to invest alongside Keppel Land in real estate projects, including residential developments, commercial properties as well as mixed-use projects and townships in Vietnam, and Alpha will be the fund manager, while Keppel Land will be the development and property manager of the properties in the fund.

Keppel Land is also working closely with KUS on developing Saigon Sports City in Vietnam into a smart and integrated township, as well as transforming the 166-hectare precinct in the northern district in the Sino-Singapore Tianjin Eco-City into a model for smart and environmentally-responsible urban living.

Leveraging the Group's strengths, Keppel Land, KUS and Keppel Capital will continue to collaborate with one another, as well as with other business units, to develop compelling urban solutions that contribute to sustainable urbanisation.

Proven track record and strong brand awareness

Keppel Land has a strong and proven track record in Singapore and in Asia. It is recognised as a reputable developer of quality housing and premier commercial properties in Asia. Over the years, Keppel Land has built an excellent showcase of quality residential and commercial developments in Asia, which have earned the confidence and trust of many local and international homebuyers and tenants. Many of these developments have won prestigious awards for their outstanding designs and high quality standards.

Extensive sales channel and strong marketing strategy

Keppel Land has an experienced management team with good execution skills to chart its business direction. It has experience in executing large-scale residential and commercial projects as well as integrated townships. Together with sound business strategies and strong market presence, Keppel Land will continue to leverage its core competencies and skill set to deliver sustainable earnings and asset growth.

Deal flow capability

Keppel Land believes that its ability to source projects in regional markets is a key strength. This is due to its project evaluation and risk assessment capabilities. Keppel Land's stringent project selection process has enabled it to concentrate on large, high quality projects.

Good network of offices in Asia

Keppel Land has established a local presence in almost all the countries in Asia where it operates. As such, Keppel Land is equipped with local knowledge which allows for quick responses to market opportunities and changes. Keppel Land and its subsidiaries have established strong business networks in each operating country, all of which helps significantly in project origination and execution.

Risk management capabilities and strong corporate governance

Keppel Land maintains a robust risk management system to anticipate and meet challenges as well as seize business opportunities in a dynamic business environment. The exposure to each country and project and their relative impact on earnings, cash flows and financial position are monitored on an ongoing basis. The Group's holistic approach to identifying and managing risks instils a strong risk ownership across Keppel Land and reduces uncertainties associated with executing its strategies, allowing Keppel Land to harness opportunities with agility.

Keppel Land maintains rigorous internal controls and commits to high standards of corporate governance to maximise long-term shareholder value and protect its assets.

The Board, supported by the Audit and Risk Committee, reviews the adequacy and effectiveness of the Group's risk management framework and internal controls, including financial, operational, compliance and information technology controls, to ensure that robust risk management and strong internal controls are in place and there is effective management of risks of fraud and other irregularities.

Business

The consolidated revenue and net profit contribution from the principal business segments and geographical segments of the Group for the years ended 31 December 2020 (**FY2020**) and 2019 (**FY2019**), respectively, are set out below:

	Revenue		Net Profit	
S$' million	**Audited FY2020**	**Audited FY2019**	**Audited FY2020**	**Audited FY2019**
By Business Segments				
Property Trading	1,176.6	1,207.4	155.5	188.4
Property Investment	86.8	116.0	0.3	77.8
Others	12.8	15.2	(10.4)	(6.2)
Sub-total	**1,276.2**	**1,338.6**	**145.4**	**260.0**
Gain from Disposal of Subsidiaries and Associated Companies/Fair Value Gain on Investment Properties	-	-	204.6	262.4
Other Gains	-	-	18.1	4.0
Total	**1,276.2**	**1,338.6**	**368.1**	**526.4**
By Geographical Segments				
Singapore	183.4	268.0	66.2	146.9
Overseas	1,092.8	1,070.6	79.2	113.1
Sub-total	**1,276.2**	**1,338.6**	**145.4**	**260.0**
Gain from Disposal of Subsidiaries and Associated Companies/Fair Value Gain on Investment Properties	-	-	204.6	262.4
Other Gains	-	-	18.1	4.0
Total	**1,276.2**	**1,338.6**	**368.1**	**526.4**

The Group's diversified property portfolio, comprising primarily office buildings, residential properties, hotels and resorts as well as serviced apartments, are owned through its subsidiaries and associated companies.

Property Development

Property development, comprising property trading and property investment, is the largest source of revenue for the Group. For the years ended 31 December 2020 and 2019, revenues from property development amounted to S$1,263.4 million and S$1,323.4 million respectively, representing 99% of the Group's total revenues for both years.

Development of properties usually entails four phases: land acquisition, project development and construction as well as marketing. The typical development cycle for vacant land is approximately three to four years, whereas the development cycle for large-scale housing, mixed-use and township developments can be longer and varies from country to country.

The Group is actively involved in all four phases of the development process in order to control costs, schedule and maintain high standards of quality for its projects. Through its subsidiaries and associated companies, Keppel Land oversees and largely performs all aspects of its development operations, including the selection of sites for acquisition and development, preparation of feasibility studies, obtaining government approvals for zoning and modifications, the design and construction of projects, as well as the marketing, leasing and management of projects.

Other than the four markets that the company focuses on, the Group also owns assets in other countries in Asia including India, Malaysia, Myanmar and the Philippines.

A description of the activities undertaken by Keppel Land in Singapore and the other countries in which it operates is set out below:

Residential Properties

The Group is a leading property developer of quality residential properties in Asia. In 1Q2021, the Group sold a total of approximately 390 residential units in Singapore and 970 units overseas, mainly in China, Vietnam and India.

Singapore

The table below describes Keppel Land's residential landbank in Singapore as of 31 December 2020:

	Stake	Tenure	Total GFA (sf)	Total Units	Units Launched	Units Sold	Remaining Units For Sale	Remaining Area For Sale (sf)
Launched Projects								
The Garden Residences	60%	99-yr	462,561	613	613	568	45	52,771
Corals at Keppel Bay*	100%	99-yr	509,998	366	366	319	47	110,900
Reflections at Keppel Bay*	100%	99-yr	2,081,738	1,129	1,129	1,095	34	146,186
19 Nassim	100%	99-yr	99,629	101	25	2	99	93,780
Upcoming Projects								
The Reef at King's Dock	39%	99-yr	344,448	429	-	-	429	334,195
Keppel Bay Plot 6	100%	99-yr	226,044	86	-	-	86	207,959
Total			**3,724,418**	**2,724**	**2,133**	**1,984**	**740**	**945,791**

This table is accurate as of 31 December 2020.

** Remaining units for sale of Corals at Keppel Bay and Reflections at Keppel Bay includes 1 unit and 7 units committed to buyers under deferred payment schemes respectively.*

In January 2021, Keppel Land and Mapletree Investments launched The Reef at King's Dock. The project saw strong take-up with 280 of the 300 units released sold over the launch weekend.

Overseas

As home ownership aspirations, favourable demographics and urbanisation trends continue, Keppel Land plans to prudently continue its expansion drive in the housing sector in its overseas focus markets of China, Vietnam and Indonesia.

China: The Group's portfolio of residential properties in China includes, amongst others, the projects such as Waterfront Residences, Park Avenue Heights and Seasons Residences in Wuxi, Waterfront Residences II in Tianjin, Upview in Shanghai and Noblesse IX in Nanjing.

The table below describes Keppel Land's residential properties in China as of 31 December 2020:

	Location	Stake	Total GFA (sm)	Total Units	Units Launched	Units Sold	Remaining Units For Sale	Remaining Area For Sale (sm)
8 Park Avenue	Shanghai	99%	131,957	918	918	911	7	2,218
Seasons Residences		100%	125,552	1,185	1,185	1,143	42	5,147
Sheshan Riviera		99.4%	90,109	217	112	69	148	45,425
Upview		15.0%	168,770	1,566	-	-	1,566	163,460
Hill Crest Villas*	Chengdu	100%	163,147	274	-	-	274	149,908
Serenity Villas		100%	289,994	1,058	228	101	957	240,504
City Park		30%	94,102	772	772	772	-	-
Waterfront Residences	Wuxi	100%	315,117	1,403	1,347	1,335	68	2,388
Park Avenue Heights		100%	171,000	1,281	1,281	1,113	168	17,759
Seasons Residences		100%	360,525	2,904	1,112	909	1,995	236,000
Serenity Villas	Tianjin	100%	81,391	340	340	290	50	18,870
Mixed-use Devt		100%	1,993,919	15,857	-	-	15,857	1,693,787
Tianjin Eco-City		100%	462,744	4,152	4,152	4,152	-	-
Waterfront Residences		100%	63,251	341	341	340	1	348
Waterfront Residences II		100%	85,248	572	284	83	489	73,640
China Chic	Nanjing	40%	190,036	1,589	1,589	1,586	3	357
Noblesse IX (formerly Xuanwu 3.8-ha Mixed-use Devt)		25%	111,114	181	73	64	117	33,219
Hill Crest Residences	Kunming	68.8%	48,819	263	166	132	131	24,758
Total			**4,946,795**	**34,873**	**13,900**	**13,000**	**21,873**	**2,707,788**

This table is accurate as of 31 December 2020.

** The stake in Hill Crest Villas has been divested by the Group in February 2021.*

Vietnam: Keppel Land's portfolio of residential properties includes Saigon Sports City, Palm City, Empire City, Riviera Point and Celesta Rise in Ho Chi Minh City.

Indonesia: Keppel Land's portfolio of residential properties includes West Vista at Puri, The Riviera at Puri and Wisteria in Jakarta.

The table below describes Keppel Land's residential properties in Vietnam, Indonesia and India as of 31 December 2020:

	Location	Stake	Total GFA (sm)	Total Units	Units Launched	Units Sold	Remaining Units For Sale	Remaining Area For Sale (sm)
Vietnam								

Saigon Sports City	HCMC	100%	780,878	4,261	-	-	4,261	453,768
Palm City		42%	492,471	3,043	1,587	1,529	1,514	151,087
Empire City		40%	661,372	2,777	1,396	1,361	1,416	156,528
Riviera Point*		75%	430,163	2,421	1,889	1,851	570	61,839
Celesta		60%	258,919	2,342	519	519	1,823	163,543
Dong Nai Waterfront City**	Dong Nai	30%	1,125,236	6,536	-	-	6,536	838,893
			3,749,039	**21,380**	**5,391**	**5,260**	**16,120**	**1,825,658**
Indonesia								
West Vista at Puri	Jakarta	100%	153,464	2,855	1,404	542	2,313	96,108
Daan Mogot		100%	275,266	4,523	-	-	4,523	226,800
The Riviera at Puri		50%	73,984	510	510	494	16	3,520
BCA Site		100%	61,458	451	-	-	451	49,167
Wisteria		50%	69,962	557	205	165	392	40,854
			634,134	**8,896**	**2,119**	**1,201**	**7,695**	**416,449**
India								
Provident Park Square	Bangalore	51%	167,517	2,082	1,652	1,112	970	80,975
Urbania Township	Mumbai	49%	659,653	7,100	414	93	7,007	632,478
			827,170	**9,182**	**2,066**	**1,205**	**7,977**	**713,453**
Total			**5,210,343**	**39,458**	**9,576**	**7,666**	**31,792**	**2,955,560**

This table is accurate as of 31 December 2020.

** The remaining 25% stake in Riveria Point has been acquired by the Group in February 2021.*

*** The 30% stake in Dong Nai Waterfront City has been divested by the Group in April 2021*.

Residential Townships

The Group is also developing large-scale residential townships in Asia to capitalise on the demand for quality housing from the growing middle-class population. Over 60% of the Group's residential units in China are located in residential townships and large-scale developments that are integrated with retail, commercial and leisure components. In Vietnam, over 77% of the Group's residential units are located in residential townships and large-scale developments.

In China, these include Serenity Villas, Tianjin Eco-City, Waterfront Residences and a mixed-use development in Tianjin. In Vietnam, these include Palm City, Empire City and Saigon Sports City in Ho Chi Minh City. In 2020, the Group also acquired a 49% interest in Urbania Township in the Thane district, located in Mumbai Metropolitan Region, India.

Commercial Properties

Commercial Portfolio in Singapore

In Singapore, Keppel Land owns, develops and manages a number of commercial buildings in Singapore, including those held through its 40.2% interest in Keppel REIT, which owns a portfolio of premier office buildings in the Raffles Place and Marina Bay financial district such as Ocean Financial Centre and Marina Bay Financial Centre.

Keppel Land currently has a commercial portfolio of approximately 1.4 million square feet (127,320 sm) of GFA in Singapore.

As of 31 December 2020, the Group's major commercial properties in Singapore include:

Property	Percentage Owned (%)	GFA (sm)
Keppel Bay Tower*	100	41,910
Keppel Towers	100	59,200

I12 Katong	100	26,210

This table is accurate as of 31 December 2020.

* Keppel Bay Tower was divested on 18 May 2021.

Overseas Commercial Properties

Outside Singapore, Keppel Land has investments in commercial buildings with an estimated 1.5 million sm of GFA in China, Vietnam, Indonesia, India, Myanmar and the Philippines.

As of 31 December 2020, the Group's major overseas commercial properties under development include:

Projects under Development	Location	Stake	GFA (sm)
China			
Park Avenue Central	Shanghai	99%	113,220
Seasons City	Tianjin	100%	162,450
Vietnam			
Empire City	HCMC	40%	86,400 (Office) 106,000 (Retail) 35,000 (Hotel) 25,000 (Service Apt)
Indonesia			
IFC Jakarta Tower 1	Jakarta	100%	92,500
India			
KPDL Grade-A Office Tower	Bangalore	51%	116,800
Myanmar			
Junction City Ph 2	Yangon	40%	50,000

This table is accurate as of 31 December 2020.

As of 31 December 2020, the Group's major overseas completed commercial properties include:

Key Completed Projects	Location	Stake	GFA (sm)	Net Lettable Area (sm)	Completion
China					
Trinity Tower	Shanghai	30%	70,000	48,600	2015
International Bund Gateway (formerly North Bund Plaza)		29.8%	74,340	62,900	2018
K Plaza		99.4%	40,900	30,510	2016 **
The Kube		100%	14,520	10,890	2004
Linglong Tiandi Tower D	Beijing	100%	12,620	10,640	2012
Shangdi Neo		100%	4,240	4,240	2003
Westmin Plaza	Guangzhou	30%	42,520	34,990	2008
Vietnam					
Saigon Centre Ph 1	HCMC	61.3%	17,200 (Office)	11,680 (Office)	1996
Saigon Centre Ph 2		61.3%	55,000 (Retail) 44,000 (Office)	37,600 (Retail) 34,000 (Office)	2016 (Retail) 2017 (Office)
Estella Place		98%	37,000 (Retail)	25,480 (Retail)	2018

Indonesia					
IFC Jakarta Tower 2	Jakarta	100%	61,300	50,200	2016
Myanmar					
Junction City Tower	Yangon	40%	53,100	33,400	2017
Philippines					
SM-KL Project	Manila	27.4%	80,000 (Retail) 119,000 (Office)	46,600 (Retail) 89,300 (Office)	2017 (Retail) 2019 (Office)

This table is accurate as of 31 December 2020.

*** Renovation completed in 2018.*

Investments

As at 7 May 2021, Keppel Land holds approximately 40.2% of the units of Keppel REIT and is an investor in several funds managed by Alpha.

Keppel REIT

Sponsored by Keppel Land, Keppel REIT (formerly known as K-REIT Asia) was listed on the SGX-ST on 28 April 2006 following a distribution *in specie* of units to shareholders of Keppel Land. Keppel REIT's objective is to generate stable income and long-term growth for its unitholders by owning and investing in a portfolio of quality income-producing commercial real estate and real estate-related assets in Singapore and pan-Asia.

Keppel REIT holds a portfolio of approximately S$8.9 billion in key business districts of Singapore, Australia and South Korea which enhances income diversification and provides long-term stability.

The commercial properties located in Singapore are: One Raffles Quay (33.3% interest), Marina Bay Financial Centre (33.3% interest) and Ocean Financial Centre (79.9% interest). In Australia, Keppel REIT's commercial properties include: Pinnacle Office Park in Sydney (100% interest), 8 Chifley Square in Sydney (50% interest), 8 Exhibition Street in Melbourne (50% interest), Victoria Police Centre in Melbourne (50% interest), 275 George Street in Brisbane (50% interest) as well as the David Malcolm Justice Centre in Perth (50% interest). In Seoul, Keppel REIT holds a 99.4% interest in T Tower.

Keppel REIT's assets under management grew to approximately S$8.2 billion as at 31 December 2020, compared with about S$0.6 billion in 2006.

Alpha Investment Partners Limited

Alpha is a real estate investment advisory firm managed by a team of established professionals with proven fiduciary experience and Keppel Land has invested in several funds managed by Alpha including, amongst others, AAMTF II and AAMTF III. The Alpha Asia Macro Trends series, launched in 2007, focuses on mega trends driving long-term growth in the Asia-Pacific, which include urbanization, growing consumerism and intra-regional tourism.

Keppel Data Centre Holdings and Keppel DC REIT

Keppel Land is also involved in the growth of the Keppel Group's data centre business through its 30% stake in KDCH. As a result of these investments, Keppel Land has stakes in data centres in key data centre hubs across Asia Pacific and Europe. KDCH develops and project manages the data centres in the Alpha Data Centre Fund and serves as the facility manager.

Hotels and Resorts Ownership and Operations

Keppel Land operates a portfolio of hotels, serviced apartments, golf courses and marinas across Asia. As of 31 December 2020, this includes the following:

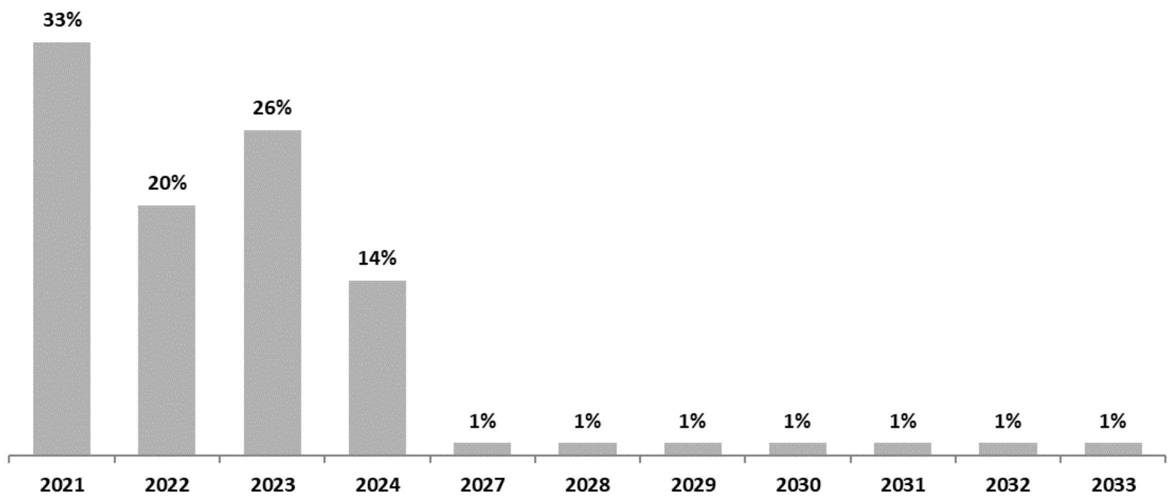
Country	Property Name	Description
Singapore	Marina at Keppel Bay	168 berths
Kunming, China	Spring City Golf & Lake Resort	Two 18-hole golf courses, 73 guest rooms and 527 resort homes
Tianjin, China	Eco-City International Country Club	18-hole golf course
Ho Chi Minh City, Vietnam	Sedona Suites Ho Chi Minh City	195 apartments
Bintan, Indonesia	Ria Bintan Golf Club	9- and 18- hole golf courses and 31 rooms
	Club Med Ria Bintan	302 rooms
Yangon, Myanmar	Sedona Hotel Yangon	789 rooms

This table is accurate as of 31 December 2020.

Capital Management

The Group adopts a prudent approach towards capital management and closely monitors its gearing, debt servicing and the maturity profile of its borrowings.

As at 31 December 2020, the Group had approximately S$4.8 billion of total borrowings comprising short-term borrowings of S$1.6 billion and long-term borrowings of S$3.2 billion. In addition, Keppel Land has a debt maturity profile of an average maturity of 2.16 years with not more than 33% of total debt maturing in any year, and maintains a balance of fixed and floating rate debt. The debt maturity profile of the Group as at 31 December 2020 is set forth in the chart below:



Note:

The figures above denote the Group's total borrowings as at 31 December 2020 falling due during each of the periods specified above.

The Group's net debt position and financial ratios are also presented below:

	As at/For the Financial Year Ended 31 December 2020
Net Debt (S$' billion)	3.8
Net Debt/Equity Ratio (times)	0.55
Weighted Average Interest Rate of Borrowings (%)	2.8
Interest Cover Ratio[1] (times)	6.6

Note:

1 In the calculation of interest cover, fair value gain on investment properties has been excluded. Net interest cost, comprising net interest expense taken to the profit and loss account and interest capitalised under investment properties, properties held for sale and fixed assets, has been used.

Competition

Property Development: In Singapore, the Group competes with other property companies to attract and retain commercial tenants and to sell its residential properties. The Group benchmarks itself against major competitors such as publicly-listed property companies in Singapore as well as certain international property developers and private property companies. In the commercial property market, the Group stands out for its well-located and quality green developments as well as its service offerings. In the residential property market, the Group competes on the basis of the location, quality as well as the thoughtful design of its developments. The Group has focused primarily on developing prime or centrally located residential properties and selected suburban properties located near key transport nodes and other facilities.

Overseas: The competitive environment in Asia varies across countries. The Group's overseas property business competes with both domestic and international companies. Notwithstanding that the domestic companies overseas have extensive knowledge of the local property market, Keppel Land has established market presence in the various countries of operation such as China and Vietnam, where it has gained substantial market knowledge. Keppel Land intends to leverage its extensive business network and good rapport with the local authorities to further grow its overseas operations.

Regulation

The real estate business in Singapore is subject to significant government regulation over, among other things, land and title acquisition, development planning and design, construction and mortgage financing and refinancing. For overseas markets such as China, the government has sought to regulate or reduce property speculation through measures such as the adoption and enforcement of regulations and the imposition of credit controls, taxes and fees, which could reduce property sales and affect property values.

Employees

As at 31 December 2020, the Group has approximately 2,816 employees.
The Group believes its employees are critical to its success and is committed to investing in the development of its employees through continuous training as well as the creation of opportunities for career growth.

Insurance

The Group is covered by insurance policies arranged through reputable insurance brokers and with reputable independent insurance companies which principally cover material damage to property, business interruption and public liability and other risks. The Group believes that it has adequate insurance coverage with insurance scope, coverage and financial limits that are commercially reasonable and appropriate for a group of its size and activities in the real estate industry.

There are, however, certain types of losses (such as from wars and loss of business from negative effects of economic conditions) that generally are not insured because they are either uninsurable or insuring against them is not economically viable. Should an uninsured loss or a loss in excess of insured limits occur, the Group could lose capital invested in the property, as well as anticipated future revenue and may result in the imposition of civil or criminal penalties, for example, personal injury, loss of life or environmental damage.

Environmental Matters and Compliance

Keppel Land strives to carry out its business in an environmentally responsible manner and has in place a comprehensive suite of measures to build sustainable, low-carbon urban development. Keppel Land adopts a proactive and holistic approach towards sustainability and strives to continually improve its environmental performance through harnessing human capital, technology and innovation.

Keppel Land subscribes to best practices and complies with all applicable legislations and requirements, and is not aware of any violation of laws, regulations and voluntary codes in connection with any environmental law in 2020.

Keppel Land's Carbon Management Plan outlines the initiatives and programmes that it undertakes to reduce its emissions. Having met its target to reduce its carbon emission intensity by 16% below 2010's level by 2020 ahead of time, Keppel Land has set a higher target of reducing its carbon emission intensity by 40% below 2010's emission level by 2030. To achieve this, Keppel Land will undertake carbon reduction measures which include developing high-performance commercial buildings, improving energy efficiency of existing buildings and tapping renewable energy.

Keppel Land implemented the Integrated Management System (**IMS**) for its operations in Singapore, China and Vietnam in 2014, 2015 and 2016 respectively. The IMS combines the ISO 9001 quality management system, the ISO 14001 environmental management system and the ISO 45001 occupational health and safety management system (converted from OHSAS 18001 occupational health and safety management system in December 2020) into a single framework, thereby streamlining processes and increasing overall operational efficiency and productivity.

Legal Proceedings

Apart from those set out below, the Group is not party to any legal proceedings which it believes would, indirectly or directly as a whole, have a material adverse effect on its business, financial condition, prospects or results of operations.

On 25 October 2017, Keppel Land China Limited (**KLCL**) entered into a sale and purchase agreement to divest its 100% stake in Keppel China Marina Holdings Pte Ltd (**KCMH**) to Delight Prime Limited (**DPL**) for a total consideration of approximately RMB2,900 million (approximately S$597.4 million) (subject to completion adjustments) (the **Keppel Cove Divestment**). KCMH indirectly owned an 80% effective stake in Sunsea Yacht Club (Zhongshan) Co. Ltd., with Sunsea Yacht Club (Hong Kong) Company Limited (**SYCHK**) holding the remaining 20% stake.

On 20 November 2017, KLCL and KCMH were served as co-defendants a writ of summons filed by SYCHK in the High Court of the Republic of Singapore (the **Suit**). The reliefs claimed by SYCHK in the Suit were, amongst others, to restrain both KLCL and KCMH from completing the Keppel Cove Divestment. Both KLCL and KCMH were also served a summons filed by SYCHK for various interim injunctions in relation to the foregoing (the **Summons for interim relief**).

The High Court, on 15 December 2017, ordered that the Summons for interim relief filed by SYCHK to, amongst other things, restrain KLCL from completing the Keppel Cove Divestment, was dismissed; and the Suit against KLCL and KCMH was stayed on certain terms, with costs awarded to KLCL and KCMH.

On 22 December 2017 SYCHK sought an urgent hearing in respect of its application for permission from the High Court to appeal against the High Court order of 15 December 2017 to the Court of Appeal. At the hearing held in that afternoon, the High Court dismissed SYCHK's application (**Dismissal of Application**), with costs awarded to KLCL and KCMH. As SYCHK informed the High Court of its intention to apply to the Court of Appeal for permission to appeal the Dismissal of Application (**Application to CA**), the High Court allowed on terms SYCHK's application for, amongst other things, an order restraining KLCL from completing the Keppel Cove Divestment until the Application to CA was disposed of by the Court of Appeal.

The Court of Appeal dismissed the Application to CA on 26 February 2018, with costs awarded to KLCL and KCMH. The Court of Appeal also discharged with immediate effect the High Court's order of 22 December 2017 restraining KLCL from completing the Keppel Cove Divestment.

On 26 February 2018, SYCHK, by a notice of arbitration to the Singapore International Arbitration Centre initiated arbitration proceedings against KCMH for claims arising out of the joint venture between SYCHK and KCMH.

On 3 April 2018, KLCL and DPL achieved closing of the Keppel Cove Divestment for a total consideration of approximately RMB2,900 million (approximately S$597.1 million).

ANNEX C

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF KLL FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

The information in this Annex C has been extracted and reproduced from the audited consolidated financial statements of KLL for the financial year ended 31 December 2020 and has not been specifically prepared for inclusion in this Pricing Supplement.

KEPPEL LAND LIMITED

Co. Reg. No. 189000001G

(Incorporated in the Republic of Singapore)

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

CONTENTS

KEPPEL LAND LIMITED AND ITS SUBSIDIARIES

DIRECTORS' STATEMENT
For the financial year ended 31 December 2020

The Directors present their statement to the member together with the audited consolidated financial statements of Keppel Land Limited (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2020.

1. OPINION OF THE DIRECTORS

In the opinion of the Directors,

(i) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2020 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended on that date; and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTORS

The Directors of the Company in office at the date of this statement are:

Loh Chin Hua, Chairman
Louis Lim Lu-yi, Chief Executive Officer (Appointed on 15 February 2021)
Tan Swee Yiow
Tan Yam Pin
Koh-Lim Wen Gin
Yap Chee Meng
Chan Hon Chew
Willy Shee Ping Yah

According to the Register of Directors' shareholdings kept by the Company for the purpose of Section 164 of the Singapore Companies Act, none of the Directors holding office at the end of the financial year had any interest in the shares and debentures of the Company and related corporations, except as follows:

	Holdings at 01.01.2020	Holdings at 31.12.2020
Keppel Corporation Limited		
Ordinary shares		
Loh Chin Hua	1,310,592	1,860,772
Loh Chin Hua (Deemed interest)	38,500	38,500
Tan Swee Yiow	135,925	179,575
Tan Yam Pin (Deemed interest)	132,000	132,000
Yap Chee Meng	95,360	95,360
Chan Hon Chew	370,443	593,173
Chan Hon Chew (Deemed interest)	7,770	7,770
Unvested restricted shares to be delivered after 2017		
Loh Chin Hua	90,784	-
Chan Hon Chew	40,134	-
Unvested restricted shares to be delivered after 2018		
Loh Chin Hua	174,936	87,469
Tan Swee Yiow	38,151	19,076
Chan Hon Chew	81,354	40,677
Unvested restricted shares to be delivered after 2019		
Loh Chin Hua	-	201,258
Tan Swee Yiow	-	49,151
Chan Hon Chew	-	100,839

KEPPEL LAND LIMITED AND ITS SUBSIDIARIES

DIRECTORS' STATEMENT
For the financial year ended 31 December 2020

2. DIRECTORS (continued)

	Holdings At 01.01.2020	Holdings At 31.12.2020
Keppel Corporation Limited (continued)		
Contingent award of performance shares issued in 2017 to be delivered after 2019 [(1)]		
Loh Chin Hua	330,000	-
Chan Hon Chew	150,000	-
Contingent award of performance shares issued in 2018 to be delivered after 2020 [(1)]		
Loh Chin Hua	320,000	320,000
Chan Hon Chew	140,000	140,000
Contingent award of performance shares issued in 2019 to be delivered after 2021 [(1)]		
Loh Chin Hua	365,000	365,000
Tan Swee Yiow	80,000	80,000
Chan Hon Chew	150,000	150,000
Contingent award of performance shares issued in 2020 to be delivered after 2022 [(1)]		
Loh Chin Hua	-	365,000
Tan Swee Yiow	-	80,000
Chan Hon Chew	-	140,000
Contingent award of performance shares – Transformation Incentive Plan issued in 2016 to be delivered after 2021 [(1)]		
Loh Chin Hua	750,000	750,000
Tan Swee Yiow	100,000	100,000
Chan Hon Chew	350,000	350,000
Contingent award of performance shares – Transformation Incentive Plan issued in 2017 to be delivered after 2021 [(1)]		
Tan Swee Yiow	100,000	100,000
Contingent award of performance shares – Transformation Incentive Plan issued in 2020 to be delivered after 2021 [(1)]		
Tan Swee Yiow	-	50,000
Chan Hon Chew	-	50,000

Notes:
1. Depending on the achievement of pre-determined performance targets, the actual number of performance shares to be released can range from zero to 150% of the numbers stated.

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of the financial year, nor at any time during the year, did there subsist any arrangement, to which the Company or any of its subsidiaries is a party, whereby the Directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

KEPPEL LAND LIMITED AND ITS SUBSIDIARIES

DIRECTORS' STATEMENT
For the financial year ended 31 December 2020

4. AUDITOR

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment as auditor.

On behalf of the Board

Loh Chin Hua

Loh Chin Hua	**Louis Lim Lu-yi**
Chairman	Chief Executive Officer

Singapore, 24 February 2021

KEPPEL LAND LIMITED AND ITS SUBSIDIARIES

INDEPENDENT AUDITOR'S REPORT
For the financial year ended 31 December 2020

Report on the Audit of the Financial Statements

To the Member of Keppel Land Limited

Our Opinion

In our opinion, the accompanying consolidated financial statements of Keppel Land Limited ("the Company") and its subsidiaries ("the Group") and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 ("the Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") and International Financial Reporting Standards ("IFRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2020 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:

- the consolidated profit or loss account of the Group for the financial year ended 31 December 2020;
- the consolidated statement of comprehensive income of the Group for the financial year then ended;
- the consolidated balance sheet of the Group as at 31 December 2020;
- the balance sheet of the Company as at 31 December 2020;
- the consolidated statement of changes in equity of the Group for the financial year then ended;
- the statement of changes in equity of the Company for the financial year then ended;
- the consolidated cash flow statement of the Group for the financial year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

KEPPEL LAND LIMITED AND ITS SUBSIDIARIES

INDEPENDENT AUDITOR'S REPORT
For the financial year ended 31 December 2020

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 December 2020. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the matter
Assessment of allowance for foreseeable losses (Refer to **Note 23** to the financial statements) The Group has residential properties held for sale mainly in China, Singapore, Indonesia and Vietnam. Properties held for sale are stated at the lower of cost and net realisable values which amounted to $3,695 million as at 31 December 2020. The determination of the carrying value and whether to recognise any foreseeable losses for properties held for sale is highly dependent on the estimated costs to complete each development and the estimated selling price. For certain development projects, fair values based on independent valuation reports are used to determine the net realisable values of these properties. We focused on this area as significant judgement is required in making estimates of future selling prices and the estimated costs to complete the development project. In instances where independent valuation reports are used, the valuation process involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The valuations are highly sensitive to key assumptions applied in deriving the discount rate and price of comparable plots and properties. Continued unfavourable market conditions in certain markets in which the Group operates might exert downward pressure on transaction volumes and residential property prices. This could lead to future trends in these markets departing from known trends based on past experience. There is therefore a risk that the estimates of carrying values at the date of these financial statements exceed future selling prices, resulting in losses when the properties are sold. Furthermore, the Coronavirus Disease 2019 ("COVID-19") pandemic has resulted in significant economic uncertainty in the current and future economic environment and there is heightened uncertainty inherent in estimating the impact of the pandemic on future selling prices and estimated costs to complete of the development properties.	We found that, in making its estimates of future selling prices and estimated costs to complete, the Group took into account macroeconomic and real estate price trend information, and the consideration of the potential financial impact of the COVID-19 pandemic in the basis of the estimates. Senior management applied their knowledge of the business in their regular review of these estimates. We corroborated the Group's forecast selling prices by comparing to, where available, recently transacted prices and prices of comparable properties located in the same vicinity as the properties held for sale. We compared management's budgeted total development costs against underlying contracts with vendors and supporting documents. We discussed with the project managers to assess the reasonableness of estimated costs to complete and corroborated the underlying assumptions made with our understanding of past completed projects. For projects where management has used independent valuation reports as a basis to determine the net realisable value, we evaluated the qualifications and competence of the external valuers and considered the valuation methodologies used against those applied by other valuers for similar property type. We tested the reliability of inputs used in the valuation and corroborated key inputs such as the discount rate and price of comparable plots and properties used in the valuation by comparing them against historical rates and available industry data, taking into consideration comparability and market factors. Where the inputs were outside the expected range, we undertook further procedures to understand the effect of additional factors and, when necessary, held further discussions with the valuers. We focused our work on development projects with slower-than-expected sales or with low or negative margins. For projects which are expected to sell below cost, we checked the computations of the foreseeable losses.

Key Audit Matters (continued)

Key audit matters	How our audit addressed the matter
Assessment of allowance for foreseeable losses (continued) (Refer to **Note 23** to the financial statements)	We also considered the adequacy of the disclosures in the financial statements, in describing the allowance for foreseeable losses made for properties held for sale. Based on our procedures, we were satisfied that management's estimates and assumptions were reasonable. We also found the related disclosures in the financial statements to be adequate.
Valuation of investment properties (Refer to **Note 16** to the financial statements) The Group owns a portfolio of investment properties comprising office buildings, hotel, retail malls and mixed-use development projects, located primarily in China, Singapore, Indonesia and Vietnam. As at 31 December 2020, investment properties stated at their fair values amounting to $3,556 million were determined based on independent external valuations. We focused on this area as the valuation process involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The valuations are highly sensitive to key assumptions applied in deriving the capitalisation rate, discount rate and price of comparable plots and properties. Furthermore, the valuation reports obtained from independent property valuers for certain investment properties have highlighted the heightened uncertainty of the COVID-19 outbreak and material valuation uncertainty where a higher degree of caution should be attached to the valuation than would normally be the case. Accordingly, the valuation of these investment properties may be subjected to more fluctuation than during normal market conditions.	We evaluated the qualifications and competence of the external valuers. We considered the valuation methodologies used against those applied by other valuers for similar property types, and how the impact of the COVID-19 pandemic and market uncertainty has been considered by the independent property valuers in determining the valuation of investment properties. We also considered other alternative valuation methods. We tested the reliability of inputs of the projected cash flows used in the valuation to supporting leases and other documents. We corroborated the inputs such as the capitalisation rate, discount rate and price of comparable plots and properties used in the valuation by comparing them against historical rates and available industry data, taking into consideration comparability and market factors. Where the inputs were outside the expected range, we undertook further procedures to understand the effect of additional factors and, when necessary, held further discussions with the valuers. We also considered the adequacy of the disclosures in the financial statements, in describing the inherent degree of subjectivity and key assumptions used in the estimates and the impact of COVID-19 on the valuation of investment properties as at 31 December 2020, as we consider them as likely to be significant to users of the financial statements given the estimation uncertainty and sensitivity of the valuations. The valuers are members of recognised professional bodies for external valuers. We found that the valuation methodologies used were in line with generally accepted market practices and the key assumptions used were within the range of market data. We also found the disclosures in the financial statements to be adequate.

Key Audit Matters (continued)

Key audit matters	How our audit addressed the matter
Revenue recognition for trading properties (Refer to **Note 4** to the financial statements) During the year, the Group recognised $1,177 million of revenue from its trading properties. Revenue is recognised when control over the properties have been transferred to the purchasers. For Singapore trading properties sold under a deferred payment scheme which allows the purchasers to take possession of the completed units after making the down payment, the Group recognised $52 million of revenue. We focused on this area as significant judgement was made in assessing the point when control over the properties has been transferred to the purchasers. The determination of the timing of revenue recognition is highly dependent on the point at which the contract is enforceable, has a low risk of return and when collection of consideration is probable. Accordingly, the Group recoginses revenue based on receipt of down payment and option to purchase exercised.	We evaluated if the contract is enforceable by considering the terms in the sales contracts that the Group and the purchasers have entered into, the local laws and regulations that the projects are operating in and assessing the legal opinions that management has obtained, where applicable. We assessed the point of control transferred to the purchaser by considering purchaser's acceptance of the property, the purchaser's ability to direct the use of the property and if there are any indicator that the purchaser will rescind the contract. We evaluated management's collectability assessment by considering the credit reviews performed on individual purchasers, subsequent receipts and any indicator of higher credit risk, where applicable. Based on our procedures, we were satisfied that the assumptions made in determining the timing of revenue recognition were reasonable. We also found the related disclosures in the financial statements to be adequate.

Other information

Management is responsible for the other information. The other information comprises the Directors' Statement but does not include the financial statements and our auditor's report thereon. We obtained the Directors' Statement prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, SFRS(I)s and IFRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Choo Eng Beng.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 24 February 2021

KEPPEL LAND LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED PROFIT OR LOSS ACCOUNT
For the financial year ended 31 December 2020

	Note	**2020 $'000**	2019 $'000
Revenue	4	**1,276,166**	1,338,605
Cost of sales		**(810,600)**	(883,030)
Gross profit		**465,566**	455,575
Distribution costs		**(11,425)**	(11,130)
Administrative and other expenses		**(112,260)**	(147,129)
Other income	6	**74,365**	90,396
Other loss	7	**(65,572)**	(4,986)
Investment income	5	**3,877**	48,131
Interest income	8	**39,545**	48,713
Interest expense	9	**(76,509)**	(85,045)
Share of results of associated companies and joint ventures	21	**66,118**	211,446
Pre-tax profit before fair value gain on investment properties		**383,705**	605,971
Fair value gain on investment properties	10	**261,453**	113,109
Pre-tax profit after fair value gain on investment properties		**645,158**	719,080
Taxation	11	**(282,153)**	(178,778)
Profit for the year	5	**363,005**	540,302
Profit attributable to:			
Shareholder of the Company	3	**368,053**	526,377
Non-controlling interests	3	**(5,048)**	13,925
		363,005	540,302

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

KEPPEL LAND LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 December 2020

	Note	**2020** **$'000**	2019 $'000
Profit for the year		**363,005**	540,302
Items that may be reclassified subsequently to profit or loss account:			
Cash flow hedges			
Net fair value change		**(13,372)**	(3,704)
Foreign exchange translation account			
Exchange differences on consolidation		**130,906**	(74,319)
Exchange differences transferred to profit or loss account		**4,691**	10,811
Share of other comprehensive income of associated companies and joint ventures			
Cash flow hedges			
Net fair value change		**(15,310)**	(5,740)
Fair value change transferred to profit or loss account		**72**	77
Foreign exchange translation account			
Exchange differences on consolidation		**70,748**	(52,599)
Exchange differences transferred to profit or loss account		**(4,496)**	213
Item that will not be reclassified subsequently to profit or loss account:			
Financial assets at fair value through other comprehensive income ("FVOCI")			
Net fair value change		**(7,803)**	(88,892)
Share of other comprehensive income of associated companies and joint ventures			
Financial assets at FVOCI		**(329)**	360
Other comprehensive income/(loss) for the year, net of tax	14	**165,107**	(213,793)
Total comprehensive income for the year		**528,112**	326,509
Total comprehensive income attributable to:			
Shareholder of the Company		**531,759**	313,206
Non-controlling interests		**(3,647)**	13,303
		528,112	326,509

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

KEPPEL LAND LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS
As at 31 December 2020

	Note	GROUP 2020 $'000	GROUP 2019 $'000	COMPANY 2020 $'000	COMPANY 2019 $'000
Share capital	13	**2,427,916**	2,427,916	**2,427,916**	2,427,916
Reserves	14	**4,459,791**	5,429,638	**1,506,779**	2,766,529
Share capital and reserves		**6,887,707**	7,857,554	**3,934,695**	5,194,445
Non-controlling interests		**15,816**	8,646	**-**	-
Total equity		**6,903,523**	7,866,200	**3,934,695**	5,194,445
Represented by:					
Non-current assets					
Fixed assets	15	**269,012**	282,807	**-**	-
Investment properties	16	**3,556,015**	3,139,930	**-**	-
Right-of-use assets	17	**85,200**	87,670	**-**	-
Amounts owing by related parties	18	**262,438**	393,686	**-**	-
Deferred tax assets	11	**65,513**	42,615	**-**	-
Other non-current assets	19	**207,492**	239,545	**-**	5
Investments					
Subsidiaries	20	**-**	-	**1,504,456**	1,535,508
Associated companies and joint ventures	21	**3,614,743**	3,515,517	**57,341**	57,341
Long-term investments	22	**273,854**	149,951	**23,311**	20,151
		3,888,597	3,665,468	**1,585,108**	1,613,000
		8,334,267	7,851,721	**1,585,108**	1,613,005
Current assets					
Properties held for sale	23	**3,695,372**	4,736,197	**-**	-
Stocks	24	**1,256**	2,022	**-**	-
Debtors	25	**410,454**	490,403	**956**	787
Amounts owing by holding company and related parties	26	**345,920**	367,506	**4,943,234**	6,082,791
Short-term investments	22	**20,340**	19,460	**-**	-
Cash and cash equivalents	27	**998,810**	760,684	**1,741**	1,941
Assets classified as held for sale	28	**1,029,584**	-	**-**	-
		6,501,736	6,376,272	**4,945,931**	6,085,519
Less:					
Current liabilities					
Creditors	29	**2,136,102**	1,951,801	**24,675**	31,112
Tax provision		**246,163**	116,380	**3,885**	4,448
Short-term borrowings and lease liabilities	30	**1,602,236**	1,142,471	**221,604**	237,196
Amounts owing to holding company and related parties	26	**325,566**	232,969	**631,571**	449,481
Liabilities directly associated with assets classified as held for sale	28	**166,064**	-	**-**	-
		4,476,131	3,443,621	**881,735**	722,237
Net current assets		**2,025,605**	2,932,651	**4,064,196**	5,363,282
Less:					
Non-current liabilities					
Long-term borrowings and lease liabilities	30	**3,211,157**	2,719,608	**1,678,693**	1,758,305
Deferred tax liabilities	11	**189,095**	156,092	**-**	-
Other non-current liabilities	31	**56,097**	42,472	**35,916**	23,537
		3,456,349	2,918,172	**1,714,609**	1,781,842
Net assets		**6,903,523**	7,866,200	**3,934,695**	5,194,445

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

KEPPEL LAND LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY
For the financial year ended 31 December 2020

	Share Capital $'000	Capital Reserves $'000	Foreign Currency Translation Account $'000	Revenue Reserves $'000	Total $'000	Non-controlling Interests $'000	Total Equity $'000
GROUP							
Balance at 1 January 2020	2,427,916	(56,423)	(432,829)	5,918,890	7,857,554	8,646	7,866,200
Total comprehensive income for the year							
Profit for the year	-	-	-	368,053	368,053	(5,048)	363,005
Other comprehensive income/(loss) (see Note 14)	-	(36,742)	200,448	-	163,706	1,401	165,107
Total comprehensive (loss)/income for the year	-	(36,742)	200,448	368,053	531,759	(3,647)	528,112
Transactions with owners, recognised directly in equity							
Contributions by and distributions to owners							
Capital contribution	-	-	-	-	-	13,879	13,879
Dividends paid (see Note 12)	-	-	-	(1,500,000)	(1,500,000)	(2,110)	(1,502,110)
Total contributions by and distributions to owners	-	-	-	(1,500,000)	(1,500,000)	11,769	(1,488,231)
Changes in ownership interest in subsidiaries							
Disposal of a subsidiary	-	(1,599)	-	-	(1,599)	(952)	(2,551)
Total changes in ownership interest in subsidiaries	-	(1,599)	-	-	(1,599)	(952)	(2,551)
Others							
Transfer from revenue reserve to capital reserve due to statutory reserve requirements	-	13,059	-	(13,059)	-	-	-
Utilisation of statutory reserves	-	(7)	-	-	(7)	-	(7)
Transfer of fair value reserves to revenue reserves	-	20	-	(20)	-	-	-
Others	-	(7)	(27)	34	-	-	-
Total others	-	13,065	(27)	(13,045)	(7)	-	(7)
Total transactions with owners	-	11,466	(27)	(1,513,045)	(1,501,606)	10,817	(1,490,789)
Balance at 31 December 2020	2,427,916	(81,699)	(232,408)	4,773,898	6,887,707	15,816	6,903,523

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

KEPPEL LAND LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY
For the financial year ended 31 December 2020

	Share Capital $'000	Capital Reserves $'000	Foreign Currency Translation Account $'000	Revenue Reserves $'000	Total $'000	Non-controlling Interests $'000	Total Equity $'000
GROUP							
Balance at 1 January 2019	2,427,916	24,995	(317,557)	6,225,817	8,361,171	(3,778)	8,357,393
Total comprehensive income for the year							
Profit for the year	-	-	-	526,377	526,377	13,925	540,302
Other comprehensive loss (see Note 14)	-	(97,899)	(115,272)	-	(213,171)	(622)	(213,793)
Total comprehensive (loss)/income for the year	-	(97,899)	(115,272)	526,377	313,206	13,303	326,509
Transactions with owners, recognised directly in equity							
Contributions by and distributions to owners							
Capital contribution	-	-	-	-	-	998	998
Dividend paid (see Note 12)	-	-	-	(816,823)	(816,823)	(1,877)	(818,700)
Total contributions by and distributions to owners	-	-	-	(816,823)	(816,823)	(879)	(817,702)
Others							
Transfer from revenue reserve to capital reserve due to statutory reserve requirements	-	16,481	-	(16,481)	-	-	-
Total others	-	16,481	-	(16,481)	-	-	-
Total transactions with owners	-	16,481	-	(833,304)	(816,823)	(879)	(817,702)
Balance at 31 December 2019	2,427,916	(56,423)	(432,829)	5,918,890	7,857,554	8,646	7,866,200

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

KEPPEL LAND LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY
For the financial year ended 31 December 2020

	Share Capital $'000	Capital Reserves $'000	Revenue Reserves $'000	Total Equity $'000
COMPANY				
Balance at 1 January 2020	2,427,916	21,639	2,744,890	5,194,445
Total comprehensive income for the year				
Profit for the year	-	-	250,265	250,265
Other comprehensive loss	-	(10,015)	-	(10,015)
Total comprehensive (loss)/income for the year	-	(10,015)	250,265	240,250
Transactions with owners, recognised directly in equity				
Distributions to owners				
Dividends paid (see Note 12)	-	-	(1,500,000)	(1,500,000)
Total transactions with owners	-	-	(1,500,000)	(1,500,000)
Balance at 31 December 2020	2,427,916	11,624	1,495,155	3,934,695
Balance at 1 January 2019	2,427,916	23,126	3,412,262	5,863,304
Total comprehensive income for the year				
Profit for the year	-	-	149,451	149,451
Other comprehensive loss	-	(1,487)	-	(1,487)
Total comprehensive (loss)/income for the year	-	(1,487)	149,451	147,964
Transactions with owners, recognised directly in equity				
Distributions to owners				
Dividend paid (see Note 12)	-	-	(816,823)	(816,823)
Total transactions with owners	-	-	(816,823)	(816,823)
Balance at 31 December 2019	2,427,916	21,639	2,744,890	5,194,445

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

KEPPEL LAND LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED CASH FLOW STATEMENT
For the financial year ended 31 December 2020

	2020	2019
	$'000	$'000
Operating Activities:		
Pre-tax profit	**645,158**	719,080
Adjustments for:		
Depreciation charge	**35,620**	33,281
Loss on sale of fixed assets	**1,914**	376
Fixed assets written off	**17**	8
Right-of-use assets written off	**570**	1,837
Lease liabilities written off	**(612)**	(794)
Fair value loss/(gain) on foreign currency forward contracts	**270**	(637)
Interest and investment income	**(43,422)**	(96,844)
Interest expense	**76,509**	85,045
Share of results of associated companies and joint ventures	**(66,118)**	(211,446)
Loss/(gain) on change in interest in an associated company	**4,573**	(1,845)
Gain from disposal of subsidiaries	**(30,535)**	(64,534)
Impairment on loans to a joint venture and an investee	**36,305**	-
(Gain)/loss from disposal of associated companies	**(7,525)**	76
Impairment of fixed assets	**6,919**	4,910
Gain from partial disposal of interest in a joint venture by an associated company	**(2,714)**	-
Gain on remeasurement of retained interest in an associated company	**(26,034)**	-
Fair value loss/(gain) on call option	**875**	(7,018)
Fair value gain on investment properties	**(261,453)**	(113,109)
Amortisation of prepaid upfront fee	**455**	199
Unrealised exchange gain	**(2,119)**	(310)
Operating cash flows before changes in working capital	**368,653**	348,275
Working capital changes:		
Debtors	**(96,323)**	105,636
Creditors	**222,721**	(204,186)
Stocks	**813**	166
Properties held for sale	**151,921**	(25,000)
Cash flows from operations	**647,785**	224,891
Interest received	**39,250**	48,131
Interest paid	**(80,060)**	(82,138)
Income taxes paid	**(137,829)**	(236,489)
Net cash flows from/(used in) operating activities	**469,146**	(45,605)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

KEPPEL LAND LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED CASH FLOW STATEMENT
For the financial year ended 31 December 2020

	Note	2020 $'000	2019 $'000
Investing Activities:			
Net inflow from disposal of subsidiaries	20	**334,237**	54,052
Net inflow from disposal of associated companies and a joint venture		**106,840**	735
Investment in associated companies and joint ventures		**(255,393)**	(273,800)
Investment in investments at FVOCI		**(42,567)**	(95,361)
Investment in investments at FVPL		**(82,666)**	(34,573)
Placement of structured deposits		**(20,340)**	(29,385)
Withdrawal of structured deposits		**20,340**	9,925
Purchase of fixed assets		**(15,916)**	(10,442)
Additions to and purchase of investment properties		**(266,343)**	(283,424)
Proceeds from sale of fixed assets		**85**	63
Advances/repayment from associated companies and joint ventures		**440,666**	255,903
Advances/repayment to associated companies and joint ventures		**(205,617)**	(365,361)
Redemption of investments at FVOCI		**19,224**	27,178
Dividends received from associated companies and joint ventures (1)		**140,977**	122,427
Dividends received from investee companies		**3,877**	48,131
Net cash flows from/(used in) investing activities		**177,404**	(573,932)
Financing Activities:			
Drawdown of borrowings		**650,637**	3,298,870
Repayment of borrowings and prepayment of upfront fees		**(1,048,024)**	(3,283,521)
Loans to/repayments to holding company and related parties		**(15,862)**	(9,408)
Principal payment of lease liabilities		**(6,394)**	(4,164)
Dividends paid to shareholder (2)		**(783)**	(16,823)
Contributions by non-controlling shareholders		**-**	998
Advances/repayment to non-controlling shareholders		**(777)**	(231)
Dividends paid to non-controlling shareholders		**(2,110)**	(1,877)
Net cash flows used in financing activities		**(423,313)**	(16,156)
Net increase/(decrease) in cash and cash equivalents		**223,237**	(635,693)
Cash and cash equivalents at beginning of year		**760,684**	1,411,737
Exchange adjustments		**14,889**	(15,360)
Cash and cash equivalents at end of year	27	**998,810**	760,684

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

KEPPEL LAND LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED CASH FLOW STATEMENT
For the financial year ended 31 December 2020

Reconciliation of liabilities arising from financing activities:

	1 January	Net proceeds/ (payment) of principal	Non-cash changes: Adoption of SFRS(I) 16	Non-cash changes: Addition during the year	Non-cash changes: Foreign exchange movement	Non-cash changes: Dividends payments [(2)]	Non-cash changes: Liabilities directly associated with assets classified as held for sale	Others	31 December
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
GROUP									
2020									
External borrowings, including under MTN Programme	2,411,015	304,870	-	-	(6,109)	-	(91,967)	455	2,618,264
Loans from related companies	1,420,385	(702,257)	-	-	874	1,499,217	(50,500)	-	2,167,719
Lease liabilities	30,679	(6,394)	-	3,025	712	-	-	(612)	27,410
	3,862,079	(403,781)	-	3,025	(4,523)	1,499,217	(142,467)	(157)	4,813,393
2019									
External borrowings, including under MTN Programme	2,515,764	(103,552)	-	-	(1,396)	-	-	199	2,411,015
Loans from related companies	500,923	118,901	-	-	561	800,000	-	-	1,420,385
Lease liabilities	-	(4,164)	33,137	3,232	(732)	-	-	(794)	30,679
	3,016,687	11,185	33,137	3,232	(1,567)	800,000	-	(595)	3,862,079

Notes:

1. Dividends received from associated companies and joint ventures during the year of $140,977,000 (2019: $122,427,000) was after netting off amount owing by a joint venture of $18,410,000 (2019: $34,878,000).

2. Of the $1,500,000,000 (2019: $816,823,000) declared in 2020, $1,499,217,000 (2019: $800,000,000) was settled via loans with a related company and the remaining $783,000 (2019: $16,823,000) were paid in cash respectively.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

Keppel Land Limited (the “Company”) is a limited liability company incorporated in Singapore.

The registered office of the Company is located at 1 Harbourfront Avenue, #18-01 Keppel Bay Tower, Singapore 098632. The principal place of business of the Company is located at 1 Harbourfront Avenue, Level 2 Keppel Bay Tower, Singapore 098632.

The financial statements of Keppel Land Limited for the financial year ended 31 December 2020 were authorised for issue on 24 February 2021 in accordance with a resolution of the Board of Directors.

The principal activity of the Company is that of a holding, management and investment company.

The immediate and ultimate holding company is Keppel Corporation Limited, incorporated in Singapore, and is listed on the Singapore Exchange Securities Trading Limited.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements have been prepared in accordance with the provisions of the Singapore Companies Act, Singapore Financial Reporting Standards (International) (“SFRS(I)s”) and International Financial Reporting Standards (“IFRSs”). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are expressed in Singapore dollars (“SGD” or “$”), which is the functional currency of the Group, and all values are rounded to the nearest thousand (“$’000”), except where otherwise indicated.

(b) Adoption of New and Revised Standards

The Group adopted the amendments to SFRS(I)s that are effective for annual periods beginning on or after 1 January 2020. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective amendments to SFRS(I)s.

The following are the amendments to SFRS(I)s, that are relevant to the Group:

- Amendments to SFRS(I) 1-1 *Presentation of Financial Statements* and 1-8 *Accounting Policies, Changes in Accounting Estimates and Errors (Definition of Material)*
- Amendments to SFRS(I) 3 *Business Combinations (Definition of a Business)*
- Amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7 *Interest Rate Benchmark Reform*
- Conceptual Framework for Financial Reporting

The adoption of the above amendments to SFRS(I)s did not have any significant impact on the financial statements of the Group in the current or future periods.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Adoption of New and Revised Standards (continued)

Interest Rate Benchmark Reform

In accordance with the transition provisions, the Group has adopted the amendments to SFRS(I) 9 and SFRS(I) 7 effective 1 January 2020 retrospectively to hedging relationships that existed at the start of the reporting period or were designated thereafter, and to the amount accumulated in the cash flow hedge reserve at that date.

The amendments provide temporary relief from applying specific hedge accounting requirements to hedging relationships directly affected by inter-bank offered rate ("IBOR") reform. The reliefs have the effect that IBOR reform should not generally cause hedge accounting to terminate. However, any hedge ineffectiveness continues to be recorded in the profit or loss account. The reliefs will cease to apply when the uncertainties arising from interest rate benchmark reform are no longer present.

Note 36(a) provides information about the uncertainty arising from IBOR reform for hedging relationships for which the Group has applied the reliefs. No changes were required to any of the amounts recognised in the current or prior period as a result of these amendments.

(c) Basis of Consolidation and Business Combinations

(i) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- de-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- de-recognises the carrying amount of any non-controlling interest;
- de-recognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in the profit or loss account;
- re-classifies the Group's share of components previously recognised in other comprehensive income to the profit or loss account or revenue reserves, as appropriate.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Basis of Consolidation and Business Combinations (continued)

(ii) Business Combinations

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in the profit or loss account.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another SFRS(I).

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the fair value of the acquiree's identifiable net assets acquired is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in the profit or loss account on the acquisition date.

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Where a business combination involves entities under common control, it is outside the scope of SFRS(I) 3 and accounted for using the pooling of interest method which involves the following:

- The assets and liabilities of the combining entities are reflected at their carrying amounts reported in their respective financial statements.
- No adjustments are made to reflect the fair values on the date of combination, or recognise any new assets or liabilities.
- No additional goodwill is recognised as a result of the combination.
- Any differences between the consideration paid/transferred and the equity 'acquired' is reflected within the equity as merger reserve.
- The statement of comprehensive income reflects the results of the combining entities from the date of acquisition.

The Group has adopted the no restatement approach for which comparatives will not be re-presented. Any pre-acquisition reserves transferred over will not be recorded as revenue reserves as the intention was not to restate comparative information. SFRS(I) 1-27 requires the Group to only include the profit or loss from acquisition date.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Fixed Assets

Fixed assets are initially recorded at cost and subsequently measured at cost less accumulated depreciation and any impairment in value. When the carrying amount of an asset is greater than its estimated recoverable amount, it is written down to its recoverable amount. Gains or losses on disposal of fixed assets are included in the profit or loss account.

All fixed assets, except for freehold land and assets under construction, are depreciated on a straight-line basis over their estimated useful lives and residual values have also been taken into account where appropriate. No depreciation is provided on freehold land and assets under construction.

The estimated useful lives of the Group's fixed assets are as follows:

Freehold building	30 years
Leasehold land and buildings	Over period of lease (range from 20 to 50 years)
Machinery and equipment	3 to 10 years
Motor vehicles	4 to 8 years

The estimated useful lives, residual values and depreciation method are reviewed at each balance sheet date, with the effect of changes in estimates accounted for on a prospective basis.

(e) Investment Properties

Investment properties comprise completed properties and properties under construction or redevelopment held to earn rental and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value, determined annually by independent professional valuers on the highest and best use basis except for significant investment properties which are revalued on a half-yearly basis. Changes in fair value are recognised in the profit or loss account in the year in which they arise.

Investment properties are derecognised when either they are disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal.

Any gain or loss on the disposal of investment properties is recognised in the profit or loss account in the year of disposal.

(f) Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

In the Company’s separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. On disposal of a subsidiary, the difference between the net disposal proceeds and the carrying amount of the investment is taken to the profit or loss account.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Joint Arrangements

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement. To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation. To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

The Group reassesses whether the type of joint arrangement in which it is involved has changed when facts and circumstances change.

Joint Operations

The Group recognises in relation to its interest in a joint operation,
- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The accounting policies of the assets, liabilities, revenues and expenses relating to the Group's interest in a joint operation have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

When the Group enters into transaction involving a sale or contribution of assets with a joint operation in which it is a joint operator, the Group recognises gains and losses resulting from such a transaction only to the extent of the interests held by the other parties to the joint operation.

When the Group enters into a transaction involving purchase of assets with a joint operation in which it is a joint operator, the Group does not recognise its share of the gains and losses until it resells those assets to a third party. When such transactions provide evidence of a reduction in the net realisable value of the assets to be purchased or of an impairment loss of those assets, the Group recognises its share of those losses.

Joint Ventures

The Group recognises its interest in a joint venture as an investment and accounts for the investment using the equity method. The accounting policy for investment in joint venture is set out in Note 2(h).

(h) Associated Companies and Joint Ventures

An associated company is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Associated Companies and Joint Ventures (continued)

Associated companies and joint ventures (collectively the “equity-accounted investees”) are accounted for using the equity method of accounting less impairment losses, if any. In applying the equity method of accounting, the Group's share of profits or losses and other comprehensive income of the equity-accounted investees are included in the Group's profit or loss account and other comprehensive income respectively, and the Group’s share of net assets of the equity-accounted investees is included in the balance sheet from the date that the significant influence or joint control commences until the date that significant influence or joint control ceases. Distributions received from equity-accounted investees reduce the carrying amount of the investment. Unrealised gains and losses resulting from transactions between the Group and the equity-accounted investees are eliminated to the extent of the interest in the equity-accounted investees.

Any excess of the cost of acquisition over the Group’s share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the equity-accounted investee recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Group’s share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in the profit or loss account as part of the Group’s share of results of the equity-accounted investee in the year in which the investment is acquired.

When the Group’s share of losses in an equity-accounted investee equals or exceeds its interest in the equity-accounted investee, the Group does not recognise further losses, unless it has legal or constructive obligations or made payments on behalf of the equity-accounted investee.

The most recently available audited financial statements of the equity-accounted investees are used by the Group in applying the equity method. Where the dates of the audited financial statements used are not co-terminous with those of the Group, the share of results is arrived at from the last audited financial statements available and unaudited management financial statements to the end of the accounting year. Where necessary, adjustments are made to align the accounting policies with those of the Group.

Upon loss of significant influence or joint control over the equity-accounted investee, the Group measures any retained investment at its fair value. Any difference between the carrying amount of the equity-accounted investee upon loss of significant influence or joint control and the fair value of the aggregate of the retained investment and proceeds from disposal is recognised in the profit or loss account.

When an investment in an associated company becomes an investment in a joint venture or an investment in joint venture becomes an investment in an associated company, the Group continues to apply the equity method and does not remeasure the retained interest.

If the Group’s ownership interest in an associated company or a joint venture is reduced, but the Group continues to apply the equity method, the Group reclassifies to the profit or loss account the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be required to be reclassified to the profit or loss account on the disposal of the related assets or liabilities.

In the Company’s separate financial statements, investments in equity-accounted investees are accounted for at cost less impairment losses. On disposal of an equity-accounted investee, the difference between the net disposal proceeds and the carrying amount of the investment is taken to the profit or loss account.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Goodwill

Goodwill acquired in a business combination is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment loss. Goodwill is reviewed for impairment, at least annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

(j) Derivative Financial Instruments and Hedge Accounting

Derivative financial instruments are initially recognised at fair value on the dates the derivative contracts are entered into and are subsequently remeasured at fair value. Derivative financial instruments are carried as assets when the fair values are positive and as liabilities when the fair values are negative.

Gains or losses arising from changes in fair value of derivative financial instruments that do not qualify for hedge accounting are taken to the profit or loss account for the year.

<u>Hedge Accounting</u>

The Group applies hedge accounting for certain qualifying hedging transactions.

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives designated as hedging instruments are highly effective in offsetting changes in fair value or cash flows of the hedged items.

The fair value of various derivative financial instruments used for hedging purposes are disclosed in Notes 37(a) and (b). The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months, and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months. The fair value of a trading derivative is presented as a current asset or liability.

For cash flow hedges, the effective portion of the gains or losses on the hedging instrument is recognised directly in other comprehensive income, while the ineffective portion is recognised in the profit or loss account. Amounts taken to other comprehensive income are reclassified to the profit or loss account when the hedged transaction affects profit or loss.

For fair value hedges, changes in the fair value of the designated hedging instrument are recognised in the profit or loss account within the same line item as the fair value changes from the hedged item. The fair value changes on the ineffective portion of the hedging instrument are recognised separately in profit or loss account.

Hedges of net investments in foreign operations, including hedges of monetary items that are accounted for as part of the net investments, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as other comprehensive income while any gains or losses relating to the ineffective portion are recognised in the profit or loss account. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to the profit or loss account.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Properties Held for Sale

Properties under development where revenue is recognised using the percentage of completion method are stated at the lower of cost plus attributable profit/loss and net realisable value, net of progress billings. Properties under development where revenue is recognised using the completion of construction method, are stated at the lower of cost and net realisable value. Progress billings received prior to completion are presented as progress billings within creditors. Cost includes cost of land and construction, related overhead expenditure, and financing charges incurred during the period of development. Net realisable value represents the estimated selling price less costs to be incurred in selling the property. Upon completion of construction, they are transferred to completed properties held for sale.

Each property under development is accounted for as a separate project. Where a project comprises more than one component or phase with a separate temporary occupation permit, each component or phase is treated as a separate project, and interest and other net costs are apportioned accordingly.

When losses are expected, full allowance is made in the financial statements after adequate allowance has been made for estimated costs to completion. Any expenditure incurred on abortive projects is written off in the profit or loss account.

For properties which are sold and revenue is recognised based on percentage of work completed, contract assets recognised include the cumulative revenue recognised, net of progress billings as disclosed in Note 23. For properties where revenue is recognised based on completion of construction method, contract liabilities pertaining to payments received prior to completion are included in Note 29 as progress billings.

(l) Stocks

Stocks are valued at the lower of cost and net realisable value. Allowance is made for damaged, obsolete or slow-moving stocks on an item by item basis.

(m) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, fixed deposits with banks, deposits with related companies and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group’s cash management.

(n) Financial Assets

<u>Classification and Measurement</u>

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (“FVOCI”); and
- Fair value through profit or loss account (“FVPL”).

The classification depends on the Group’s business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Financial Assets (continued)

At Initial Recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss account, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss account are expensed in profit or loss account.

At Subsequent Measurement

Debt Instruments

Debt instruments mainly comprise cash and cash equivalents, investments, trade and other receivables, amounts owing by holding company and related parties and other non-current assets.

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss account when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other income, other loss and interest income".

Equity Investments

Equity investments comprise certain long-term investments. The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss account in the period in which the changes arise and presented in "other gains and losses", except for those equity securities which are not held for trading. The Group has elected to recognise changes in fair value of certain equity securities not held for trading in other comprehensive income as these are strategic investments and the Group considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "net fair value change" in other comprehensive income. Dividends from equity investments are recognised in profit or loss account as "investment income".

Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Group determines whether there has been a significant increase in credit risk as disclosed under Note 36(c).

Recognition and Derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Financial Assets (continued)

Recognition and Derecognition (continued)

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss account. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss account.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss account if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to revenue reserves along with the amount previously recognised in other comprehensive income relating to that asset.

(o) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheets, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(p) Impairment of Non-Financial Assets

At each balance sheet date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that the assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of an asset or a CGU exceeds its recoverable amount. The recoverable amount of an asset or a CGU is the higher of its fair value less cost of disposal and value-in-use.

Impairment losses are recognised in the profit or loss account. Impairment losses recognised in respect of CGU are allocated first to reduce the carrying amount of goodwill allocated to the CGU and then, to reduce the carrying amount of the other assets of the CGU on a pro-rata basis.

An impairment loss recognised for goodwill is not reversed in a subsequent period. In respect of other non-financial assets, a previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of the asset since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. A reversal of impairment loss is recognised in the profit or loss account.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Financial Liabilities

Financial liabilities within the scope of SFRS(I) 9 are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

Financial liabilities include trade and other creditors, amounts owing to holding company and related parties, borrowings, lease liabilities and other non-current liabilities. All financial liabilities, other than financial liabilities at fair value through the profit or loss account, are recognised initially at fair value, plus directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss is recognised in the profit or loss account when the liability is derecognised, and through the amortisation process.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are initially recognised at their fair values plus transaction costs in the balance sheet. Financial guarantees are subsequently amortised to the profit or loss account over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to the profit or loss account.

(r) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of economic resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

(s) Revenue Recognition

The Group develops and sells trading properties to purchasers through fixed-price contracts. Revenue is recognised when the control over the asset has been transferred to the purchaser. At contract inception, the Group assesses whether the Group transfers control of the asset over time or at a point in time by determining if:
(i) its performance does not create an asset with an alternative use to the Group; and
(ii) the Group has an enforceable right to payment for performance completed to date.

The trading properties have no alternative use for the Group due to contractual restriction. Where the Group has enforceable rights to payment for performance completed to date arising from the contractual terms, revenue is recognised over time by reference to the Group's progress towards completing the construction of the trading property. The measure of progress is determined based on the stage of completion of construction certified by quantity surveyors. Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Revenue Recognition (continued)

Where the Group does not have an enforceable right to payment for performance completed to date, revenue is recognised at a point in time when the purchaser obtains control over the asset and the Group's right to payment becomes enforceable.

Rental and related income from leases on investment properties are recognised on a straight-line basis over the lease term. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

Dividend income is recognised when the Group's right to receive payment is established.

Interest income is recognised on a time proportion basis (using the effective interest method).

Service charges, management fees and car park fees are recognised in the year in which the performance obligation is satisfied.

(t) Borrowing Costs

Borrowing costs incurred to finance the development of properties are capitalised during the period of time that is required to complete and prepare the assets for their intended use. Other borrowing costs are taken to the profit or loss account over the period of borrowing using the effective interest method.

For Singapore trading properties under progressive payment scheme, borrowing costs on portion of property not ready for transfer of control to the purchasers are captalised until the time when control is capable of being transferred to the purchasers.

(u) Employee Benefits

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

<u>Defined Contribution Plan</u>

The Group makes contributions to pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies make contributions to the Central Provident Fund in Singapore, a defined contribution pension scheme. Contributions to pension schemes are recognised as an expense in the year in which the related service is performed.

<u>Employee Leave Entitlement</u>

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for leave as a result of services rendered by employees up to the balance sheet date.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(v) Taxation

Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amounts expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Current tax is recognised in the profit or loss account except to the extent that the tax relates to items recognised outside the profit or loss account, either in other comprehensive income or directly in equity.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the balance sheet date. The principal temporary differences arise from fair value gain on investment properties, fair value adjustments on acquisition of subsidiaries, depreciation of fixed assets, unremitted offshore income and certain provisions or charges in the financial statements for which the tax relief is not immediately available.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investment in subsidiaries, associated companies and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised as an expense or income in the profit or loss account, except where it relates to items recognised in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity, or where it arises from the initial accounting for a business combination. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Sales Tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

(i) Where the sales tax incurred in a purchase of an asset or service is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

(ii) Debtors and creditors are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of debtors and creditors in the balance sheet.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(w) Foreign Currencies

Foreign Currency Transactions

Transactions in foreign currencies are translated at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at exchange rates approximating those ruling at that date. Exchange differences arising from settlement or translation of monetary items are taken to the profit or loss account, except for exchange differences arising on monetary items that form part of the Group’s net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation account.

Exchange differences arising on translation of the financial liabilities designated as hedges of net investments in foreign operations are recognised in other comprehensive income to the extent that the hedge is effective, and are accumulated under foreign currency translation account. The exchange differences relating to the ineffective portion of the hedge are recognised in the profit or loss account. On disposal of the hedged net investment, the relevant amount of the exchange differences shall be reclassified from equity to the profit or loss account as part of the gain or loss on disposal.

Foreign Currency Translation

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

For inclusion in the Group's financial statements, all assets and liabilities of foreign subsidiaries, associated companies and joint ventures that are in functional currencies other than Singapore dollars are translated into Singapore dollars at the exchange rates ruling at the balance sheet date. The trading results of foreign subsidiaries, associated companies and joint ventures are translated into Singapore dollars using the average exchange rates for the financial year. Exchange differences due to such currency translation are recognised in other comprehensive income and accumulated in the foreign currency translation account. On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation shall be reclassified from equity to the profit or loss account as part of the gain or loss on disposal.

In the case of a partial disposal without loss of control of a subsidiary that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences are re-attributed to non-controlling interest and are not recognised in the profit or loss account. For partial disposal of associated companies and joint ventures that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to the profit or loss account.

Goodwill and fair value adjustments arising on acquisition of a foreign entity on or after 1 January 2005 are treated as foreign currency assets and liabilities of the acquiree and recorded at the closing exchange rate.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(x) Segment Reporting

For management purposes, the Group is organised into strategic business units based on their products, services and geography. Management monitors the results of each of the operating segments for the purpose of making decisions on resource allocation and performance assessment.

(y) Leases

As Lessee

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

Right-of-use Assets

The Group recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use asset which meets the definition of an investment property is presented within “investment properties” (Note 16) and accounted for in accordance with Note 2(e).

Lease Liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees
- The exercise price of a purchase option if is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(y) Leases (continued)

As Lessee (continued)

Lease Liabilities (continued)

For contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There are modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss account if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term and Low Value Leases

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss account on a straight-line basis over the lease term.

Variable Lease Payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that triggered those lease payments.

As Lessor

Finance Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the lessee. Amounts due from lessees under finance leases are recorded as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Operating Leases

Assets leased out under operating leases are included in investment properties and are stated at fair values. Rental income (net of any incentive given to lessee) is recognised on a straight-line basis over the lease term.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(z) Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and for which the fair values can be reliably determined.

(aa) Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

(ab) Government Grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

(ac) Assets Classified as Held for Sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(ad) Critical Accounting Estimates and Judgement

(i) Critical Judgement Made in Applying the Group's Accounting Policies

Interest Rate Benchmark Reform Phase 1 Relief

Following the global financial crisis, the reform and replacement of benchmark interest rates such as the Singapore Swap Offer Rate, USD London Interbank Offered Rate and other inter-bank offered rates ("IBORs") has become a priority for global regulators. There is currently uncertainty around the timing and precise nature of these changes.

To transition existing contracts and agreements that reference IBORs to replacement benchmark rates, adjustments for term differences and credit differences might need to be applied to enable the two benchmark rates to be economically equivalent on transition.

The greatest change will be amendments to the contractual terms of the floating-rate loans as well as the associated swaps and the corresponding update of the hedge designation. Amendments will also be made to the contractual terms of certain receivables that are IBOR-referenced. The changed reference rate may also affect processes as well as having tax and accounting implications.

Relief applied

The Group has applied the following reliefs that were introduced by the amendments made to SFRS(I) 9 *Financial Instruments*:

- When considering the 'highly probable' requirement, the Group has assumed that the IBOR interest rate on which the Group's hedged debt is based does not change as a result of the reform;
- In assessing whether the hedge is expected to be highly effective on a forward-looking basis, the Group has assumed that the IBOR interest rate on which the cash flows of the hedged debt and the interest rate swap that hedges it are based is not altered by the reform; and
- The Group has not recycled the cash flow hedge reserve relating to the period after the reforms are expected to take effect.

Assumptions made

In calculating the change in fair value attributable to the hedged risk of floating-rate loan, the Group has made the following assumptions that reflect its current expectations:

- Existing floating-rate loans will progressively move to the replacement benchmark rates from 2021 onwards and the spread adjustment between the current and replacement benchmark rates will be similar to the spread included in the interest rate swap used as the hedging instrument; and
- No other material changes to the terms of the floating-rate loans, other than the transition to the replacement benchmark rates, are anticipated.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(ad) Critical Accounting Estimates and Judgement (continued)

(ii) Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

<u>COVID-19</u>

The evolving COVID-19 situation could impact the assessment of the carrying amounts of the Group's assets and liabilities. As these events and conditions have significant financial reporting implications, ACRA had published a financial reporting practice guidance in May 2020 highlighting key focus areas when preparing and reviewing the financial statements, especially in areas where estimates, assumptions and judgment are required. In the assessment for the current year, management has reviewed the assumptions used in the assessment of the carrying values of certain assets of the Group. Management has exercised judgment in determining the significant assumptions used and has relied on information currently available, including the COVID-19 official updates from the authorities and the work performed by independent advisers on certain assets, in the assessment of the appropriateness of the carrying values of the Group's assets, including but not limited to the following assets as at 31 December 2020:

- Allowance for Foreseeable Losses on Properties Held for Sale
- Revaluation of Investment Properties
- Impairment of Non-Financial Assets

As the COVID-19 situation continues to evolve, the Group will proactively implement measures in mitigating the potential impact on the Group. Should the COVID-19 situation take a longer than expected period to recover, the carrying amounts of the assets of the Group could be impacted, and material provisions may be made and additional liabilities may arise in the subsequent financial periods.

<u>Allowance for Foreseeable Losses on Properties Held for Sale</u>

For properties held for sale, allowance for foreseeable losses is made when the net realisable value has fallen below cost. The carrying amount of properties held for sale and the key assumptions used in estimating net realisable value and total construction costs are disclosed in Note 23.

<u>Revaluation of Investment Properties</u>

The Group carries its investment properties at fair value with changes in fair value being recognised in profit or loss account. In determining fair values, the valuers have used valuation techniques which involve certain estimates. The key assumptions to determine the fair value of investment properties include market-corroborated capitalisation rate, discount rate and price of comparable plots and properties. The valuation reports obtained from independent valuers for certain properties have highlighted the heightened uncertainty of the COVID-19 outbreak and material valuation uncertainty where a higher degree of caution should be attached to the valuation than would normally be the case. Accordingly, the valuation of these investment properties may be subjected to more fluctuation than during normal market conditions.

In relying on the valuation reports, management has exercised its judgement to ensure that the valuation methods and estimates are reflective of current market conditions.

The carrying amount of investment properties and the key assumptions used to determine the fair value of the investment properties are disclosed in Notes 16 and 37.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(ad) Critical Accounting Estimates and Judgement (continued)

(ii) Key Sources of Estimation Uncertainty (continued)

Revenue Recognition

For Singapore property trading projects under progressive payment scheme, the Group recognises revenue from partly completed projects based on the percentage of completion method. The stage of completion is measured in accordance with the accounting policy stated in Note 2(s). Significant assumptions are required in determining the stage of completion, the total estimated development costs and the estimated total revenue. In making the assumptions, the Group evaluates them by relying on past experience and the work of specialists. Revenue from partly completed projects is disclosed in Note 4.

For Singapore trading properties sold under a deferred payment scheme which allows the purchasers to take possession of the completed units after making down payment, the Group recognises revenue based on receipt of down payment and option to purchase exercised. Significant judgement is needed in assessing the point of revenue recognition. In making the judgement, the Group evaluates based on the point at which the contract is enforceable and if collection of consideration is probable.

For overseas trading properties where the Group does not have an enforceable right to payment for performance completed to date, revenue is recognised when the purchaser obtains control of the asset and the Group's right to payment becomes enforceable. Significant judgement is needed in assessing the point when the purchaser obtains control of the asset such as when the property is accepted by the purchaser, or deemed as accepted according to past experience with risk of return assessed to be low, or when title has passed to the purchaser.

Impairment of Non-Financial Assets

The Group assesses at each balance sheet date whether there are any indicators of impairment for all non-financial assets.

Determining whether the carrying values of fixed assets, right-of-use assets, investments in subsidiaries and investments in associated companies and joint ventures are impaired requires an estimation of the value-in-use of the asset or the CGU. This requires the Group to estimate the future cash flows expected from the asset or the CGU and an appropriate discount rate in order to calculate the present value of the future cash flows. The carrying amounts of fixed assets, right-of-use assets, investments in subsidiaries and investments in associated companies and joint ventures at the balance sheet date are disclosed in Notes 15, 17, 20 and 21 respectively.

Valuation of Investments

The Group carries its investments at fair value through profit or loss account and fair value through other comprehensive income at fair value with changes in fair value being recognised in profit or loss account and other comprehensive income respectively.

The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Methods such as estimating with reference to recent arm's length transactions, discounted cash flow projections and the underlying net asset value of the investee companies are also used to determine the fair values of the investments. The fair value of these investments is disclosed in Note 22.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(ad) Critical Accounting Estimates and Judgement (continued)

(ii) Key Sources of Estimation Uncertainty (continued)

Land Appreciation Tax

The Group is subject to land appreciation tax in the People's Republic of China ("PRC"). However, the implementation and settlement of the tax varies among various tax jurisdictions in cities of the PRC. Accordingly, significant judgement is required in determining the amount of the land appreciation tax. The Group recognised the land appreciation tax of its property projects based on management's best estimates according to its understanding of the tax rules and latest practice of local tax jurisdictions in the cities where the Group's projects are located. The final tax outcome could be different from the amounts that were initially recorded, and these differences will impact income tax and deferred tax provisions in the periods in which such taxes are finalised with local tax authorities.

3. PROFIT FROM OPERATIONS AND FAIR VALUE GAIN ON INVESTMENT PROPERTIES

	2020			2019		
	Operations	**Fair Value Gain**	**Total**	Operations	Fair Value Gain	Total
	$'000	**$'000**	**$'000**	$'000	$'000	$'000
Pre-tax profit	**425,147**	**220,011**	**645,158**	530,962	188,118	719,080
Taxation	**(233,906)**	**(48,247)**	**(282,153)**	(153,064)	(25,714)	(178,778)
	191,241	**171,764**	**363,005**	377,898	162,404	540,302
Non-controlling interests	**6,555**	**(1,507)**	**5,048**	(8,919)	(5,006)	(13,925)
Profit attributable to shareholder	**197,796**	**170,257**	**368,053**	368,979	157,398	526,377

Included in pre-tax fair value gain is share of associated companies' and joint ventures' fair value loss on investment properties (net of tax) of $41,442,000 (2019: fair value gain of $75,009,000) (See Note 10).

4. REVENUE

	GROUP	
	2020	2019
	$'000	$'000
Trading of properties:		
Recognised on completion of construction method	**1,032,448**	999,497
Recognised on percentage of completion method	**144,142**	207,862
	1,176,590	1,207,359
Rental, hospitality and related income	**83,918**	115,983
Property services and others	**15,658**	15,263
	1,276,166	1,338,605

5. PROFIT FOR THE YEAR

	GROUP	
	2020	2019
	$'000	$'000
The following amounts have been charged/(credited) in arriving at the profit for the year:		
(a) Gross dividends from unquoted investments	**(3,877)**	(48,131)
(b) Staff costs:		
Key managers' emoluments:		
Short-term benefits (including annual base salaries and annual performance incentives)	**4,618**	5,655
Employer's contribution to defined contribution plans, including the Central Provident Fund	**87**	91
Cost of share-based payments	**3,023**	2,956
	7,728	8,702
Other staff costs:		
Short-term benefits (including annual base salaries and annual performance incentives)	**126,156**	130,974
Employer's contribution to defined contribution plans, including the Central Provident Fund	**7,417**	11,234
Cost of share-based payments	**4,974**	3,668
	138,547	145,876
Total staff costs	**146,275**	154,578
(c) Others:		
Depreciation of fixed assets (see Note 15)	**29,636**	29,097
Depreciation of right-of-use assets (see Note 17)	**5,984**	4,184
Loss on sale of fixed assets	**1,914**	376
Fixed assets written off	**17**	8
Fees and other remuneration to Directors of the Company	**509**	479
Cost of properties held for sale recognised in cost of sales	**683,240**	759,177
Fair value loss/(gain) on foreign currency forward contracts	**270**	(637)
Foreign exchange loss/(gain)		
- Hedged	**647**	(3,614)
- Unhedged	**(7,933)**	(2,089)
Allowance for doubtful debts	**508**	416
Bad debts written off/(written back)	**404**	(12)
Allowance for foreseeable losses on properties held for sale	**2,252**	-
Direct expenses of investment properties that generate rental income	**32,648**	38,719
Lease expense of low value assets	**124**	1,000
Right-of-use assets written off	**570**	1,837
Lease liabilities written off	**(612)**	(794)

Staff costs capitalised during the year under properties held for sale and investment properties amounted to $25,974,000 (2019: $26,505,000).

Total share-based payments of $7,997,000 in 2020 were settled by cash (2019: $6,624,000).

6. OTHER INCOME

	GROUP	
	2020	2019
	$'000	$'000
Gain from disposal of subsidiaries	**30,535**	64,534
Gain from disposal of an associated company	**7,525**	-
Gain from partial disposal of interest in a joint venture by an associated company	**2,714**	-
Gain on remeasurement of retained interest in an associated company	**26,034**	-
Gain on change in interest in an associated company	**-**	1,845
Fair value gain on call option (see Note 19)	**-**	7,018
Net lease income	**4,272**	7,715
Write-back of costs accruals	**-**	9,284
Government grant income	**3,285**	-
	74,365	90,396

Government grant income of $3,285,000 was recognised during the financial year under the Job Support Scheme ("JSS"). The JSS is a temporary scheme introduced in the Singapore Budget 2020 to help enterprises retain local employees. Under the JSS, employers will receive cash grants in relation to the gross monthly wages of eligible employees.

7. OTHER LOSS

	GROUP	
	2020	2019
	$'000	$'000
Impairment on loans to a joint venture and an investee	**(36,305)**	-
Loss on change in interest in an associated company	**(4,573)**	-
Fair value loss on call option (see Note 19)	**(875)**	-
Impairment on fixed assets (see Note 15)	**(6,919)**	(4,910)
Provision for delay in completion of development	**(16,900)**	-
Loss from disposal of an associated company	**-**	(76)
	(65,572)	(4,986)

8. INTEREST INCOME

	GROUP	
	2020	2019
	$'000	$'000
Interest from deposits and loans with:		
Banks	**13,319**	17,166
Associated companies and joint ventures	**20,774**	18,101
Related companies	**4,054**	4,647
Interest from an investee company	**120**	7,882
Others	**1,278**	917
	39,545	48,713

Related companies are subsidiaries of Keppel Corporation Limited in which the Company has no shareholding interest.

9. INTEREST EXPENSE

	GROUP 2020 $'000	2019 $'000
Interest expense on:		
Term loans and overdrafts from:		
A related company	**14,132**	19,453
Banks	**58,967**	61,369
Lease liabilities	**2,146**	2,196
Loans from non-controlling shareholders of certain subsidiaries and others	**1,264**	2,027
	76,509	85,045

10. FAIR VALUE GAIN ON INVESTMENT PROPERTIES

Analysis of the Group's net fair value gain on investment properties is as follows:

	2020				2019			
	Gross $'000	**Taxation $'000**	**Non-controlling Interests $'000**	**Net $'000**	Gross $'000	Taxation $'000	Non-controlling Interests $'000	Net $'000
Subsidiaries	**264,653**	**(48,247)**	**(1,507)**	**214,899**	113,109	(25,714)	(5,006)	82,389
Less: rental guarantee provided in relation to the sale of a subsidiary	**(3,200)**	**-**	**-**	**(3,200)**	-	-	-	-
	261,453	**(48,247)**	**(1,507)**	**211,699**	113,109	(25,714)	(5,006)	82,389
Associated companies and joint ventures (see Note 21)	**(33,341)**	**(8,101)**	**-**	**(41,442)**	104,493	(29,484)	-	75,009
	228,112	**(56,348)**	**(1,507)**	**170,257**	217,602	(55,198)	(5,006)	157,398

The fair value gain/(loss) for associated companies and joint ventures was included in share of results of associated companies and joint ventures.

11. TAXATION

	GROUP 2020 $'000	2019 $'000
Current tax:		
Current income tax	**162,397**	106,618
Over provision in respect of previous years	**(1,730)**	(35,184)
	160,667	71,434
Deferred tax:		
Origination of temporary differences	**15,931**	34,613
	176,598	106,047
Land appreciation tax	**105,555**	72,731
	282,153	178,778

11. TAXATION (continued)

The reconciliation between the tax expense reported and the product of accounting profit multiplied by the applicable tax rate is as follows:

	GROUP	
	2020	2019
	$'000	$'000
Pre-tax profit	**645,158**	719,080
Less: Share of results of associated companies and joint ventures	**(66,118)**	(211,446)
Less: Land appreciation tax	**(105,555)**	(72,731)
Pre-tax profit excluding share of results of associated companies and joint ventures but including land appreciation tax	**473,485**	434,903
Tax calculated at tax rate of 17% (2019: 17%)	**80,492**	73,934
Adjustments:		
Non-deductible expenses	**50,808**	19,311
Income not subject to tax	**(2,372)**	(9,589)
Over provision in respect of previous years	**(1,730)**	(35,184)
Different tax rates in other jurisdictions	**22,887**	30,363
Utilisation of previously unrecognised tax benefits	**(16,438)**	(4,083)
Tax benefits not recognised	**24,818**	21,884
Withholding taxes	**18,133**	9,411
	176,598	106,047

Under the group tax relief system introduced by the Inland Revenue Authority of Singapore ("IRAS"), a Singapore incorporated company may, upon satisfaction of the criteria set out by the IRAS, transfer its current year's unabsorbed capital allowances, trade losses and donations to another company belonging to the same group, to be deducted against the assessable income of the latter company.

The Group has certain unutilised tax losses and capital allowances of $192,574,000 (2019: $259,598,000) as at 31 December 2020 for which related tax benefits totaling $46,837,000 (2019: $58,478,000) have not been included in the financial statements. The tax losses are available for offset against future taxable profits of the companies in which the losses arose but for which no deferred tax asset has been recognised due to uncertainty of their recoverability. The use of tax losses is subject to the agreement by the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the Group operates. Tax losses amounting to $179,546,000 (2019: $183,319,000) can be carried forward for a period of 3 to 8 years subsequent to the year of the loss, while the remaining tax losses have no expiry dates.

11. TAXATION (continued)

Deferred Taxation

Movements in the deferred tax liabilities and assets are as follows:

	Deferred tax liabilities				
	Fair value on investment properties	Differences in depreciation	Fair value adjustments on acquisition of subsidiaries	Accruals and others	Total
	$'000	$'000	$'000	$'000	$'000
GROUP					
At 1 January 2020	71,511	11,148	69,385	4,048	156,092
Charged/(credited) to profit or loss account	37,809	348	(5,708)	1,007	33,456
Reclassified to liabilities directly associated with assets classified as held for sale (see Note 28)	(148)	(4,197)	-	-	(4,345)
Exchange differences on consolidation	3,059	(299)	801	331	3,892
At 31 December 2020	112,231	7,000	64,478	5,386	189,095
At 1 January 2019	47,220	10,102	71,109	-	128,431
Charged/(credited) to profit or loss account	25,714	1,078	(1,327)	4,047	29,512
Exchange differences on consolidation	(1,423)	(32)	(397)	1	(1,851)
At 31 December 2019	71,511	11,148	69,385	4,048	156,092

	Deferred tax assets		
	Lease assets	Accruals and others	Total
	$'000	$'000	$'000
GROUP			
At 1 January 2020	(2,139)	(40,476)	(42,615)
Charged/(credited) to profit or loss account	519	(18,044)	(17,525)
Transfer from provision for taxation	-	(4,701)	(4,701)
Company disposed (see Note 20)	-	750	750
Exchange differences on consolidation	(86)	(1,336)	(1,422)
At 31 December 2020	(1,706)	(63,807)	(65,513)
At 1 January 2019	-	(50,378)	(50,378)
(Credited)/charged to profit or loss account	(2,175)	7,276	5,101
Charged to provision for taxation	-	342	342
Exchange differences on consolidation	36	2,284	2,320
At 31 December 2019	(2,139)	(40,476)	(42,615)

As at 31 December 2020, deferred tax liabilities amounting to $15,635,000 (2019: $13,169,000) had not been recognised for taxes that would be payable on the undistributed earnings of certain subsidiaries as these earnings would not be distributed in the foreseeable future.

There was no tax recognised in the Group’s other components of other comprehensive income in 2020 and 2019.

There was no deferred taxation charged or credited to profit or loss account during the year for the Company.

12. DIVIDENDS

	GROUP AND COMPANY	
	2020	2019
	$'000	$'000
Dividends on ordinary shares:		
Interim one-tier tax exempt ordinary dividend of 32 cents per share in respect of the current financial year (2019: Nil)	**500,000**	-
Final one-tier tax exempt ordinary dividend of 64 cents per share in respect of the previous financial year (2019: 53 cents per share)	**1,000,000**	816,823
	1,500,000	816,823

13. SHARE CAPITAL

	GROUP AND COMPANY			
	2020	2019	**2020**	2019
	Number of shares '000	Number of shares '000	**$'000**	$'000
Issued and fully paid: 1,553,741,612 (2019: 1,553,741,612) ordinary shares	**1,553,741**	1,553,741	**2,427,916**	2,427,916

The holder of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

KEPPEL LAND LIMITED AND ITS SUBSIDIARIES

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14. RESERVES

	GROUP		COMPANY	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Capital reserves:				
Share option and share plan reserves	**-**	13,766	**-**	13,766
Fair value reserve	**(26,549)**	(18,437)	**20,425**	17,265
Hedging reserve	**(45,277)**	(16,667)	**(22,745)**	(9,570)
Revaluation reserve	**15,475**	15,475	**-**	-
Gain on disposal of interest in a subsidiary without loss of control	**12,932**	12,932	**-**	-
Net premium paid on acquisition of non-controlling interests	**(61,506)**	(59,907)	**-**	-
Merger reserve	**(102,948)**	(102,948)	**-**	-
Statutory reserve	**105,309**	92,257	**-**	-
Others	**20,865**	7,106	**13,944**	178
	(81,699)	(56,423)	**11,624**	21,639
Foreign currency translation account	**(232,408)**	(432,829)	**-**	-
Revenue reserves	**4,773,898**	5,918,890	**1,495,155**	2,744,890
	4,459,791	5,429,638	**1,506,779**	2,766,529

The share option and share plan reserves represent the cumulative value of employee services received for the issue of share options and shares under the share plans. During the year, these reserves had been transferred to “Others” within the capital reserves.

The fair value reserve represents the cumulative net change in fair value of financial assets at FVOCI until they are derecognised.

The hedging reserve represents the cumulative net change in fair value of the effective portion of the cash flow hedges.

The revaluation reserve represents the share of fair value change of fixed assets recognised by certain joint ventures up to the date of change in use from fixed assets to investment property. These amounts are presented net of deferred tax liabilities.

The gain on disposal of interest in a subsidiary without loss of control represents the difference between the consideration received and the book value of the interest disposed of which did not result in a loss of control.

The net premium paid on acquisition of non-controlling interests represents the difference between the consideration paid and the book value of the share of net assets acquired from the non-controlling interests.

Merger reserve represents the difference between consideration paid and equity acquired in a business combination involving entities under common control using pooling of interest method.

Statutory reserve represents mainly appropriation of profit in respect of the subsidiaries incorporated in China in accordance with local requirements.

Others comprise capital redemption reserve, treasury shares reserve and other movements.

KEPPEL LAND LIMITED AND ITS SUBSIDIARIES

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14. RESERVES (continued)

The foreign currency translation account represents the exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency as well as the translation of monetary items that forms part of the Group's net investment in foreign operations.

Movements in the Group's and the Company's reserves are set out in the statements of changes in equity.

Other Comprehensive Income, Net of Tax

		Capital Reserves				
	Foreign Currency Translation Account	Fair Value Reserve	Hedging Reserve	Total	Non-controlling Interests	Total Other Comprehensive Income
	$'000	$'000	$'000	$'000	$'000	$'000
GROUP						
2020						
Financial assets at FVOCI:						
Net fair value change	-	(7,803)	-	(7,803)	-	(7,803)
Cash flow hedges:						
Net fair value change	-	-	(13,372)	(13,372)	-	(13,372)
Exchange differences on consolidation	129,505	-	-	129,505	1,401	130,906
Exchange differences transferred to profit or loss account	4,691	-	-	4,691	-	4,691
Share of other comprehensive income/(loss) of associated companies and joint ventures	66,252	(329)	(15,238)	50,685	-	50,685
Total other comprehensive income/(loss), net of tax	200,448	(8,132)	(28,610)	163,706	1,401	165,107
2019						
Financial assets at FVOCI:						
Net fair value change	-	(88,892)	-	(88,892)	-	(88,892)
Cash flow hedges:						
Net fair value change	-	-	(3,704)	(3,704)	-	(3,704)
Exchange differences on consolidation	(73,695)	-	-	(73,695)	(624)	(74,319)
Exchange differences transferred to profit or loss account	10,809	-	-	10,809	2	10,811
Share of other comprehensive (loss)/income of associated companies and joint ventures	(52,386)	360	(5,663)	(57,689)	-	(57,689)
Total other comprehensive loss, net of tax	(115,272)	(88,532)	(9,367)	(213,171)	(622)	(213,793)

The other comprehensive income of the Company relates to changes in fair value of its financial assets at FVOCI and cash flow hedge.

KEPPEL LAND LIMITED AND ITS SUBSIDIARIES

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15. FIXED ASSETS

	Freehold Land and Building $'000	Leasehold Land and Buildings $'000	Machinery, Equipment and Vehicles $'000	Assets under Construction $'000	Total $'000
GROUP					
Cost					
At 1 January 2020	156	301,139	178,434	54,803	534,532
Additions	-	1,001	11,428	3,487	15,916
Disposals	-	(241)	(4,448)	(356)	(5,045)
Companies disposed	-	-	(283)	-	(283)
Write-off	-	-	(586)	-	(586)
Reclassification	-	-	999	(999)	-
Reclassified to assets classified as held for sale	-	-	(623)	-	(623)
Transfer from properties held for sale	-	-	-	7,778	7,778
Exchange differences on consolidation	-	2,021	(1,425)	112	708
At 31 December 2020	156	303,920	183,496	64,825	552,397
Accumulated Depreciation and Impairment					
At 1 January 2020	156	116,497	134,952	120	251,725
Depreciation charge	-	8,929	20,707	-	29,636
Impairment	-	6,919	-	-	6,919
Disposals	-	(127)	(2,919)	-	(3,046)
Companies disposed	-	-	(253)	-	(253)
Write-off	-	-	(569)	-	(569)
Reclassification	-	444	(318)	(126)	-
Reclassified to assets classified as held for sale	-	-	(526)	-	(526)
Exchange differences on consolidation	-	479	(986)	6	(501)
At 31 December 2020	156	133,141	150,088	-	283,385
Net Carrying Amount	-	170,779	33,408	64,825	269,012
Cost					
At 1 January 2019	156	413,417	179,045	52,965	645,583
Additions	-	1,953	6,591	1,898	10,442
Disposals	-	-	(4,014)	-	(4,014)
Write-off	-	(120)	(785)	-	(905)
Cost adjustments	-	(1,373)	(1,603)	-	(2,976)
Reclassification	-	-	44	(44)	-
Reclassified to rights-of-use assets	-	(108,759)	-	-	(108,759)
Exchange differences on consolidation	-	(3,979)	(844)	(16)	(4,839)
At 31 December 2019	156	301,139	178,434	54,803	534,532
Accumulated Depreciation and Impairment					
At 1 January 2019	156	139,200	121,474	47	260,877
Depreciation charge	-	10,802	18,295	-	29,097
Impairment	-	4,690	145	75	4,910
Disposals	-	-	(3,575)	-	(3,575)
Write-off	-	(120)	(777)	-	(897)
Reclassified to rights-of-use assets	-	(36,908)	-	-	(36,908)
Exchange differences on consolidation	-	(1,167)	(610)	(2)	(1,779)
At 31 December 2019	156	116,497	134,952	120	251,725
Net Carrying Amount	-	184,642	43,482	54,683	282,807

15. FIXED ASSETS (continued)

2019 comparative figures were adjusted to reclassify prepaid leasehold land from fixed assets to right-of-use assets (see Note 17). The impact is disclosed in Note 38.

There was no interest capitalised in 2020 and 2019.

During the year, the Group recognised an impairment loss of $6,919,000 (2019: $4,910,000), which was based on the difference between the recoverable amount and the net book value of a fixed asset. The recoverable amount of the fixed assets was based on fair value determined using the income approach.

16. INVESTMENT PROPERTIES

	Completed Properties $'000	Properties under Construction $'000	Total $'000
GROUP			
Valuation			
At 1 January 2020	1,785,661	1,354,269	3,139,930
Additions	124,036	140,121	264,157
Fair value gain	10,581	254,072	264,653
Transfer from properties held for sale (see Note 23)	-	714,733	714,733
Reclassified to assets classified as held for sale (see Note 28)	(877,293)	-	(877,293)
Exchange differences on consolidation	5,592	44,243	49,835
At 31 December 2020	1,048,577	2,507,438	3,556,015
At 1 January 2019	1,604,425	1,135,066	2,739,491
Adoption of SFRS(I) 16	5,765	-	5,765
Additions	151,641	150,819	302,460
Fair value gain	22,641	90,468	113,109
Exchange differences on consolidation	1,189	(22,084)	(20,895)
At 31 December 2019	1,785,661	1,354,269	3,139,930

The Group's investment properties (including integral plant and machinery) are stated based on the following valuations by independent firms of professional valuers as at 31 December 2020:

(a) Cushman & Wakefield VHS Pte Ltd and Knight Frank Pte Ltd for properties in Singapore;

(b) Cushman & Wakefield Limited and Beijing Colliers International Real Estate Valuation Co., Ltd for properties in China;

(c) Colliers International Vietnam for properties in Vietnam;

(d) KJPP Willson dan Rekan (an affiliate of Knight Frank) for properties in Indonesia;

(e) Cushman & Wakefield India Pvt Ltd for a property in India;

The details of the valuation techniques and inputs used are disclosed in Note 37.

Properties amounting to $1,815,790,000 (2019: $828,355,000) in value and included in the above balances were mortgaged to the banks as securities for borrowings referred to in Note 30.

Interest capitalised during the year was $24,526,000 (2019: $12,751,000).

17. RIGHT-OF-USE ASSETS

Nature of the Group's leasing activities – Group as a lessee

Leasehold Land

The Group leases several lands for use in its operations. There are no externally imposed covenants on these lease arrangements.

Office Rent and Office Equipment

The Group has lease contracts for office space and office equipment used in its operations. The Group also has certain leases of office equipment with low value, for which the low value assets lease recognition exemptions have been applied for these leases. The lease arrangements prohibit the Group from subleasing the equipment to third parties.

	Leasehold Land $'000	Office Rent $'000	Office Equipment $'000	Total $'000
GROUP				
Net Carrying Amount				
At 1 January 2020	80,439	6,959	272	87,670
Additions	65	2,708	-	2,773
Depreciation charge	(1,908)	(3,987)	(89)	(5,984)
Write-off	-	(570)	-	(570)
Exchange differences on consolidation	1,156	155	-	1,311
At 31 December 2020	79,752	5,265	183	85,200
Net Carrying Amount				
At 1 January 2019	-	-	-	-
Adoption of SFRS(I) 16	8,779	10,023	356	19,158
Reclassified from fixed assets	71,851	-	-	71,851
Additions	-	2,953	-	2,953
Depreciation charge	(287)	(3,813)	(84)	(4,184)
Write-off	-	(1,837)	-	(1,837)
Exchange differences on consolidation	96	(367)	-	(271)
At 31 December 2019	80,439	6,959	272	87,670

The right-of-use asset relating to the leasehold property presented under investment properties (see Note 16) is stated at fair value and has a carrying amount of $7,916,000 at 31 December 2020 (2019: $9,703,000).

Total cash outflow from all the leases in 2020 was $9,310,000 (2019: $6,939,000).

18. AMOUNTS OWING BY RELATED PARTIES

	GROUP	
	2020	2019
	$'000	$'000
Advances owing by associated companies and joint ventures	**260,111**	337,965
Non-current accounts owing by related companies	**16,653**	55,721
	276,764	393,686
Allowance for doubtful debts	**(14,326)**	-
	262,438	393,686
Analysis of allowance for doubtful debts		
At 1 January	**-**	-
Allowance	**(14,326)**	-
At 31 December	**(14,326)**	-

The advances owing by associated companies and joint ventures are unsecured, have no fixed terms of repayment and are not expected to be repaid in the next 12 months. Interest-bearing advances of $90,330,000 (2019: $198,031,000) bear interest at rates ranging from 1.05% to 3.00% (2019: 2.48% to 7.00%) per annum. During the year, an allowance for doubtful debts of $14,326,000 (2019: $Nil) was made in respect of the advances owing by a joint venture after taking into account the financial condition of the joint venture.

Non-current accounts owing by related companies are unsecured, have no fixed terms of repayment and are not expected to be repaid in the next 12 months. The amounts of $16,653,000 (2019: $55,721,000) are to be settled in cash and bear interest at 5.23% (2019: 4.75% to 5.70%) per annum.

19. OTHER NON-CURRENT ASSETS

		GROUP		COMPANY	
		2020	2019	**2020**	2019
		$'000	$'000	**$'000**	$'000
(a)	Long term trade receivables	**31,245**	61,656	**-**	-
(b)	Other debtors:				
	Advance to an investee	**40,597**	10,772	**-**	-
	Call option	**156,643**	157,518	**-**	-
	Derivative financial instruments	**-**	5	**-**	5
		197,240	168,295	**-**	5
	Allowance for doubtful debt	**(21,236)**	-	**-**	-
		176,004	168,295	**-**	5
(c)	Non-financial assets:				
	Advanced payment for acquisition of subsidiaries	**-**	9,594	**-**	-
	Others	**243**	-	**-**	-
		243	9,594	**-**	-
		207,492	239,545	**-**	5
	<u>Analysis of allowance for doubtful debt - Non-trade:</u>				
	At 1 January	**-**	-	**-**	-
	Allowance	**(21,979)**	-	**-**	-
	Exchange differences on consolidation	**743**	-	**-**	-
	At 31 December	**(21,236)**	-	**-**	-

The call option granted to the Group is in connection with the disposal of its 87.51% equity interest in Ocean Properties Pte. Limited to Keppel REIT in 2011. The Group has an option to acquire the same shares exercisable at the price of $1 upon the expiry of 99 years from 14 December 2011 under the share purchase agreement. The call option may be exercised earlier upon the occurrence of certain specified events as stipulated in the call option deed.

The fair value of the call option as at 31 December 2020 is determined by reference to the difference in valuations obtained from an independent professional valuer for the underlying investment property based on the remaining 841-year leasehold and 90-year leasehold (2019: based on the remaining 842-year leasehold and 91-year leasehold). Based on these valuations, the fair value loss of $875,000 (2019: fair value gain of $7,018,000) was taken to the profit or loss account (see Notes 6 and 7). The details of the valuation techniques and inputs used for the call option are disclosed in Note 37.

Advance to an investee is unsecured, matures on 31 December 2024 (2019: between June 2021 to October 2021) and is interest-free (2019: 9.70% to 15.54% per annum). During the year, an allowance for doubtful debt of $21,979,000 (2019: $Nil) was made after taking into account the financial condition of the investee.

The advance payment for acquisition of subsidiaries as at 31 December 2019 related to the Group's acquisition of 100% equity interests in several companies which collectively own a completed commercial property in Pudong District, Shanghai, China. The transaction has been completed during the year and details are disclosed in Note 20.

20. SUBSIDIARIES

	COMPANY	
	2020	2019
	$'000	$'000
Quoted shares, at cost		
(Market value: $13,941,000; 2019: $17,560,000)	**35,481**	35,481
Unquoted shares, at cost	**1,849,489**	1,849,590
	1,884,970	1,885,071
Impairment	**(380,514)**	(349,563)
	1,504,456	1,535,508

During the year, an allowance for impairment loss amounting to $31,052,000 (2019: $14,596,000) was made in respect of the Company's investment in certain subsidiaries to reduce the carrying value of the investments to the recoverable amounts, taking into account the financial conditions of the subsidiaries. There was also a reversal of impairment of $101,000 (2019: $30,028,000) following the liquidation of a subsidiary in 2020.

The details of the significant subsidiaries are disclosed in Note 41.

Significant Restrictions

Cash and cash equivalents of $746,843,000 (2019: $447,917,000) held in the People's Republic of China are subject to local exchange control regulations. These regulations place restriction on the amount of currency being exported other than through dividends and capital repatriation upon liquidations.

Interest in Subsidiaries with Material Non-Controlling Interest ("NCI")

As at 31 December 2020 and 31 December 2019, there was no subsidiary with material NCI.

Acquisition of a Subsidiary in 2020

On 21 February 2020, the Group through its wholly-owned subsidiary, Kapler Pte. Ltd., acquired a 100% equity interest in The9 Interactive (Shanghai) Ltd., The9 Computer Technology Consultancy Ltd. and Shanghai Kai'e Information Technology Ltd. for an aggregate sum of RMB493 million (approximately $98.4 million). The acquired subsidiaries, collectively own a completed commercial property in Pudong District, Shanghai.

Acquisition of Subsidiaries in 2019

(a) On 28 March 2019, the Group through its wholly-owned subsidiary, Tosalco Pte. Ltd., acquired a 100% equity interest in Beijing Chang Sheng Business Consulting Co., Ltd. which owns a completed commercial property in Haidian District, Beijing, for an aggregate cash consideration of RMB555 million (approximately $111 million).

(b) On 29 October 2019, the Group acquired 100% interest in Beijing Shunxiangren Enterprise Management Co., Ltd. ("BSEM") for a total consideration of RMB178.6 million (approximately $35.1 million), of which approximately RMB20.9 million (approximately $4.1 million) was for the acquisition of 100% shareholding in BSEM, subject to completion adjustments. The remaining amount of about RMB157.7 million (approximately $31 million) was by way of a loan to BSEM to repay its outstanding debts. BSEM indirectly owns a completed commercial property in Haidian District, Beijing.

The above acquisitions were accounted for as acquisition of assets and are out of scope of SFRS(I) 3 *Business Combinations.*

20. SUBSIDIARIES (continued)

Disposal of Subsidiaries in 2020

(a) On 5 June 2020, the Group through its indirectly owned subsidiaries, Third Dragon Development Pte. Ltd. and Shanghai Merryfield Land Co., Ltd. divested its 99.4% effective interest in Jiangyin Evergro Properties Co., for a total sales consideration of RMB473.5 million (approximately $93.9 million). The Group recognised a net gain of $5,445,000.

(b) On 10 November 2020, the Group through its wholly-owned subsidiary, Hillwest Pte Ltd, entered in an equity transfer agreement to divest its 100% interest in Chengdu Hilltop Development Co., Ltd. for a consideration of RMB1,260 million (approximately S$256.3 million). The divestment of the first tranche of 50% stake was completed on 17 November 2020 for a consideration of RMB630 million (approximately $128.1 million) and the Group recognised a net gain of $21,800,000. The Group also recognised a net gain of $24,900,000 from the remeasurement of the retained 50% interest as an associate held for sale, for which the divestment was completed on 4 February 2021 (see Note 39).

Disposal of a Subsidiary in 2019

On 10 April 2019, the Group through its wholly-owned subsidiary, Portsville Pte. Ltd., divested its 70% interest in Dong Nai Waterfront City LLC ("DNWC") to its associated company, Nam Long Investment Corporation for a consideration of VND 2,313 million (approximately $134.5 million). The Group realised a net gain of $49,079,000. Subsequent to the divestment, DNWC became a 30%-owned joint venture.

The net assets of the subsidiaries disposed of and the net cash inflow were as follows:

	2020 **$'000**	2019 $'000
Fixed assets	**30**	-
Properties held for sale	**293,591**	94,883
Debtors	**5,569**	707
Deferred tax assets	**750**	-
Cash and cash equivalents	**3,616**	1,746
Creditors	**(9,418)**	(809)
Taxation	**(4,651)**	-
Amounts owing to related companies	**(122,879)**	(17,310)
Non-controlling interests deconsolidated	**(952)**	-
Net assets disposed	**165,656**	79,217
Sales consideration	**222,052**	134,502
Deferred consideration received	**115,801**	37,097
	337,853	171,599
Less:		
Deferred consideration	**-**	(115,801)
Cash and cash equivalents disposed	**(3,616)**	(1,746)
	(3,616)	(117,547)
Net cash inflow on disposal	**334,237**	54,052

21. ASSOCIATED COMPANIES AND JOINT VENTURES

	GROUP		COMPANY	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Associated Companies				
Investments, at cost	**2,060,243**	2,059,599	**64,840**	64,840
Share of post-acquisition reserves	**508,380**	540,822	**-**	-
	2,568,623	2,600,421	**64,840**	64,840
Impairment	**-**	-	**(7,499)**	(7,499)
Investments in associated companies	**2,568,623**	2,600,421	**57,341**	57,341
Joint Ventures				
Investments, at cost	**878,338**	768,536	**-**	-
Share of post-acquisition reserves	**167,782**	146,560	**-**	-
Investments in joint ventures	**1,046,120**	915,096	**-**	-
Total	**3,614,743**	3,515,517	**57,341**	57,341

	GROUP		COMPANY	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Investments in associated companies and joint ventures is represented by:				
Quoted investments (Market value: $1,686,402,000; 2019: $1,871,828,000)	**1,805,523**	1,871,683	**-**	-
Unquoted investments	**1,809,220**	1,643,834	**57,341**	57,341
	3,614,743	3,515,517	**57,341**	57,341

The details of the significant associated companies and joint ventures are disclosed in Note 41.

The Group's share of the capital commitments of the associated companies and joint ventures are disclosed in Note 33.

21. ASSOCIATED COMPANIES AND JOINT VENTURES (continued)

Acquisitions and disposal in 2020

(a) On 5 March 2020, the Group through its wholly-owned subsidiary, Romeo Pte. Ltd., acquired 49% interest in Taicang Xuchang Property Co., Ltd. ("TXPC") which owns a residential site in Taicang City for RMB498 million (approximately $99.4 million). On 9 October 2020, the Group divested all of its interest in TXPC for RMB524 million (approximately $106.9 million), giving rise to a net gain of $6,991,000.

(b) On 21 October 2020, the Group through its wholly-owned subsidiary, Lipalton Pte. Ltd., acquired 49% interest in Kapstone Constructions Private Limited ("KCPL") to develop the 51.4-ha integrated township in the Thane district, Mumbai, India for a consideration of INR2,544 (approximately $47) via the subscription of 10 Compulsorily Convertible Preference Shares. The Group also subscribed for KCPL's Series I Compulsory Convertible Debentures ("CCDs") and Series II-C CCDs. The details of the CCDs are disclosed in Note 22.

(c) On 23 December 2020, the Group through its wholly-owned subsidiary, Shanghai Fengwo Apartment Management Co., Ltd., ("SFAM"), acquired a 15% effective interest in Taicang Zhuchong Business Consulting Co., Ltd. ("JVCo") which owns and develops an 8.4-ha residential site in Jiading District, Shanghai, China ("Site").

Pursuant to the terms of the joint venture, SFAM subscribed for 99% equity interest in Taicang Xinwu Business Consulting Co., Ltd. ("TXBC") (which holds 15% interest in JVCo) for RMB9.9 million (approximately $2.0 million) and acquired the remaining 1% equity interest for RMB1 in cash. SFAM also extended loans amounting to RMB648 million (approximately $133.0 million) to TXBC. The loans have been used for the acquisition and development of the Site.

Acquisitions in 2019

(a) On 3 April 2019, the Group through its wholly-owned subsidiary, Keppel Land China Limited, acquired 30% shareholdings in Chengdu Wanji Real Estate Development Co., Ltd. (formerly known as Chengdu Wan Ji Property Development Co., Ltd.) to develop a 4.7-ha newly secured residential site in Chengdu Tianfu new area for an aggregate consideration amounted to RMB294 million (approximately $58.7 million).

(b) On 26 March 2019, the Group through its wholly-owned subsidiary, Peplamo Pte. Ltd., acquired a 29.8% interest in North Bund Keppel Pte. Ltd. ("NBK") for a consideration of USD90.2 million (approximately $122.3 million). NBK holds a completed prime Grade A office and retail mixed-use development located in North Bund, Shanghai.

(c) On 26 July 2019, the Group through its wholly-owned subsidiary, Monestine Pte. Ltd., acquired 60% shareholding each in Nha Be Real Estate Joint Stock Company ("NBRE") and Phu Loc Real Estate Investment Joint Stock Company ("PLRE") for an aggregate consideration amounted to VND1,304 billion (approximately $76.9 million). NBRE and PLRE own three plots of land located at Nha Be District, Ho Chi Minh City where the lands are to be developed into high-rise condominiums.

(d) On 21 August 2019, the Group through its wholly-owned subsidiary, Shanghai Ming Bu Industrial Co., Ltd., acquired 25% shareholding in Nanjing Zhijun Property Development Co., Ltd. for a consideration of RMB250 million (approximately $49.5 million). The associated company has acquired and will develop a 3.8-ha prime residential and commercial mixed use development site in Xuanwu District, Nanjing, China.

(e) On 24 September 2019, the Group through its wholly-owned subsidiary, Legello Pte. Ltd., acquired 30% interest in Win Up Global Limited, which holds an office and retail development in Liwan District, Guangzhou, China for a consideration of HKD141.4 million (approximately $25.0 million).

21. ASSOCIATED COMPANIES AND JOINT VENTURES (continued)

The Group has equity accounted for all its associated companies and joint ventures. The Group's share of net results of associated companies and joint ventures is as follows:

	2020			2019		
	Associated Companies	**Joint Ventures**	**Total**	Associated Companies	Joint Ventures	Total
	$'000	**$'000**	**$'000**	$'000	$'000	$'000
Share of pre-tax profit before fair value gain on investment properties	**107,434**	**23,728**	**131,162**	123,060	74,720	197,780
Share of fair value (loss)/gain on investment properties (see Note 10)	**(35,473)**	**2,132**	**(33,341)**	43,877	60,616	104,493
Share of pre-tax profit	**71,961**	**25,860**	**97,821**	166,937	135,336	302,273
Share of taxation	**(20,995)**	**(10,708)**	**(31,703)**	(31,567)	(59,260)	(90,827)
Share of net results	**50,966**	**15,152**	**66,118**	135,370	76,076	211,446

The material associated companies and joint ventures are as follows:

Name of Associated Companies and Joint Ventures	Principal Place of Business	Ownership Interest/ Voting Rights Held		Fair Value of Ownership Interest	
		2020	2019	**2020**	2019
				$'000	$'000
Keppel REIT	Singapore	**43%**	44%	**1,638,600**	1,830,508
Empire City Limited Liability Company ("Empire City")	Vietnam	**40%**	40%	Not Applicable	Not Applicable
Keppel Land Watco II Company Limited ("KL Watco")	Vietnam	**61%**	61%	Not Applicable	Not Applicable
Keppel Group Eco-City Investments Pte. Ltd. ("KGEC")	China	**35%**	35%	Not Applicable	Not Applicable

The other associated companies and joint ventures are individually immaterial to the Group. Aggregate information about the Group's investments in associated companies and joint ventures that are individually immaterial are as follows:

	Associated Companies		**Joint Ventures**	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Profit after tax	**5,566**	41,323	**137**	32,721
Other comprehensive income/(loss)	**1,334**	(310)	**29,454**	(16,167)
Total comprehensive income	**6,900**	41,013	**29,591**	16,554
Carrying amount of the investments	**346,363**	360,801	**865,891**	730,392

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21. ASSOCIATED COMPANIES AND JOINT VENTURES (continued)

Summarised financial information in respect of Keppel REIT, Empire City, KL Watco and KGEC based on their SFRS(I) financial statements and a reconciliation with the carrying amount of the investments in the consolidated financial statements are as follows:

	Keppel REIT		Empire City		KL Watco		KGEC	
	2020	2019	**2020**	2019	**2020**	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Summarised Balance Sheet								
Non-current assets	**7,588,935**	7,307,046	**362,028**	272,496	**516,880**	530,918	**636,364**	570,383
Current assets	**175,433**	142,317	**614,578**	469,187	**39,119**	50,922	**63,849**	30,210
Total assets	**7,764,368**	7,449,363	**976,606**	741,683	**555,999**	581,840	**700,213**	600,593
Non-current liabilities	**3,042,839**	2,704,824	**91,314**	75,534	**218,952**	237,732	**48,041**	37,367
Current liabilities	**223,179**	159,690	**348,288**	211,669	**27,476**	26,933	**18,578**	22,706
Total liabilities	**3,266,018**	2,864,514	**439,602**	287,203	**246,428**	264,665	**66,619**	60,073
Net assets	**4,498,350**	4,584,849	**537,004**	454,480	**309,571**	317,175	**633,594**	540,520
Proportion of the Group's ownership	**43%**	44%	**40%**	40%	**61%**	61%	**35%**	35%
Group's share of net assets	**1,948,613**	2,010,287	**214,802**	181,792	**189,730**	194,390	**221,758**	189,182
Other adjustments	**(185,867)**	(173,102)	**22,954**	31,461	**(9,501)**	(9,686)	**-**	-
Carrying amount of the investments	**1,762,746**	1,837,185	**237,756**	213,253	**180,229**	184,704	**221,758**	189,182

	Keppel REIT		Empire City		KL Watco		KGEC	
	2020	2019	**2020**	2019	**2020**	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Summarised Statement of Comprehensive Income								
Revenue	**170,223**	164,053	**-**	-	**63,936**	68,325	**-**	-
(Loss)/profit after tax	**(15,106)**	119,930	**93,689**	140,068	**24,499**	70,739	**69,366**	37,694
Other comprehensive income/(loss)	**26,079**	(82,343)	**(11,164)**	771	**(5,730)**	504	**23,709**	(11,269)
Total comprehensive income	**10,973**	37,587	**82,525**	140,839	**18,769**	71,243	**93,075**	26,425
Dividends received	**62,001**	81,780	**-**	-	**12,258**	13,156	**-**	3,350

As at 31 December 2020 and 31 December 2019, the fair value of Keppel REIT was below the carrying amount of the Group's effective ownership interest. Management is of view that no impairment is required as it is held for long term and its recoverable amount approximates the carrying amount.

22. INVESTMENTS

Long-term Investments

		GROUP		COMPANY	
		2020	2019	**2020**	2019
		$'000	$'000	**$'000**	$'000
(a)	Investments at FVPL:				
	Compulsorily convertible debentures in a corporation	**72,452**	-	**-**	-
	Convertible preference shares	**36,835**	34,573	**-**	-
	Convertible loan	**5,000**	-	**-**	-
		114,287	34,573	**-**	**-**
(b)	Investments at FVOCI:				
	Unquoted shares in corporations	**54,497**	20,151	**23,311**	20,151
	Private property funds	**105,070**	95,227	**-**	-
		159,567	115,378	**23,311**	20,151
	Total long-term investments	**273,854**	149,951	**23,311**	20,151

During the year, the Group subscribed for compulsorily convertible debentures which bear interest at rates ranging from 0.0001% to 10.0% per annum in Kapstone Constructions Private Limited for INR4,003 million (approximately $74.3 million) which will expire in 18 months to 20 years. The Group has elected to measure this investment at FVPL.

During the year, the Group acquired 12% effective interest in Cove Living Pte. Ltd. for $3,410,000 and elected to measure this investment at FVPL.

During the year, the Group extended an interest-bearing convertible loan at an interest rate of 3.0% per annum to Habitap Pte. Ltd. for $5,000,000. This investment will mature in 2024 and the Group has elected to measure this investment at FVPL.

In 2019, the Group acquired 19.2% effective interest in Smartworks Coworking Space Pvt. Ltd. for USD25 million (approximately $34.6 million) and elected to measure this investment at FVPL.

The Group has elected to measure some investments at FVOCI due to the Group's intention to hold these investments for long-term appreciation.

The private property funds are managed by Alpha Investment Partners Limited, a related company of the Group.

Short-term Investments

	GROUP		COMPANY	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Investments at FVPL:				
Structured deposits	**20,340**	19,460	**-**	-

The structured deposits were pledged to the banks as securities for the bank acceptance as at 31 December 2020 and 31 December 2019.

The details of the valuation techniques and inputs used are disclosed in Note 37.

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23. PROPERTIES HELD FOR SALE

		GROUP	
		2020	2019
		$'000	$'000
(a)	Properties under development:		
	Land costs	**1,988,513**	2,780,873
	Development cost incurred to date	**695,472**	658,107
	Overhead expenditure	**196,676**	252,501
	Allowance for foreseeable losses	**(5,025)**	(8,236)
		2,875,636	3,683,245
	Analysis of allowance for foreseeable losses:		
	At 1 January	**(8,236)**	(25,371)
	Company disposed	**3,254**	-
	Reclassification	**-**	17,227
	Exchange differences on consolidation	**(43)**	(92)
	At 31 December	**(5,025)**	(8,236)
(b)	Completed properties held for sale:	**831,711**	1,069,930
	Allowance for foreseeable losses	**(14,963)**	(16,978)
		816,748	1,052,952
	Analysis of allowance for foreseeable losses:		
	At 1 January	**(16,978)**	(2,785)
	Utilisation	**1,253**	2,973
	Allowance	**(2,252)**	-
	Company disposed	**2,848**	-
	Reclassification	**-**	(17,227)
	Exchange differences on consolidation	**166**	61
	At 31 December	**(14,963)**	(16,978)
(c)	Contract assets:		
	Properties under development:		
	Land costs	**3,847**	-
	Development cost incurred to date	**196**	-
	Overhead expenditure and recognised profit	**228**	-
	Progress billings	**(1,283)**	-
		2,988	-
		3,695,372	4,736,197

Revenues arising from contract assets were recognised based on percentage of completion basis.

Progress billings for properties where revenue is recognised using the completion of construction method amounted to $971,638,000 (31 December 2019: $847,317,000; 1 January 2019: $890,139,000). These pertain to contract liabilities that arise due to consideration received from customers for the unsatisfied performance obligations on sale of properties under development are presented as progress billings within creditors (see Note 29).

23. PROPERTIES HELD FOR SALE (continued)

Revenue recognised during the year in relation to contract liabilities at 1 January 2020 was $628,135,000 (2019: $458,976,000). The aggregate amount of the revenue allocated to the remaining performance obligations is approximately $1,608,040,000 (2019: $1,220,958,000) and the Group expects to recognise this revenue over the next 1 to 3 years.

Interest capitalised during the year was $19,980,000 (2019: $24,258,000) at rates ranging from 0.80% to 2.50% (2019: 2.18% to 3.97%) per annum for Singapore properties and 3.00% to 7.00% (2019: 2.74% to 7.00%) per annum for overseas properties.

The allowance for foreseeable losses is estimated taking into account estimated selling prices and estimated total construction costs. The estimated selling prices are based on recent selling prices for the development project or comparable projects and the prevailing market conditions. The estimated total construction costs include contracted amounts plus estimated costs to be incurred based on historical trends. The allowance is progressively reversed for those residential units sold above their carrying amounts.

During the year, the Group reclassified $714,733,000 from properties held for sale to investment properties due to change of use of the assets from property trading to holding for capital gain and/or rental yield.

During the year, the Group reclassified $11,999,000 from property held for sale to fixed asset and $4,221,000 from fixed asset to property held for sale due to change of use of the assets.

During the year, properties amounting to $274,452,000 (2019: $Nil) in value and included in the above balances were mortgaged to the banks as securities for borrowings as referred to in Note 30.

Included in the land costs and completed properties held for sale are payments of $149,257,000 and $900,000 (2019: $199,079,000 and $2,393,000) respectively for certain land parcels which have been awarded by the authorities but the issuance of title deeds are in progress.

24. STOCKS

	GROUP	
	2020	2019
	$'000	$'000
Spare parts and consumable stocks	**1,256**	2,022

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25. DEBTORS

		GROUP		COMPANY	
		2020	2019	**2020**	2019
		$'000	$'000	**$'000**	$'000
(a)	Trade debtors	**113,146**	48,622	**-**	-
	Accrued receivables	**77,727**	45,166	**-**	-
	Allowance for doubtful debts	**(251)**	(234)	**-**	-
		190,622	93,554	**-**	-
(b)	Other debtors:				
	Deposits paid	**6,229**	5,707	**-**	-
	Interest receivable	**2,044**	1,749	**-**	-
	Advances to non-controlling shareholders of certain subsidiaries	**2,335**	26,480	**-**	-
	Derivative financial instruments	**48**	-	**-**	-
	Purchase consideration receivable from disposal of a subsidiary	**-**	115,801	**-**	-
	Refundable deposit for acquisition of a subsidiary	**-**	58,380	**-**	-
	Advance to an investee	**-**	61,258	**-**	-
	Other debtors	**27,616**	22,410	**-**	-
	Other recoverable amounts	**12,091**	18,546	**3**	-
		50,363	310,331	**3**	-
	Allowance for doubtful debts	**(1,643)**	(1,323)	**-**	-
		48,720	309,008	**3**	-
(c)	Non-financial assets:				
	Prepaid project costs and prepayments	**30,002**	27,703	**953**	787
	Other tax receivables	**141,110**	60,138	**-**	-
		171,112	87,841	**953**	787
		410,454	490,403	**956**	787
	<u>Trade debtors that are past due but not impaired:</u>				
	Past due < 3 months and not impaired	**658**	1,382	**-**	-
	Past due 3 - 6 months and not impaired	**954**	878	**-**	-
	Past due > 6 months and not impaired	**1,159**	1,252	**-**	-
		2,771	3,512	**-**	-

25. DEBTORS (continued)

	GROUP		COMPANY	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Analysis of allowance for doubtful debts – Trade:				
At 1 January	**(234)**	(150)	**-**	-
Allowance	**(191)**	(133)	**-**	-
Write-off against allowance	**-**	45	**-**	-
Reclassified to assets classified as held for sale	**180**	-	**-**	-
Exchange differences on consolidation	**(6)**	4	**-**	-
At 31 December	**(251)**	(234)	**-**	-
Analysis of allowance for doubtful debts – Non-trade:				
At 1 January	**(1,323)**	(1,076)	**-**	-
Allowance	**(317)**	(283)	**-**	-
Write-off against allowance	**-**	35	**-**	-
Exchange differences on consolidation	**(3)**	1	**-**	-
At 31 December	**(1,643)**	(1,323)	**-**	-

Trade debtors and accrued receivables pertain to receivables from contracts with customers. The trade debtors and accrued receivables as at 31 December 2020 were $113,146,000 and $77,727,000 (31 December 2019: $48,622,000 and $45,166,000; 1 January 2019: $132,000,000 and $60,338,000) respectively.

Advances to non-controlling shareholders of certain subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

Advance to an investee as at 31 December 2019 was unsecured, repayable within 12 months and bore interest at rates ranging from 10.18% to 15.54% per annum.

Trade and other debtors that are individually determined to be impaired at the balance sheet date relate to debtors that are in significant financial difficulties and/or have defaulted on payments.

26. AMOUNTS OWING BY/TO HOLDING COMPANY AND RELATED PARTIES

	GROUP		COMPANY	
	2020 $'000	2019 $'000	**2020 $'000**	2019 $'000
Advances owing by:				
Subsidiaries	**-**	-	**5,269,135**	6,356,121
Associated companies and joint ventures	**302,045**	347,893	**3,270**	3,320
Related companies	**41,515**	17,486	**-**	-
Current accounts owing by:				
Holding company	**1,315**	580	**-**	-
Related companies	**1,045**	1,547	**433**	729
	345,920	367,506	**5,272,838**	6,360,170
Allowance for doubtful debts	**-**	-	**(329,604)**	(277,379)
	345,920	367,506	**4,943,234**	6,082,791
Advances owing to:				
Subsidiaries	**-**	-	**589,383**	407,187
Associated companies and joint ventures	**303,165**	218,465	**42,188**	42,188
Current accounts owing to:				
Holding company	**5,879**	3,768	**-**	91
Related companies	**16,522**	10,736	**-**	15
	325,566	232,969	**631,571**	449,481

	COMPANY	
	2020 $'000	2019 $'000
<u>Analysis of allowance for doubtful debts:</u>		
At 1 January	**(277,379)**	(299,663)
Write-back of allowance	**2,952**	45,900
Allowance	**(55,177)**	(23,616)
At 31 December	**(329,604)**	(277,379)

Advances owing by/to subsidiaries are unsecured, have no fixed terms of repayment and are to be settled in cash. Interest-bearing advances of $2,859,477,000 (2019: $3,790,503,000) to a subsidiary bear interest at rates ranging from 0.03% to 3.90% (2019: 1.15% to 3.90%) per annum. During the year, a net allowance for doubtful debts of $52,225,000 (2019: net write back of $22,284,000) was made in respect of the advances owing by certain subsidiaries after taking into account the financial conditions of these subsidiaries.

Advances owing by associated companies and joint ventures are unsecured, have no fixed terms of repayment and are to be settled in cash. Interest-bearing advances of $204,595,000 (2019: $217,276,000) bear interest at rates ranging from 3.00% to 10.00% (2019: 6.00% to 10.00%) per annum.

Advances owing by related companies are unsecured, have no fixed terms of repayment and are to be settled in cash. Interest-bearing advances of $41,076,000 (2019: $17,486,000) bear interest at rates ranging from 4.10% to 5.70% (2019: 4.75% to 4.79%) per annum.

Advances owing to associated companies and joint ventures are unsecured, have no fixed terms of repayment and are to be settled in cash. There was no interest-bearing advances as at 31 December 2020. Interest-bearing advances of $1,731,000 as at 31 December 2019 bore interest at rates ranging from 8.90% to 11.10% per annum.

Current accounts owing by/to holding company and related companies are unsecured, interest-free, have no fixed terms of repayment and are to be settled in cash.

27. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Fixed deposits with banks	**565,141**	373,718	**-**	-
Bank balances and cash	**399,480**	380,641	**-**	137
Deposits with related companies	**21,990**	1,777	**854**	1,745
Cash sweep with a related company	**12,199**	4,548	**887**	59
	998,810	760,684	**1,741**	1,941

Fixed deposits with banks and deposits with related companies mature in varying periods, substantially between 1 day to 3 months (2019: substantially between 1 day to 3 months) from the financial year-end. The weighted average effective interest rates as at 31 December 2020 for the Group and the Company were 1.91% (2019: 2.98%) and 0.03% (2019: 0.49%) respectively.

The Group has a daily cash sweep arrangement with a related company for overnight deposits at interest rates of 0.10% and 0.15% for Singapore dollar and United States dollar (2019: 0.80% and 1.20% for Singapore dollar and United States dollar) per annum respectively, subject to an arrangement with a bank where bank balances are transferred from/to a bank account of the related company on a daily basis.

		GROUP	
		2020	2019
		$'000	$'000
(a)	Amounts held under project accounts, withdrawals from which are restricted to payments for expenditures incurred on projects	**263,701**	173,266
(b)	Amounts held in escrow accounts for the acquisition of land and investment	**679**	6,270
(c)	Amount pledged to a bank in relation to certain banking arrangement	**-**	195

28. ASSETS CLASSIFIED AS HELD FOR SALE AND LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

(a) On 10 November 2020, the Group through its indirect wholly-owned subsidiary, Hillwest Pte. Ltd., has entered in an equity transfer agreement to divest 100% interest in Chengdu Hilltop Development Co., Ltd. ("CHD"). The transfer of shares will be completed in two tranches with the transfer of the first tranche of 50% stake completed on 17 November 2020. The transfer of the remaining 50% interest was completed on 4 February 2021 (see Note 39).

(b) On 30 November 2020, the Group through its wholly-owned subsidiary, Portsville Pte. Ltd., has entered into a conditional sale and purchase agreement with the Group’s associated company, Nam Long Investment Corporation, to divest its remaining 30% interest in Dong Nai Waterfront City LLC (“DNWC”). The divestment is expected to be completed in 1H2021, conditional upon certain conditions precedent being fulfilled, including but not limited to, the issuance of a new Enterprise Registration Certificate by the relevant Vietnamese authorities.

(c) On 23 December 2020, the Group through its indirect wholly-owned subsidiary, Agathese Pte. Ltd., has entered into a sale and purchase agreement with the Group's associated company, Keppel REIT, for the sale of 100% interest in Keppel Bay Tower Pte. Ltd. (“KBTPL”). The transaction is subject to and conditional upon, among others, the approval of the Unitholders of Keppel REIT at an extraordinary general meeting and approvals from the relevant authorities, which is expected to be completed in 2Q2021.

28. ASSETS CLASSIFIED AS HELD FOR SALE AND LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE (continued)

(d) On 23 December 2020, the Group through its indirect wholly-owned subsidiary, West Gem Properties Limited, has entered into a sale and purchase agreement to divest its 100% equity interest in First King Properties Limited ("First King"), which owns a freehold office building at 75 King William Street. The divestment was completed on 29 January 2021 (see Note 39).

In accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the assets of CHD and DNWC have been presented separately as "assets classified as held for sale" and the assets and liabilities of KBTPL and First King have been presented separately as "assets classified as held for sale" and "liabilities directly associated with assets classified as held for sale" on the balance sheet as at 31 December 2020.

	GROUP 2020 $'000
Details of the assets of disposal groups and assets classified as held for sale were as follows:	
Debtors	7,999
Amounts owing by holding company and related parties	5
Cash and cash equivalents	18,308
Total current assets	26,312
Fixed assets	97
Investment properties (see Note 16)	877,293
Investment in an associated company and a joint venture	125,882
Total non-current assets	1,003,272
Total assets	1,029,584

	GROUP 2020 $'000
Details of the liabilities of disposal groups classified as held for sale were as follows:	
Creditors	7,987
Amounts owing to holding company and related parties	344
Short-term borrowings and lease liabilities	91,967
Tax provision	4,245
Total current liabilities	104,543
Deferred tax liabilities (see Note 11)	4,345
Long-term borrowings and lease liabilities	50,500
Other non-current liabilities	6,676
Total non-current liabilities	61,521
Total liabilities	166,064

For the purpose of segmental reporting, DNWC and CHD are included in Property Trading segment while KBTPL and First King are included in Property Investment segment.

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29. CREDITORS

	GROUP		COMPANY	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Trade creditors	**70,537**	59,968	**-**	-
Loans from non-controlling shareholders of certain subsidiaries	**149,345**	148,854	**-**	-
Accrual for staff costs and other overheads	**137,930**	158,721	**4,293**	14,792
Accrual for development costs	**396,450**	447,136	**-**	-
Retention monies	**177,174**	119,417	**-**	-
Deposits received	**61,532**	54,177	**-**	-
Interest payable	**9,799**	13,350	**7,551**	10,501
Derivative financial instruments	**8,379**	-	**8,061**	-
Deferred payment in relation to acquisition of a subsidiary	**831**	12,611	**-**	-
Other payables	**73,240**	62,350	**4,770**	5,819
	1,085,217	1,076,584	**24,675**	31,112
Non-financial liabilities:				
Progress billings (see Note 23)	**971,638**	847,317	**-**	-
Accrual for business and other taxes	**79,247**	27,900	**-**	-
	1,050,885	875,217	**-**	-
	2,136,102	1,951,801	**24,675**	31,112

The loans from the non-controlling shareholders of certain subsidiaries are unsecured and have no fixed terms of repayment. Interest-bearing loans amounted to $41,293,000 (2019: $40,479,000) and interest is payable at rates ranging from 1.80% to 4.94% (2019: 1.83% to 4.94%) per annum.

30. BORROWINGS AND LEASE LIABILITIES

	GROUP		COMPANY	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Short-term borrowings and lease liabilities				
Borrowings under MTN Programme	**-**	99,904	**-**	99,904
Bank borrowings:				
Secured	**102,611**	90,888	**-**	-
Unsecured	**235,200**	163,156	**221,604**	137,292
	337,811	254,044	**221,604**	137,292
Unsecured loans from a related company	**1,256,864**	783,885	**-**	-
	1,594,675	1,137,833	**221,604**	237,196
Lease liabilities	**7,561**	4,638	**-**	-
	1,602,236	1,142,471	**221,604**	237,196
Long-term borrowings and lease liabilities				
Borrowings under MTN Programmes	**629,617**	629,507	**629,617**	629,507
Bank borrowings:				
Secured	**464,660**	176,546	**-**	-
Unsecured	**1,186,176**	1,251,014	**1,049,076**	1,128,798
	1,650,836	1,427,560	**1,049,076**	1,128,798
Unsecured loans from a related company	**910,855**	636,500	**-**	-
	3,191,308	2,693,567	**1,678,693**	1,758,305
Lease liabilities	**19,849**	26,041	**-**	-
	3,211,157	2,719,608	**1,678,693**	1,758,305
	4,813,393	3,862,079	**1,900,297**	1,995,501

The Company has a USD800 million Multicurrency Medium Term Note ("USD800 million MTN") Programme under which it can issue notes (the "Notes") in series or tranches and may be denominated in Singapore dollars, United States dollars or other currency deemed appropriate at the time. The unsecured Notes comprise fixed rate notes of $200,000,000 and $130,000,000 due in 2022 and 2024 respectively with interest rates ranging from 3.80% to 3.90% (2019: 2.83% to 3.90%) per annum. During the year, the Company made a full redemption of the fixed rate notes of $100,000,000 at an interest rate of 2.83% per annum.

The Company and its wholly-owned subsidiary, Keppel Land Financial Services Pte. Ltd. ("KLFS") (collectively, the "Issuers") have a USD3 billion Multicurrency Medium Term Note ("USD3 billion MTN") Programme pursuant to which the Issuers may, from time to time, issue notes or perpetual securities (the "Securities") in series or tranches and denominated in any currency agreed between the relevant issuer and the relevant dealers in relation to each issue of Securities and as specified in the applicable pricing supplement. The unsecured fixed rate notes of USD250,000,000 issued by KLFS at an interest rate of 3.259% per annum, which were guaranteed by the Company, were fully redeemed in 2019. The Company previously issued two tranches of fixed rate notes of $150,000,000 each due in 2023 at an interest rate of 2.843% and 2.68% per annum respectively.

There was no issuance of notes under the USD800 million MTN and USD3 billion MTN Programmes in 2020 and 2019.

30. BORROWINGS AND LEASE LIABILITIES (continued)

The Group's secured bank borrowings are generally secured by:

(a) mortgages on the borrowing subsidiaries' investment properties (see Note 16) and properties held for sale (see Note 23); and

(b) assignment of all rights, titles and benefits with respect to some of the properties mortgaged.

The secured bank borrowings are repriced within 4 days to 5 months (2019: 20 days to 1 month) while the unsecured bank borrowings are repriced within 4 days to 5 months (2019: within 2 days to 44 days). Unsecured loans from related companies are repriced within 4 days to 15 days (2019: within 2 days to 15 days).

31. OTHER NON-CURRENT LIABILITIES

	GROUP		COMPANY	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Staff costs payable after 1 year	**21,232**	13,961	**21,232**	13,961
Security deposits payable after 1 year	**2,914**	2,916	**-**	-
Derivative financial instruments	**14,881**	9,576	**14,684**	9,576
Deferred consideration for purchase of an investment property	**14,762**	16,019	**-**	-
Others	**2,308**	-	**-**	-
	56,097	42,472	**35,916**	23,537

Deferred consideration of $14,762,000 (2019: $16,019,000) pertained to the Group's long-term obligation to construct a retail-cum-office facility as part of the purchase consideration for a 3.09-ha newly acquired commercial site in Bangalore, India.

32. SEGMENT REPORTING

For management purposes, the Group is organised into strategic business units based on their products, services and geography. The Group has three reportable operating segments as follows:

(a) Property trading
- Develops residential properties and townships in Asia, primarily in Singapore, China, Vietnam and Indonesia.

(b) Property investment
- Owns/manages office and retail properties, hotels and serviced apartments, primarily in Singapore, China, Vietnam and Indonesia.

(c) Others
- Is the aggregate of corporate services, property services and others.

Management monitors the results of each of the above operating segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on net profit or loss.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Information regarding the Group's reportable segments is presented below.

32. SEGMENT REPORTING (continued)

2020	Property Trading $'000	Property Investment $'000	Others [1] $'000	Inter-segment Elimination $'000	Total $'000
Sales					
External sales	1,176,590	83,918	15,658	-	1,276,166
Inter-segment sales	-	2,898	88,918	(91,816)	-
Total	1,176,590	86,816	104,576	(91,816)	1,276,166
Results					
EBITDA [2]	331,601	23,442	(23,190)	-	331,853
Depreciation charge	(8,330)	(22,768)	(4,522)	-	(35,620)
Investment income	-	2,878	999	-	3,877
Net interest income/(expenses)	14,000	(63,140)	12,176	-	(36,964)
Share of results of associated companies and joint ventures	33,674	24,119	8,325	-	66,118
Gain from disposal of subsidiaries	30,535	-	-	-	30,535
Gain from disposal of an associated company	7,525	-	-	-	7,525
Impairment on fixed assets	-	(6,919)	-	-	(6,919)
Fair value loss on call option	-	(875)	-	-	(875)
Gain on remeasurement of retained interest in an associated company	26,034	-	-	-	26,034
Gain from partial disposal of interest in a joint venture by an associated company	2,714	-	-	-	2,714
Loss on change in interest in an associated company	-	(4,573)	-	-	(4,573)
Pre-tax profit/(loss) before fair value gain on investment properties	437,753	(47,836)	(6,212)	-	383,705
Fair value gain on investment properties	-	261,453	-	-	261,453
Pre-tax profit/(loss) after fair value gain on investment properties	437,753	213,617	(6,212)	-	645,158
Taxation	(215,454)	(62,341)	(4,358)	-	(282,153)
Profit/(loss) for the year	222,299	151,276	(10,570)	-	363,005
Non-controlling interests	(1,866)	6,912	2	-	5,048
Net profit/(loss)	220,433	158,188	(10,568)	-	368,053
Other information					
Segment assets	7,116,288	7,502,360	5,328,894	(5,111,539)	14,836,003
Segment liabilities	(4,031,272)	(3,370,370)	(5,642,377)	5,111,539	(7,932,480)
Net assets/(liabilities)	3,085,016	4,131,990	(313,483)	-	6,903,523
Investments in associated companies and joint ventures	1,069,890	2,505,918	38,935	-	3,614,743
Additions to non-current assets [3]	123,208	408,896	3,362	-	535,466

Geographical information [4]	Singapore $'000	China $'000	Indonesia $'000	Vietnam $'000	Other Countries $'000	Total $'000
External sales	183,432	1,000,304	42,322	32,391	17,717	1,276,166
Non-current assets [5]	3,061,096	2,832,295	484,351	802,579	344,892	7,525,213

Notes:

1. "Others" include corporate services, property services and others.
2. EBITDA refers to profit before interest, taxation, depreciation charge, share of results of associated companies and joint ventures, divestment gains, fair value gains and other gains.
3. Additions to non-current assets comprise investments in associated companies and joint ventures, purchase of fixed assets and additions to investment properties.
4. The geographical information on external sales and non-current assets is determined based on the geographical location of the properties.
5. Non-current assets comprise fixed assets, investment properties, right-of-use assets, investment in associated companies and joint ventures and non-financial non-current assets.

32. SEGMENT REPORTING (continued)

2019	Property Trading $'000	Property Investment $'000	Others [(1)] $'000	Inter-segment Elimination $'000	Total $'000
Sales					
External sales	1,207,359	115,983	15,263	-	1,338,605
Inter-segment sales	5,209	3,723	93,903	(102,835)	-
Total	1,212,568	119,706	109,166	(102,835)	1,338,605
Results					
EBITDA [(2)]	334,237	52,367	(39,008)	-	347,596
Depreciation charge	(9,889)	(19,550)	(3,842)	-	(33,281)
Investment income	-	47,916	215	-	48,131
Net interest (expenses)/income	(12,458)	(60,390)	36,516	-	(36,332)
Share of results of associated companies and joint ventures	45,071	147,416	18,959	-	211,446
Gain from disposal of subsidiaries	64,534	-	-	-	64,534
Loss from disposal of an associated company	(76)	-	-	-	(76)
Impairment on fixed assets	(4,910)	-	-	-	(4,910)
Fair value gain on call option	-	7,018	-	-	7,018
Gain on change in interest in an associated company	-	1,845	-	-	1,845
Pre-tax profit before fair value gain on investment properties	416,509	176,622	12,840	-	605,971
Fair value gain on investment properties	-	113,109	-	-	113,109
Pre-tax profit after fair value gain on investment properties	416,509	289,731	12,840	-	719,080
Taxation	(169,370)	(2,731)	(6,677)	-	(178,778)
Profit for the year	247,139	287,000	6,163	-	540,302
Non-controlling interests	(14,527)	601	1	-	(13,925)
Net profit	232,612	287,601	6,164	-	526,377
Other information					
Segment assets	7,606,401	6,311,317	5,169,287	(4,859,012)	14,227,993
Segment liabilities	(3,642,499)	(3,817,485)	(3,760,821)	4,859,012	(6,361,793)
Net assets	3,963,902	2,493,832	1,408,466	-	7,866,200
Investments in associated companies and joint ventures	1,154,642	2,258,301	102,574	-	3,515,517
Additions to non-current assets [(3)]	138,167	446,495	21,383	-	606,045

Geographical information [(4)]	Singapore $'000	China $'000	Indonesia $'000	Vietnam $'000	Other Countries $'000	Total $'000
External sales	267,983	830,735	62,428	147,192	30,267	1,338,605
Non-current assets [(5)]	2,991,825	2,274,718	503,334	699,781	565,860	7,035,518

Notes:

1. "Others" include corporate services, property services and others.
2. EBITDA refers to profit before interest, taxation, depreciation charge, share of results of associated companies and joint ventures, divestment gains, fair value gains and other gains.
3. Additions to non-current assets comprise investments in associated companies and joint ventures, purchase of fixed assets and additions to investment properties.
4. The geographical information on external sales and non-current assets is determined based on the geographical location of the properties.
5. Non-current assets comprise fixed assets, investment properties, right-of-use assets, investment in associated companies and joint ventures and non-financial non-current assets.

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33. CAPITAL AND LEASE COMMITMENTS

		GROUP	
		2020	2019
		$'000	$'000
(a)	Estimated development costs for properties held for sale:		
	(i) Contracted for	**499,456**	599,765
	(ii) Not contracted for	**1,013,320**	1,625,504
		1,512,776	2,225,269
	Non-controlling interests	**(11,347)**	(13,297)
		1,501,429	2,211,972
(b)	Estimated funding for purchase of shares in companies	**13,975**	158,930
(c)	Estimated funding in associated companies, joint ventures and joint operations for project developments	**223,886**	346,413
(d)	Capital expenditure contracted on investment properties	**1,091,541**	198,629
(e)	Other capital expenditure and funding commitments	**32,794**	43,623

(f) Operating lease commitments - as lessor:

The Group has entered into leases on its properties. The future minimum rental income receivables under non-cancellable leases are as follows:

	2020	2019
	$'000	$'000
Within 1 year	**67,665**	72,242
Between 1 to 2 years	**52,618**	65,178
Between 2 to 3 years	**45,353**	38,641
Between 3 to 4 years	**30,304**	32,198
Between 4 to 5 years	**15,606**	17,943
After 5 years	**27,609**	14,479
	239,155	240,681

The lessor's commitment as at 31 December 2020 includes $98,569,000 (within 1 year: $37,478,000, between 1 to 2 years: $28,193,000, between 2 to 3 years: $22,604,000, between 3 to 4 years: $7,446,000, between 4 to 5 years: $1,894,000 and after 5 years: $954,000) for assets classified as held for sale.

34. CONTINGENT LIABILITIES

	GROUP		COMPANY	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Unsecured guarantees given to financial institutions in connection with facilities given to:				
(a) Subsidiaries	**-**	-	**137,877**	152,580
(b) Associated companies and joint ventures	**151,954**	164,748	**147,829**	159,369
(c) Certain end-purchaser of overseas residential properties	**189,047**	70,232	**-**	-
(d) Financial assets at FVOCI	**272,721**	52,319	**272,721**	-
	613,722	287,299	**558,427**	311,949

The financial effects of SFRS(I) 9 relating to financial guarantee contracts issued by the Group and the Company are not material to the financial statements and are, therefore not recognised. No material losses under these guarantees are expected.

In February 2020, the Group through its wholly-owned subsidiary, Kapler Pte Ltd completed the acquisition of (i) China The9 Interactive (Shanghai) Limited, (ii) The9 Computer Technology Consulting (Shanghai) Co., Ltd. and (iii) Shanghai Kai'e Information Technology Ltd. from The9 Limited ("The9"), an online gaming company listed in Nasdaq. The underlying asset acquired is a completed commercial property in Pudong District, Shanghai (see Note 20).

On 28 May 2020, a Hong Kong International Arbitration Centre ("HKIAC") arbitration was commenced by a Claimant against The9, 3 of its related companies, China The9 Interactive (Shanghai) Limited and The9 Computer Technology Consulting (Shanghai) Co., Ltd. As it currently stands, the claim is for about US$18.6 million (approximately $24.9 million).

As the HKIAC arbitration is ongoing, the outcome is not determinable as at 31 December 2020. The Group has assessed that the likelihood of an unfavourable outcome is unlikely, hence no provision has been made as at 31 December 2020.

35. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the related party transactions disclosed elsewhere in the financial statements, the Group has the following significant related party transactions with the holding company, related parties and the Temasek Group:

	GROUP	
	2020	2019
	$'000	$'000
Transactions with holding company:		
Management fees paid	**5,416**	4,669
Foreign exchange transactions	**2,540,971**	749,358
Other service fees paid	**301**	90
Rental income	**4,720**	5,839
Transactions with related companies:		
Interest income	**4,054**	4,647
Interest expense:		
Charged to profit or loss account	**14,132**	19,453
Capitalised under development cost	**22,680**	7,363
Management and support service fees paid	**3,183**	7,025
Rental income received	**4,029**	4,791
Other products and service fees paid	**5,094**	3,896
Transactions with the Group's associated companies and joint ventures:		
Interest income	**20,774**	18,101
Interest expense	**-**	412
Rental expense	**549**	815
Property management fees received	**3,061**	3,998
Management and support service fees received	**11,988**	6,092
Other products and service fees paid	**5**	27
Acquisition of land	**-**	214,000
Transactions with the Temasek Group:		
Rental expense	**-**	113
Rental income	**177**	9
Other service fees received	**293**	-
Other products and service fees paid	**629**	404

In 2019, the Group through its wholly-owned subsidiary secured a 10.97-ha residential site in the Sino-Singapore Tianjin Eco-City for a total consideration of RMB1.07 billion (approximately $214 million) in a public land tender by a subsidiary of the Group's associated company.

The related party transactions above are entered into based on terms agreed between the parties.

36. FINANCIAL RISK MANAGEMENT

The Group operates primarily in Singapore, China, Vietnam and Indonesia, and is exposed to a variety of financial risks pertaining to changes in interest rates, fluctuations in currency exchange rates, credit and liquidity risks. The Group's overall risk management strategy seeks to minimise the adverse effects from the unpredictability of financial markets on the Group's profit. The Group uses financial instruments such as currency forwards, interest rate swaps, interest rate caps and foreign currency borrowings to hedge certain financial risk exposures whenever it is appropriate.

Assessment of financial risks is carried out regularly by management and reported to the Audit and Risk Committee, which will review and guide management on the Group's risk profile, risk identification, management of significant risks, risk mitigation strategies, and risk policies.

The risk management policies are summarised as follows:

(a) Interest Rate Risk

The Group's exposure to changes in interest rates is in respect of debt obligations and deposits with related companies and financial institutions.

The interest rate management policy is aimed at optimising net interest cost and reducing volatility. The Group borrows a mix of fixed and variable rate debts with varying tenors, and also uses interest rate swaps and caps to hedge against changes in interest rates on the underlying debt obligations whenever it is appropriate.

The Group enters into interest rate swap agreements to hedge the interest rate risk exposure arising from its certain variable rate term loans denominated in Singapore dollar. The Group receives variable rates based on SOR and pays fixed rates ranging from 0.34% to 2.25% (2019: 1.41% to 2.25%) on the notional amounts. The cash flows occur on a monthly, quarterly or semi-annually basis until the maturities of the borrowings which are due within three years. The Group classifies these interest rate swaps as cash flow hedges.

The contractual notional amount of interest rate swaps held for hedging which is based on IBOR is $1,101,428,000 (2019: $780,000,000), arising from variable rate borrowings with interest rates ranging from 1 month to 6 months SOR. This amounts to 23% (2019: 20%) of the Group's total amount of borrowings.

As at 31 December 2020, the Group and the Company have interest rate swap agreements. The details and fair values of interest rate swaps are disclosed in Notes 36(e) and 37 respectively.

Sensitivity analysis for interest rate risk:

The Group's borrowings at variable rates on which effective hedges have not been entered into, are denominated mainly in Singapore dollar, United States dollar, Pound Sterling, Indonesian Rupiah, Indian Rupee, Vietnamese Dong and Renminbi. If interest rates increase/decrease by 0.5% (2019: 0.5%) with all other variables being held constant, the Group's profit before taxation will be lower/higher by $11,537,000 (2019: $8,433,000).

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36. FINANCIAL RISK MANAGEMENT (continued)

(b) Foreign Currency Risk

Foreign currency risk arises when transactions are denominated in currencies other than the respective functional currencies of the various entities in the Group, and such changes will impact the Group's profit.

In addition, the Group is exposed to foreign currency movements on its net investment in foreign subsidiaries, associated companies and joint ventures, which generate revenue and incur costs denominated in foreign currencies; and such changes impact the results and reserves of the Group. This currency exposure is, as practicable as possible, managed through borrowings in the same currencies in which the assets are denominated.

The Group entered into foreign exchange forward contracts as fair value hedge to hedge the currency exposure of its certain USD denominated borrowings. The details and fair values of the foreign exchange forward contracts are disclosed in Notes 36(e) and 37 respectively.

The carrying amounts of significant financial assets and financial liabilities denominated in currencies other than the functional currencies of the respective entities after hedging effects are as follows:

	United States Dollar (USD) $'000	Renminbi (RMB) $'000	Indonesian Rupiah (IDR) $'000	Indian Rupees (INR) $'000	Vietnamese Dong (VND) $'000	Hong Kong Dollar (HKD) $'000
GROUP						
2020						
Financial Assets						
Debtors	-	48	2,686	-	1	-
Amount owing by related parties	-	-	-	-	-	26,959
Cash and cash equivalents	43,373	-	2,455	-	2	-
Financial assets at FVOCI	127,266	-	-	-	-	-
Financial assets at FVPL	-	-	-	105,877	-	-
Financial Liabilities						
Creditors	(1)	(268)	(1,481)	-	-	-
Net financial assets/(liabilities)	170,638	(220)	3,660	105,877	3	26,959
2019						
Financial Assets						
Debtors	107	-	882	-	115,801	-
Amount owing by related parties	-	-	-	-	-	25,566
Cash and cash equivalents	7,375	40,608	7,002	-	2	-
Financial assets at FVOCI	114,451	-	-	-	-	-
Financial assets at FVPL	-	-	-	34,573	-	-
Financial Liabilities						
Creditors	(992)	(404)	(939)	-	(136)	-
Borrowings	(12,296)	-	-	-	-	-
Net financial assets	108,645	40,204	6,945	34,573	115,667	25,566

36. FINANCIAL RISK MANAGEMENT (continued)

(b) Foreign Currency Risk (continued)

	United States Dollar (USD)	
	2020 $'000	2019 $'000
COMPANY		
Financial Assets		
Cash and cash equivalents	**836**	137
Financial assets at FVOCI	**22,196**	19,231
Net financial assets	**23,032**	19,368

Sensitivity analysis for currency risk:

If the relevant foreign currencies change against the respective functional currencies of the Group entities by 5% (2019: 5%) with all other variables being held constant, the effect arising from the net financial assets/liabilities position will be as follows:

	Profit before Taxation Increase/(Decrease)		Equity Increase/(Decrease)	
	2020 $'000	2019 $'000	**2020 $'000**	2019 $'000
GROUP				
USD against SGD				
- strengthened	**2,169**	(290)	**6,363**	5,723
- weakened	**(2,169)**	290	**(6,363)**	(5,723)
RMB against SGD				
- strengthened	**(11)**	2,010	**-**	-
- weakened	**11**	(2,010)	**-**	-
IDR against SGD				
- strengthened	**183**	347	**-**	-
- weakened	**(183)**	(347)	**-**	-
INR against SGD				
- strengthened	**5,294**	1,729	**-**	-
- weakened	**(5,294)**	(1,729)	**-**	-
VND against SGD				
- strengthened	**-***	5,783	**-**	-
- weakened	**-***	(5,783)	**-**	-
HKD against SGD				
- strengthened	**-**	-	**1,348**	1,278
- weakened	**-**	-	**(1,348)**	(1,278)
COMPANY				
USD against SGD				
- strengthened	**42**	7	**1,110**	962
- weakened	**(42)**	(7)	**(1,110)**	(962)

(*Amount less than $1,000)

36. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations.

Trade debtors comprise mainly the Group's customers who bought residential units and tenants of commercial properties.

Contract assets are mainly unbilled work in progress.

Bank deposits are mainly deposits with banks that meet appropriate credit criteria.

Financial assets at FVOCI comprise unquoted investments and the Group's investment in private property funds.

Financial assets at FVPL comprise compulsorily convertible debentures in a corporation, convertible preference shares, convertible loan and structured deposits.

The following situations may give rise to credit risk:

(i) That the tenants of investment properties and purchasers of trading properties may default on their obligations to pay the amounts owing to the Group.

(a) For investment properties, the Group manages credit risks arising from tenants defaulting on their rental by requiring the tenants to furnish cash deposits, and/or banker's guarantees. The Group also has a policy of regular review of debt collection and rental contracts are entered into with customers with an appropriate credit history.

(b) For trading properties, the Group generally has the following recourse:
- Forfeiture of instalments paid; and
- Re-sale of the re-possessed properties and claim against the purchasers for any shortfall from the re-sale.

(ii) That a counterparty will default on its contractual obligations under financial instrument contracts resulting in financial loss to the Group. It is generally limited to the amounts, if any, by which the counterparty's obligations exceed the obligations of the Group. It is also the Group's policy to enter into financial instrument contracts with a diversity of prime financial institutions and creditworthy parties. Credit risks are monitored on an ongoing basis.

In measuring the expected credit losses, trade debtors and contract assets are grouped based on shared credit risk characteristics and days past due. The Group has therefore concluded that the expected loss rates for trade debtors are a reasonable approximation of the loss rates for the contract assets.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade debtors and contract assets are written off when there is no reasonable expectation of recovery.

Financial assets at FVOCI and FVPL have low risk of default as the investees have strong capacities to meet the contractual cash flow obligations in the near term.

Debtors and amounts due from associated companies that are neither past due nor impaired are substantially companies with good collection track record with the Group or have strong financial capacity.

As at 31 December 2020, there was no significant concentration of credit risks. As at 31 December 2019, there was no significant concentration of credit risks other than the purchase consideration receivable from disposal of subsidiaries and refundable deposit for acquisition of a subsidary as disclosed in Note 25.

The maximum exposure to credit risk is the carrying amount of financial assets which are mainly trade and other debtors, amounts owing by holding company and related parties, cash and cash equivalents, amounts owing by associated companies and joint ventures, other non-current assets and financial guarantees.

36. FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity Risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group manages the liquidity risk by maintaining sufficient cash, internally generated cash flows, and the availability of funding resources through adequate committed credit facilities. The Group also maintains a mix of short-term money market borrowings as well as the ability to tap the capital market through the MTN Programmes to fund working capital requirements and capital expenditure/investments.

The following table summarises the maturity profile of the Group's and the Company's financial liabilities and derivative financial instruments at the balance sheet date based on contractual undiscounted cash flows obligations, including interest payables and excluding the impact of netting agreements.

	Within 1 Year $'000	Between 1 to 5 Years $'000	After 5 Years $'000	Total $'000
GROUP				
2020				
Non Derivative Financial Liabilities				
Creditors (excluding non-financial liabilities)	1,076,838	-	-	1,076,838
Amounts owing to holding company and related parties	325,566	-	-	325,566
Other non-current liabilities	-	26,454	-	26,454
Borrowings	1,695,870	3,060,670	396,432	5,152,972
Lease liabilities	11,177	20,189	27,596	58,962
	3,109,451	3,107,313	424,028	6,640,792
Derivative Financial Assets/(Liabilities)				
Net-settled interest rate swaps				
- Net cash outflows	(14,621)	(8,906)	-	(23,527)
Gross-settled forward currency contracts				
- Outflow	(135,115)	-	-	(135,115)
- Inflow	134,845	-	-	134,845
2019				
Non Derivative Financial Liabilities				
Creditors (excluding non-financial liabilities)	1,076,584	-	-	1,076,584
Amounts owing to holding company and related parties	232,969	-	-	232,969
Other non-current liabilities	-	16,877	-	16,877
Borrowings	1,236,486	2,850,232	58,629	4,145,347
Lease liabilities	7,973	21,799	29,373	59,145
	2,554,012	2,888,908	88,002	5,530,922
Derivative Financial Assets/(Liabilities)				
Net-settled interest rate swaps				
- Net cash outflows	(4,265)	(2,903)	-	(7,168)

KEPPEL LAND LIMITED AND ITS SUBSIDIARIES

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For the financial year ended 31 December 2020

36. FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity Risk (continued)

	Within 1 Year $'000	Between 1 to 5 Years $'000	After 5 Years $'000	Total $'000
COMPANY				
2020				
Non Derivative Financial Liabilities				
Creditors	16,614	-	-	16,614
Amounts owing to holding company and related parties	631,571	-	-	631,571
Other non-current liabilities	-	21,232	-	21,232
Borrowings	268,551	1,756,065	-	2,024,616
	916,736	1,777,297	-	2,694,033
Derivative Financial Assets/(Liabilities)				
Net-settled interest rate swaps				
- Net cash outflows	(14,492)	(8,778)	-	(23,270)
2019				
Non Derivative Financial Liabilities				
Creditors	31,112	-	-	31,112
Amounts owing to holding company and related parties	449,481	-	-	449,481
Other non-current liabilities	-	13,961	-	13,961
Borrowings	291,723	1,885,852	-	2,177,575
	772,316	1,899,813	-	2,672,129
Derivative Financial Assets/(Liabilities)				
Net-settled interest rate swaps				
- Net cash outflows	(4,265)	(2,903)	-	(7,168)

The following table shows the contractual expiry by maturity of the Group's and Company's contingent liabilities. The maximum amounts that the Group and the Company could be called upon under the financial guarantee contracts, if the full guaranteed amount is claimed by the counterparty, are as disclosed in Note 34. They are allocated to the earliest period in which the guarantee could be called upon.

	2020				2019			
	Within 1 Year $'000	**Between 1 to 5 Years $'000**	**After 5 years $'000**	**Total $'000**	Within 1 Year $'000	Between 1 to 5 Years $'000	After 5 years $'000	Total $'000
GROUP								
Financial guarantees	**220,010**	**393,712**	**-**	**613,722**	63,000	224,299	-	287,299
COMPANY								
Financial guarantees	**188,996**	**345,320**	**24,111**	**558,427**	6,831	281,686	23,432	311,949

36. FINANCIAL RISK MANAGEMENT (continued)

(e) Derivative Financial Instruments

	Contractual Notional Amount $'000	Carrying Amount Liabilities $'000	Carrying Amount Assets $'000	Weighted Average Hedged Rate	Maturity Date
GROUP					
2020					
Fair Value Hedge					
Foreign exchange risk					
- Foreign currency forward contracts to hedge USD borrowings	5,569	(50)	-	USD1: VND23,400	March 2021
Cash Flow Hedge					
Interest rate risk					
- Interest rate swap to hedge floating rate borrowings	1,101,428	(22,942)	-	1.61%	May 2021 - October 2024
Derivative not held for hedging					
- Foreign currency swap contracts	129,546	(268)	48	SGD1: CNH4.916	January 2021
2019					
Cash Flow Hedge					
Interest rate risk					
- Interest rate swap to hedge floating rate borrowings	780,000	(9,576)	5	1.93%	May 2021 - December 2022
COMPANY					
2020					
Cash Flow Hedge					
Interest rate risk					
- Interest rate swap to hedge floating rate borrowings	1,030,000	(22,745)	-	1.70%	May 2021 - October 2024
2019					
Cash Flow Hedge					
Interest rate risk					
- Interest rate swap to hedge floating rate borrowings	780,000	(9,576)	5	1.93%	May 2021 - December 2022

Hedge Effectiveness

Hedge effectiveness is determined at the inception of the hedging relationship, and through periodic prospective effective assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed.

KEPPEL LAND LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

36. FINANCIAL RISK MANAGEMENT (continued)

(f) Categories of Financial Assets and Financial Liabilities

The following table sets out the financial instruments as at the balance sheet date:

	GROUP		COMPANY	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Financial Assets				
Financial assets at FVOCI	**159,567**	115,378	**23,311**	20,151
Financial assets at FVPL	**134,627**	54,033	**-**	-
Derivative financial instruments	**156,691**	157,523	**-**	5
Financial assets at amortised costs (including cash and cash equivalents)	**1,897,068**	1,996,866	**4,944,978**	6,084,732
Financial Liabilities				
Derivative financial instruments	**23,260**	9,576	**22,745**	9,576
Liabilities at amortised cost	**6,242,251**	5,188,509	**2,569,714**	2,490,055

(g) Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholder, issue new shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on the net debt-equity ratio, which is calculated as net debt divided by total capital. Net debt is calculated as borrowings (including lease liabilities) less cash and cash equivalents, and total capital is calculated as equity including non-controlling interests in subsidiaries.

	GROUP		COMPANY	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Net debt	**3,814,583**	3,101,395	**1,898,556**	1,993,560
Total capital	**6,903,523**	7,866,200	**3,934,695**	5,194,445
Net debt-equity ratio (times)	**0.55**	0.39	**0.48**	0.38

There were no changes in the Group's approach to capital management during the year.

The Group and the Company are in compliance with all externally imposed capital requirements for the financial years ended 31 December 2020 and 2019.

37. FAIR VALUE OF FINANCIAL INSTRUMENTS AND INVESTMENT PROPERTIES

(a) Fair Value Hierarchy

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. There are three fair value hierarchy levels, as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly; and
Level 3 – Unobservable inputs for the asset or liability.

Transfers between levels of the fair value hierarchy are deemed to have occurred on the date of the event or change in circumstances that caused the transfers.

(b) Assets and Liabilities Measured at Fair Value

The following table shows an analysis of assets and liabilities carried at fair value by fair value hierarchy level:

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
GROUP				
2020				
Financial Assets				
Investments at FVOCI	-	-	159,567	159,567
Investments at FVPL	-	101,202	33,425	134,627
Derivative financial instruments				
- Call option	-	-	156,643	156,643
- Foreign currency contracts	-	48	-	48
	-	101,250	349,635	450,885
Financial Liabilities				
Derivative financial instruments				
- Foreign currency contracts	-	318	-	318
- Interest rate swaps	-	22,942	-	22,942
	-	23,260	-	23,260
Non-financial Assets				
Investment properties				
- Assets classified as held for sale	-	877,293	-	877,293
- Commercial and hospitality, completed	-	-	1,048,577	1,048,577
- Commercial, under construction	-	-	2,507,438	2,507,438
	-	877,293	3,556,015	4,433,308

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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

37. FAIR VALUE OF FINANCIAL INSTRUMENTS AND INVESTMENT PROPERTIES (continued)

(b) Assets and Liabilities Measured at Fair Value (continued)

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
GROUP				
2019				
Financial Assets				
Investments at FVOCI	-	-	115,378	115,378
Investments at FVPL	-	54,033	-	54,033
Derivative financial instruments				
- Call option	-	-	157,518	157,518
- Interest rate swaps	-	5	-	5
	-	54,038	272,896	326,934
Financial Liabilities				
Derivative financial instruments				
- Interest rate swaps	-	9,576	-	9,576
Non-financial Assets				
Investment properties				
- Commercial and hospitality, completed	-	-	1,785,661	1,785,661
- Commercial, under construction	-	-	1,354,269	1,354,269
	-	-	3,139,930	3,139,930

37. FAIR VALUE OF FINANCIAL INSTRUMENTS AND INVESTMENT PROPERTIES (continued)

(b) Assets and Liabilities Measured at Fair Value (continued)

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
COMPANY				
2020				
Financial Assets				
Investments at FVOCI	-	-	23,311	23,311
Financial Liabilities				
Derivative financial instruments				
- Interest rate swaps	-	22,745	-	22,745
2019				
Financial Assets				
Investments at FVOCI	-	-	20,151	20,151
Derivative financial instruments				
- Interest rate swaps	-	5	-	5
	-	5	20,151	20,156
Financial Liabilities				
Derivative financial instruments				
- Interest rate swaps	-	9,576	-	9,576

There have been no transfers between Level 1 and Level 2 during 2020 and 2019.

(c) Level 1 Fair Value Measurement

The fair value of investments are determined directly by reference to their published market bid price at the balance sheet date.

(d) Level 2 Fair Value Measurement

Foreign exchange forward contracts and interest rate swap contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, interest rate curves and forward rate curves.

The fair values of compulsorily convertible debentures in a corporation, convertible preference shares, convertible loan and investment properties held for sale are based on actual transacted prices.

The fair value of structured deposits is based on cost plus interest accrued according to the agreements.

37. FAIR VALUE OF FINANCIAL INSTRUMENTS AND INVESTMENT PROPERTIES (continued)

(e) Level 3 Fair Value Measurement

(i) Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements

The following table presents the information about fair value measurements using significant unobservable inputs:

Description	Fair Value $'000	Valuation Techniques	Unobservable Inputs	Range
2020				
Investments at FVOCI	159,567	Net asset value [1]	Not applicable	Not applicable
Investments at FVPL	33,425	Discounted cash flow method and binomial option pricing method	Discount rate Growth rate Cost of equity	8.00% 6.24% 15.85%
Derivative financial instruments				
- Call option	156,643	Direct comparison method and investment method	Transacted price of comparable properties (psf)	$1,600 to $3,721
			Capitalisation rate	3.50%
Investment properties				
- Commercial and hospitality, completed	1,048,577	Investment method, discounted cash flow method and/or direct comparison method	Discount rate	7.25% to 12.50%
			Capitalisation rate	4.25% to 10.50%
			Transacted price of comparable properties (psm)	$4,914 to $6,615
			Transacted price of comparable properties (psf)	$2,835 to $3,046
- Commercial, under construction	2,507,438	Direct comparison method, discounted cash flow method, and/or residual value method	Transacted price of comparable land plots (psm)	$7,930 to $18,770
			Gross development value ($'million)	$527 to $2,042
			Discount rate	12.50% to 18.00%

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37. FAIR VALUE OF FINANCIAL INSTRUMENTS AND INVESTMENT PROPERTIES (continued)

(e) Level 3 Fair Value Measurement (continued)

(i) Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements (continued)

The following table presents the information about fair value measurements using significant unobservable inputs:

Description	Fair Value $'000	Valuation Techniques	Unobservable Inputs	Range
2019				
Investments at FVOCI	115,378	Net asset value [1]	Not applicable	Not applicable
Derivative financial instruments				
- Call option	157,518	Direct comparison method and investment method	Transacted price of comparable properties (psf)	$2,200 to $2,865
			Capitalisation rate	3.50%
Investment properties				
- Commercial and hospitality, completed	1,785,661	Investment method, discounted cash flow method and/or direct comparison method	Discount rate	5.60% to 12.76%
			Capitalisation rate	3.75% to 9.00%
			Net initial yield	3.93%
			Transacted price of comparable properties (psm)	$5,032 to $6,773
			Transacted price of comparable properties (psf)	$1,616 to $3,502
- Commercial, under construction	1,354,269	Direct comparison method, discounted cash flow method, and/or residual value method	Transacted price of comparable land plots (psm)	$8,121 to $19,219
			Gross development value ($'million)	$510 to $1,897
			Discount rate	18.00%

Note:
1. The fair value of investments at FVOCI is determined by reference to the underlying assets value of the investee companies, which comprise mainly investment properties stated at fair value.

The financial instruments and investment properties categorised under Level 3 of the fair value hierarchy are generally sensitive to the various unobservable inputs tabled. A significant movement of each input would result in significant change to the fair value of the respective asset.

37. FAIR VALUE OF FINANCIAL INSTRUMENTS AND INVESTMENT PROPERTIES (continued)

(e) Level 3 Fair Value Measurement (continued)

(ii) Movements in Level 3 Assets Measured at Fair Value

The following table presents the reconciliation for financial assets and instruments measured at fair value based on significant unobservable inputs:

The detailed movement for investment properties are disclosed in Note 16.

	Investments at FVOCI	Investments at FVPL	Derivative Financial Instruments Call Option	Total
	$'000	$'000	$'000	$'000
GROUP				
At 1 January 2020	115,378	-	157,518	272,896
Net fair value loss recognised in other comprehensive income	(7,803)	-	-	(7,803)
Fair value loss recognised in profit or loss account	-	-	(875)	(875)
Additions	42,567	-	-	42,567
Redemption of shares	(19,224)	-	-	(19,224)
Reclassification	-	34,573	-	34,573
Equitisation of loan receivables from an investee	30,200	-	-	30,200
Exchange differences on consolidation	(1,551)	(1,148)	-	(2,699)
At 31 December 2020	159,567	33,425	156,643	349,635
At 1 January 2019	136,091	-	150,500	286,591
Net fair value loss recognised in other comprehensive income	(88,892)	-	-	(88,892)
Fair value gain recognised in profit or loss account	-	-	7,018	7,018
Additions	95,361	-	-	95,361
Redemption of shares	(27,178)	-	-	(27,178)
Exchange differences on consolidation	(4)	-	-	(4)
At 31 December 2019	115,378	-	157,518	272,896

(iii) Valuation Policies and Procedures

The assessment of the fair value of investments at FVOCI is performed by the Group's finance department on a quarterly basis. The assessment of the fair value of the investments at FVPL, call option and investment properties is performed by the Group's operation teams on an annual basis.

The Group revalues its investment property portfolio on an annual basis except for significant investment properties which are revalued on a half-yearly basis. The fair value of investment properties is determined by external, independent professional valuers which have appropriate recognised professional qualifications and experience in the location and category of property being valued. Management reviews the appropriateness of the valuation methodologies and assumptions adopted, and the reliability of the inputs used in the valuations.

37. FAIR VALUE OF FINANCIAL INSTRUMENTS AND INVESTMENT PROPERTIES (continued)

(f) Assets and Liabilities not Carried at Fair Value but for Which Fair Value is Disclosed

The carrying amounts of the following financial assets and liabilities of the Group and Company approximate their fair values due to their short-term nature: Cash and cash equivalents, trade and other debtors, trade and other creditors, amounts owing by/to holding company and related parties and short-term borrowings.

The fair values of long-term borrowings, other non-current liabilities and investments in listed associated companies are as stated below. The long-term borrowings and other non-current liabilities are estimated using discounted cash flow analysis based on current rates for similar types of borrowing arrangements. The fair values of the investments in listed associated companies are determined by reference to the published market bid prices at the balance sheet date.

	2020			2019		
	Carrying	**Fair Value**		Carrying	Fair Value	
	Amount	**Level 1**	**Level 3**	Amount	Level 1	Level 3
	$'000	**$'000**	**$'000**	$'000	$'000	$'000
GROUP						
Investment in listed associated companies	**1,805,523**	**1,686,402**	**-**	1,871,683	1,871,828	-
Long-term borrowings	**3,191,308**	**-**	**3,240,595**	2,693,567	-	2,715,907
Other non-current liabilities	**26,454**	**-**	**26,454**	16,877	-	16,877
COMPANY						
Investment in a listed subsidiary	**35,481**	**13,941**	**-**	35,481	17,560	-
Long-term borrowings	**1,678,693**	**-**	**1,703,502**	1,758,305	-	1,769,842
Other non-current liabilities	**21,232**	**-**	**21,232**	13,961	-	13,961

Amounts owing by associated companies and joint ventures are charged at floating interest rates and their carrying amounts approximate their fair values.

38. COMPARATIVES

The following comparative figures have been reclassified to conform with current year's presentation:

	As previously reported $'000	Impact $'000	As adjusted $'000
GROUP			
Consolidated Balance Sheet			
Fixed assets	354,658	(71,851)	282,807
Right-of-use assets	15,819	71,851	87,670

The above arose due to reclassification of prepaid leasehold land previously presented within "leasehold land and buildings" under fixed assets to right-of use assets.

39. EVENTS OCCURING AFTER THE REPORTING PERIOD

(a) On 29 January 2021, the Group completed the divestment of its 100% equity interest in First King Properties Limited (“First King”) at a consideration of GBP73.6 million (approximately $131.1 million). The consideration was arrived on a willing-buyer and willing-seller basis. The assets and liabilities of First King have been presented separately as “assets classified as held for sale” and “liabilities directly associated with assets classified as held for sale” on the balance sheet as at 31 December 2020 (see Note 28).

(b) On 1 February 2021, Myanmar declared a one-year State of Emergency. The situation in Myanmar and international reactions (including economic sanctions, if any) remain fluid. The impact on the economy, foreign investments and the Group's investments in Myanmar remain unclear at the date of this financial report. The Group will continue to assess the impact of the State of Emergency on the Group’s investments in Myanmar.

As at 31 December 2020, the Group has a hospitality asset and an investment in a joint venture whose primarily business is in property investment with a carrying value of $107 million and $22 million respectively in Myanmar. These two investments accounted for 1.0% and 1.9% of the Group's total assets and net assets respectively.

(c) On 4 February 2021, the Group completed the divestment of its remaining 50% interest in Chengdu Hilltop Development Co., Ltd. (“CHD”) for a consideration of RMB630 million (approximately $130.1 million). The consideration was arrived on a willing-buyer and willing-seller basis. The carryng amount of the Group’s remaining 50% interest in CHD has been presented separately as “assets classified as held for sale” on the balance sheet as at 31 December 2020 (see Note 28).

(d) On 4 February 2021, the Group acquired the remaining 25% stake in Rivieria Point Limited Liability Company for a consideration of VND535 billion (approximately $31.7 million), subject to post-completion adjustment. The consideration was arrived on a willing-buyer and willing-seller basis. The transaction is not expected to have any material impact on the financial position of the Group for the financial year ending 31 December 2021.

40. FUTURE CHANGES IN ACCOUNTING POLICIES

The Group has not adopted the following amendments to standards that have been issued but not yet effective:

Description	Effective for Annual Periods Beginning on or after
Amendments to SFRS(I) 3 *Reference to the Conceptual Framework*	1 January 2022
Amendments to SFRS(I) 1-16 *Property, Plant and Equipment— Proceeds before Intended Use*	1 January 2022
Amendments to SFRS(I) 1-37 *Onerous Contracts— Cost of Fulfilling a Contract*	1 January 2022
Annual Improvements to SFRS(I)s 2018-2020	1 January 2022
Amendments to SFRS(I) 1-1 *Classification of Liabilities as Current or Non-current*	1 January 2023

The management anticipates that the adoption of the above standards and interpretations in future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption.

41. SIGNIFICANT GROUP COMPANIES

Information relating to the significant subsidiaries consolidated in these financial statements and the significant associated companies and joint ventures whose results are included in the financial statements is given on pages 92 to 95.

SIGNIFICANT SUBSIDIARIES, ASSOCIATED COMPANIES, AND JOINT VENTURES
For the financial year ended 31 December 2020

	Effective Equity Interest		Country of Incorporation/	
	2020	2019	Place of Business	Principal Activities
	%	%		
Subsidiaries				
Corredance Pte Ltd	100	100	Singapore	Investment holding
Corson Pte Ltd*	100	100	Singapore	Investment holding
Crystal Rise Investment Pte Ltd*	100	100	Singapore	Investment holding
Da Di Investment Pte Ltd*	100	100	Singapore	Investment holding
DC REIT Holdings Pte Ltd*	100	100	Singapore	Investment holding
Domenico Pte Ltd*	100	100	Singapore	Investment holding
Hillwest Pte Ltd*	100	100	Singapore	Investment holding
Joysville Investment Pte Ltd*	100	100	Singapore	Investment holding
K-Commercial Pte. Ltd.*	100	100	Singapore	Property development/ investment
Katong Retail Trust*	100	100	Singapore	Investment trust
Keppel Bay Pte Ltd	100	100	Singapore	Property development
Keppel Bay Tower Pte Ltd*	100	100	Singapore	Property investment
Keppel Digihub Holdings Ltd	100	100	Singapore	Investment holding
Keppel REIT Investment Pte Ltd*	100	100	Singapore	Investment holding
Keppel Land China Limited	100	100	Singapore	Investment holding
Keppel Land Estate Pte Ltd	100	100	Singapore	Investment holding
Keppel Land Financial Services Pte Ltd	100	100	Singapore	Financial services
Lipalton Pte. Ltd.*	100	100	Singapore	Investment holding
Mansfield Developments Pte Ltd	100	100	Singapore	Property development
Merryfield Investment Pte Ltd*	100	100	Singapore	Investment holding
Monestine Pte. Ltd.*	100	100	Singapore	Investment holding
Oceansky Pte Ltd*	100	100	Singapore	Investment holding
Parksville Development Pte Ltd*	100	100	Singapore	Property development
Pasir Panjang Realty Pte Ltd*	100	100	Singapore	Investment holding
Peplamo Pte. Ltd.*	100	100	Singapore	Investment holding
Portsville Pte Ltd	100	100	Singapore	Investment holding
Sherwood Development Pte Ltd	70	70	Singapore	Property development
Straits Property Investments Pte Ltd	100	100	Singapore	Investment holding
Tinterland Pte Ltd*	100	100	Singapore	Investment holding
Aintree Assets Limited (C)	100	100	British Virgin Islands	Investment holding
Jencity Limited* (C)	100	100	British Virgin Islands	Investment holding
Saigon Centre Investment Limited* (C)	100	100	British Virgin Islands	Investment holding
Beijing Changsheng Consultant Co Ltd* (A)	100	100	China	Property investment
Beijing Changsheng Property Management Co Ltd* (A)	100	100	China	Property investment
Chengdu Hillstreet Development Co Ltd* (A)	100	100	China	Property development
Chengdu Shengshi Jingwei Real Estate Co Ltd* (A)	100	100	China	Property development
Keppel Heights (Wuxi) Property Development Co Ltd* (A)	100	100	China	Property development
Keppel Hong Da (Tianjin Eco-City) Property Development Co Ltd* (A)	100	100	China	Property development

SIGNIFICANT SUBSIDIARIES, ASSOCIATED COMPANIES, AND JOINT VENTURES
For the financial year ended 31 December 2020

	Effective Equity Interest 2020 %	Effective Equity Interest 2019 %	Country of Incorporation/ Place of Business	Principal Activities
Subsidiaries (continued)				
Keppel Hong Yuan (Tianjin Eco-City) Property Development Co Ltd* (A)	100	100	China	Property development
Keppel Lakefront (Wuxi) Property Development Co Ltd* (A)	100	100	China	Property development
Keppel Seasons Residences Property Development (Wuxi)* (A)	100	100	China	Property development
Shanghai Fengwo Apartment Management Co Ltd* (A)	100	100	China	Property management service
Shanghai Floraville Land Co Ltd* (A)	99	99	China	Property investment
Shanghai Hongda Property Development Co Ltd* (A)	99	99	China	Property development
Shanghai Ji Lu Land Co Ltd* (A)	99	99	China	Property development/ investment
Shanghai Ji Xiang Land Co Ltd* (A)	100	100	China	Property development
Shanghai Jinju Real Estate Development Co Ltd* (A)	99	99	China	Property development
Shanghai Merryfield Land Co Ltd* (A)	99	99	China	Property development
Shanghai Mingbu Industrial Co., Ltd* (A)	100	100	China	Investment holding
Shanghai Pasir Panjang Land Co Ltd* (A)	99	99	China	Property development
Spring City Golf & Lake Resort Co Ltd* (A)	69	69	China	Golf club operations and development and property development
The9 Computer Technology Consulting (Shanghai) Ltd.*(A)	100	-	China	Property investment
Tianjin Fulong Property Development Co Ltd* (A)	100	100	China	Property development
Eternal Commercial Limited* (A)	100	100	Hong Kong	Investment holding
Keppel Land (Saigon Centre) Ltd* (A)			Hong Kong	Investment holding
Ordinary Shares	100	100		
Preference shares (Class A and Class B)	67	67		
Main Full Limited* (A)	100	100	Hong Kong	Investment holding
PT Harapan Global Niaga* (A)	100	100	Indonesia	Property development
PT Kepland Investama* (A)	100	100	Indonesia	Property investment
PT Ria Bintan* (A)	46	46	Indonesia	Golf course ownership and operations
PT Straits-CM Village* (A)	39	39	Indonesia	Hotel ownership and operations
PT Sukses Manis Tangguh* (A)	100	100	Indonesia	Property development
PT Sukses Manis Indonesia* (A)	100	100	Indonesia	Property development
First King Properties Limited* (C)	100	100	Jersey	Property investment
Straits Greenfield Limited* (B)	100	100	Myanmar	Hotel ownership and operations
Keppel Philippines Properties, Inc.* (A)	57	57	Philippines	Property development
Estella Joint Venture Company Limited* (A)	98	98	Vietnam	Property development/ investment
Keppel Land Vietnam Company Limited* (A)	100	100	Vietnam	Property services
Keppel Land Watco IV Company Limited* (A)	84	84	Vietnam	Property development
Keppel Land Watco V Company Limited* (A)	84	84	Vietnam	Property development
Riviera Point Limited Liability Company* (A)	75	75	Vietnam	Property development
Saigon Sports City Limited* (A)	100	100	Vietnam	Property development
Keppel Puravankara Development Pvt Ltd* (B)	51	51	India	Property development

SIGNIFICANT SUBSIDIARIES, ASSOCIATED COMPANIES, AND JOINT VENTURES
For the financial year ended 31 December 2020

	Effective Equity Interest		Country of Incorporation/ Place of Business	Principal Activities
	2020 %	2019 %		
Associates and Joint Ventures				
EM Services Pte Ltd	25	25	Singapore	Property management
Garden Development Pte Ltd*	60	60	Singapore	Property development
Keppel REIT*	43	44	Singapore	Real estate investment trust
Keppel Data Centres Holding Pte Ltd*	30	30	Singapore	Owner and operator of data centres and disaster recovery centres
Keppel Group Eco-City Investments Pte Ltd*	35	35	Singapore	Investment holding
Keppel Point Pte Ltd	30	30	Singapore	Property development/ investment
Raffles Quay Asset Management Pte Ltd* (B)	33	33	Singapore	Property management
North Bund Pte Ltd* (B)	30	30	Singapore	Investment holding
Suzhou Property Development Pte Ltd* (A)	25	25	Singapore	Investment holding
Vision (III) Pte Ltd* (B)	30	30	Singapore	Investment holding
Chengdu Taixin Real Estate Development Co Ltd* (B)	35	35	China	Property development
Chengdu Wanji Real Estate Development Co Ltd* (B)	30	30	China	Property development
Nanjing Jinsheng Real Estate Development Co Ltd* (A)	40	40	China	Property development
Nanjing Zhijun Property Development Co Ltd* (B)	25	25	China	Property development
Taicang Zhuchong Business Consulting Co., Ltd (C)	15	-	China	Investment holding
Win Up Investment Ltd* (B)	30	30	China	Investment holding
Renown Property Holdings (M) Sdn Bhd (A)	40	40	Malaysia	Property investment
City Square Office Co Ltd* (B)	40	40	Myanmar	Property development
Buena Homes (Sandoval) Inc.* (A)	35	35	Philippines	Property development
Opon-KE Properties, Inc.* (A)	45	45	Philippines	Investment holding
Opon Realty and Development Corporation* (A)	23	23	Philippines	Investment holding
Opon Venture, Inc* (A)	37	37	Philippines	Property development
SM-Keppel Land, Inc.* (A)	27	27	Philippines	Property investment
Dong Nai Waterfront City LLC* (A)	30	30	Vietnam	Property development
Empire City Limited Liability Company* (B)	40	40	Vietnam	Property development
Keppel Land Watco I Company Limited* (A)	61	61	Vietnam	Property investment/ development
Keppel Land Watco II Company Limited* (A)	61	61	Vietnam	Property investment/ development
Keppel Land Watco III Company Limited* (A)	61	61	Vietnam	Property investment/ development
Nam Long Investment Corporation* (B)	10	10	Vietnam	Trading of development properties
South Rach Chiec LLC* (A)	42	42	Vietnam	Property development
Kapstone Construction Private Limited* (A)	49	-	India	Real estate construction and development

KEPPEL LAND LIMITED AND ITS SUBSIDIARIES

SIGNIFICANT SUBSIDIARIES, ASSOCIATED COMPANIES, AND JOINT VENTURES
For the financial year ended 31 December 2020

Notes:

1. The holding in the equity shown for each subsidiary, associated companies and joint venture is the proportion attributable to Keppel Land Limited.

2. Associated companies are those in which the Group has significant influence, but not control, in the operating and financial policy decisions.

3. Joint ventures are those in which the Group has joint control in the strategic financial and operating decisions.

4. Companies indicated with an asterisk (*) are indirectly held by Keppel Land Limited.

5. All the active companies operate in their respective countries of incorporation, unless otherwise specified.

6. All the companies are audited by PricewaterhouseCoopers LLP, Singapore except for the following:

   (A) Audited by member firms of PricewaterhouseCoopers International Limited in the respective countries

   (B) Audited by other firms of auditors

   (C) Not required to be audited by law in the country of incorporation

7. Certain companies such as Garden Development Pte Ltd, Keppel Land Watco I Company Limited, Keppel Land Watco II Company Limited and Keppel Land Watco III Company Limited have been accounted for as joint ventures notwithstanding that the Group holds more than 50% equity interest in these companies on the ground that the strategic financial and operating decisions of these companies require unanimous consent by the shareholders.