# BUILDING INDUSTRIES

JTC ANNUAL REPORT FY2021

# Contents

02 Message From Chairman and CEO

04 Board and Senior Management

08 Financial Year 2021 Highlights

11 Fostering Transformative Partnerships With Industry Players

20 Providing Strategic Companies With a Springboard to Success

25 Plans for a Greener Planet: Our Sustainability Journey Continues

35 Stories From Our Spaces

39 Financial Highlights and Review

46 Jurong Town Corporation and Its Subsidiaries

Front and Back Cover: Woodlands North Coast

Right: The exterior of JTC Space @ Tuas, JTC's first integrated development that caters to industries ranging from precision engineering to general manufacturing

# Message From Chairman and CEO

FY2021 could, in some ways, be considered as a defining year for JTC. Even though Singapore's manufacturing industry has displayed resilience while emerging from the shadows of COVID-19, the disruptions caused by the pandemic have resulted in watershed changes for the sector.

For example, while some businesses have struggled to cope with how COVID-19 has altered their business models, others have used what many have considered the crisis of a generation as an impetus for change, to soar higher. Meanwhile, emerging growth trends such as digitalisation and sustainability have brought forth new opportunities and hastened transformation.

Amid this backdrop, JTC is sharpening our role as master planner and developer to support the growth of industries. Besides continuing to provide industrialists with suitable and competitive real estate, we are looking towards the horizon and conceptualising next-generation spaces that offer companies a springboard to greater success. We are reimagining Singapore's industrial future as one that is smart, sustainable and provides good jobs for all.

Together with our sister economic agencies, we continue to make a deliberate and conscious effort to ensure that Singapore remains an attractive and competitive hub for multinational companies, and small and medium local enterprises alike. Deeper collaborations with our partners and stakeholders are one way we can achieve this. We are building ecosystems for different businesses to come together, and to derive synergies that drive business growth.

From top: Tan Chong Meng, Chairman, JTC;
Tan Boon Khai, Chief Executive Officer, JTC

To these ends, some notable milestones from the past year that demonstrate the potential of our flourishing ecosystems are as follows:

- At the Industrial Transformation Asia-Pacific 2021, we showcased Jurong Innovation District's growing network of advanced manufacturers, R&D centres, technology partners, and training providers
- The launch of the Industry Connect Office at JTC CleanTech Three @ Jurong Innovation District brought together companies and partners to encourage transformation efforts that will address future challenges
- At the biennial Airshow 2022, we offered glimpses of the aviation sector's recovery, including the siting of a key ecosystem at JTC's Seletar Aerospace Park. We also signed two Memorandums of Understanding with Skyports and Volocopter to enable Singapore's Advanced Air Mobility sector to reach new heights
- A Memorandum of Understanding with the Hyundai Motor Group to push forward with the study and development of smart transport and logistics models for Singapore's next-generation industrial and business parks
- 51 companies, including Chevron, Shell, and ExxonMobil lent their support to the Jurong Island Circular Economy Study, an industry-first study on resource optimisationwith a lens trained on sustainability

But that is not all. In the years ahead, we will see new and exciting JTC projects come on stream. From Punggol Digital District, which is positioned as the cornerstone of Singapore's Smart Nation ambitions, to Sungei Kadut Eco-District, a redeveloped industrial estate that aims to be a nurturing ground for the latest sustainability innovations, these upcoming industrial settings will inject vibrancy and strengthen Singapore's future industrial capabilities.

Before we conclude, it bears reminding that as JTC powers ahead to build the next phase of Singapore's industrial landscape, we are doing so on the strong foundations of what had been done before and the dedication of our staff both past and present. Whether assisting companies to kickstart their Industry 4.0 journeys or pushing the boundaries of how we build through innovative technologies, they are our agents of change who will take JTC to greater heights. Similarly, the support we have received from our stakeholders and partners will be instrumental as we write the new chapters of manufacturing in Singapore, and we look forward to their continued support in the years ahead.

The future is not only about the brick-and-mortar developments — it is also about the sustainability of the environment, the relationship between industrial businesses and their surroundings, and the strong governance structure underpinning all the work we do. With these in mind, JTC will continue to do our part as a responsible and accountable Fifth Schedule entity and play our role in building Singapore's industrial future.

**Tan Chong Meng**
Chairman

**Tan Boon Khai**
Chief Executive Officer

# Board Members
## As at 31 July 2022

### Tan Chong Meng
**Chairman**
JTC
**Group Chief Executive Officer**
PSA International

### Tan Boon Khai
**Chief Executive Officer**
JTC

### Jeanette Wong
**Board Member**
PSA International, UBS Group AG, & Prudential PLC

### Michael Sim
**Executive Director**
Platanetree Capital

### Muthukrishnan Ramaswami
**Partner**
PeepalTree

### Kwa Kim Li
**Managing Partner**
Lee & Lee Advocates & Solicitors

### Vincent Chong
**Group President & Chief Executive Officer**
ST Engineering

### LG Melvyn Ong
**Chief of Defence Force**
Ministry of Defence

### John Lim
**First Deputy Secretary**
Ministry of Social & Family Development

### Mok Wei Wei
**Managing Director**
W Architects

### Zainal Sapari
**Assistant Director-General**
National Trades Union Congress

### Adrian Chua
**Deputy Secretary (Industry)**
Ministry of Trade & Industry

### Wee Siew Kim
**Group Chief Executive Officer**
Nipsea Group
**Co-President**
Nippon Paint Holdings
**Chairman**
Jurong Port

### Judy Lee
**Managing Director**
Dragonfly LLC
**Chief Executive Officer**
Dragonfly Capital Ventures LLC

### Goh Swee Chen
**Chairman**
NTU Board of Trustees

# Senior Management
## As at 31 July 2022

### Tan Boon Khai
**Chief Executive Officer**
JTC

### Terence Seow
**Assistant Chief Executive Officer**
Corporate, Policy & Planning
Enterprise Cluster
**Chief Digital Officer** (Covering)

### David Tan
**Assistant Chief Executive Officer**
Development

### Heah Soon Poh
**Assistant Chief Executive Officer**
Engineering & Operations
**Group Director** (Covering)
Project Management

### Alvin Tan
**Assistant Chief Executive Officer**
Industry Cluster

### Chee Wan Chin
**Group Chief Financial Officer**

### Tay Ter Long
**Group Director**
Contracts & Procurement

### Tan Chee Kiat
**Group Director**
Engineering
**Director** (Covering)
Future of Building & Infrastructure

### Leong Hong Yew
**Group Director**
Enterprise Cluster

### Ma Ping Nee
**Group Director**
Enterprise Cluster
**Director** (Covering)
Housing & Community
Industrial Estates

### Mark Koh
**Group Director**
Facilities & Estates Management
**Director** (Covering)
Security

### Leow Thiam Seng
**Group Director**
Industry Cluster

### Vivien Tan
**Group Director**
Industry Cluster

### Josephine Loke
**Dean**
JTC Academy

### Jan Seow
**Group Director**
Land Planning & Redevelopment
**Director** (Covering)
Land Planning

### Kok Poh June
**Group Director**
New Estates 2

### Yvonne Lim
**Group Director**
Policy & Research

# Senior Management (Con't)
## As at 31 July 2022

### CEO'S OFFICE

**Sandra Kwok**
**Director**
Billing & Reporting

**Caroline Wong**
**Director**
Communications

**Lee Chuay Noi**
**Director**
Human Resource

**Francis Nyan**
**Director**
Treasury & Payments

### CORPORATE POLICY & PLANNING

**Goh Chye Kiang**
**Director**
Applications Development

**Goh Thong**
**Director**
Audit & Advisory

**Stanley Tan**
**Director**
Centre for Information Management

**Wee Pei Yean**
**Director**
Corporate Planning

**Andy Yeo**
**Chief Information Security Officer**
Cybersecurity & Design

**Benjamin Chan**
**Director**
Data Science

**Alan Siow**
**Director**
Digital Infrastructure & Ops

**Mohd Hafiz Bin Sayuti**
**General Counsel**
Legal Services

**Mak Chee Hua**
**Director**
Valuation

**Eng Xing You**
**Acting Director**
Policy & Research

### DEVELOPMENT

**Elaine Lee**
**Director**
Contracts & Procurement (Construction)

**Dawn Chiang**
**Director**
Contracts & Procurement (Corporate)

**Nelson Liew**
**Director**
Land Redevelopment

**Finn Tay**
**Director**
New Estates 1

**Gina Foo**
**Director**
New Estates 2

**Yap Eai-Sy**
**Director**
New Estates 2

**James Tan**
**Director**
Smart District

**Tang Hsiao Ling**
**Director**
Urban Design & Architecture

# Senior Management (Con't)
## As at 31 July 2022

### ENTERPRISE CLUSTER

**Tang Li Fun**
**Director**
Industrial Properties Management 1

**Gillian Phua**
**Director**
Industrial Properties Management 2

### ENGINEERING & OPERATIONS

**Wong Wei Loong**
**Director**
Building Projects

**Ng Eng Sin**
**Director**
Facilities Engineering & Systems

**Chan Chee Choong**
**Director**
Facilities & Estates Mgmt (Central)

**Yap Chung Lee**
**Director**
Facilities & Estates Mgmt (East)

**Hubert Tan**
**Director**
Facilities & Estates Mgmt (West)

**Derrick Ong**
**Director**
Facilities & Estates Mgmt (Public)

**Jason Foo**
**Director**
Facilities Planning & Enforcement

**Brian Koh**
**Director**
Infrastructure Projects

**Kenny Lim**
**Director**
Public Projects

**Tan Su Chern**
**Director**
Technical Services

**Koh Chwee**
**Director**
Workplace Safety & Construction Quality

### INDUSTRY CLUSTER

**Lim AiTing**
**Director**
Aerospace & Marine

**Cheong Wee Lee**
**Director**
Biomedical & Electronics

**Aw Wei Been**
**Director**
Cluster Solutions

**Cindy Koh**
**Director**
Energy & Chemicals

**Eugene Lim**
**Director**
Food & Lifestyle

**Sophia Ng**
**Director**
Info-Comm Media & Start-up

**Anil Das**
**Director**
Logistics & Land Transport

**Cheang Tick Kei**
**Director**
Precision Engineering & Advanced Manufacturing

**Lim Junwei**
**Director**
Urban Solutions & Construction

# Financial Year 2021 Highlights

## NEW ALLOCATION OF JTC'S INDUSTRIAL LAND AND READY-BUILT FACILITIES

JTC Logistics Hub @ Gul

# New Allocation of JTC's Industrial Land

LAND AREA (HA)
**218.3**

NUMBER OF COMPANIES
**107**

Figures for industrial land exclude land that is tendered out as part of the IGLS programme.

Numbers may not add up due to rounding.

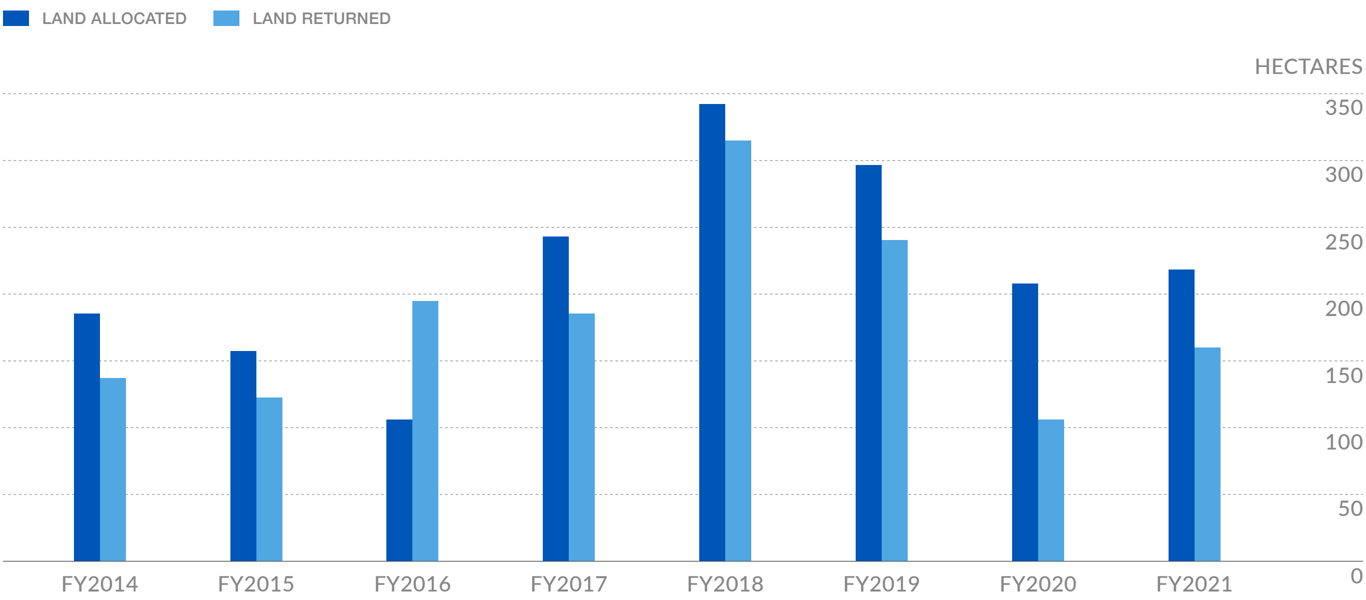
### MANUFACTURING

- **23.2%** Electronics
- **2.3%** Precision Engineering
- **6.6%** Chemicals
- **13.2%** Biomedical Manufacturing
- **3.0%** Transport Engineering
- **0.2%** General Manufacturing Industries

### MANUFACTURING-RELATED AND SUPPORTING

- **0.4%** Information & Communication
- **10.0%** Professional Scientific & Technical Activities
- **9.4%** Transportation & Storage
- **9.3%** Real Estate/ Financial Activities/ Holding Companies
- **14.7%** Construction
- **7.7%** Other Services

### ALLOCATION AND RETURNS FOR PREPARED INDUSTRIAL LAND (HA), FY2014-FY2021



# New Allocation of JTC's Ready-Built Facilities

AREA ('000 SQM)

**499.6**

NUMBER OF COMPANIES

**1,092**

Numbers may not add up due to rounding.

## MANUFACTURING

**1.4%** Electronics

**8.2%** Precision Engineering

**1.2%** Chemicals

**2.4%** Biomedical Manufacturing

**1.6%** Transport Engineering

**11.4%** General Manufacturing Industries

## MANUFACTURING-RELATED AND SUPPORTING

**2.9%** Information & Communication

**6.0%** Professional Scientific & Technical Activities

**7.9%** Transportation & Storage

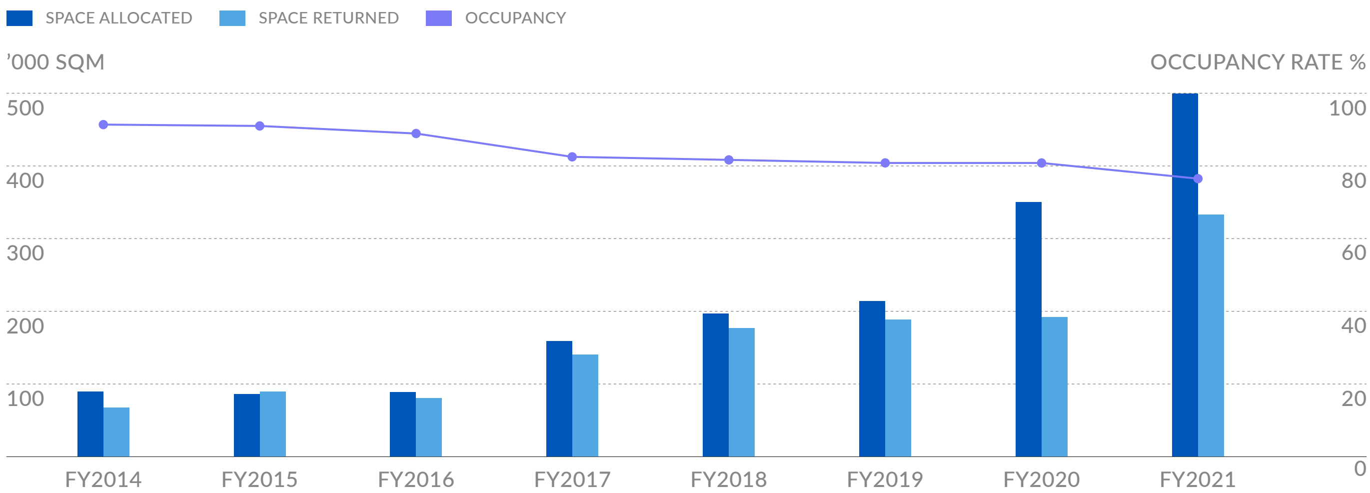
**0.8%** Water Supply Sewerage & Waste Management

**14.8%** Construction

**3.4%** Real Estate/ Financial Activities/ Holding Companies

**38.0%** Other Services

## ALLOCATION, RETURNS AND OCCUPANCY RATE FOR JTC'S READY-BUILT FACILITIES ('000 SQM), FY2014-FY2021




Source for Occupancy rate: J-Space

# Fostering Transformative Partnerships With Industry Players

FY2021 was a banner year of meaningful connections for JTC. To raise collective capabilities, we collaborated with industry stakeholders. We engaged students, graduates and jobseekers and helped matchmake these talents with our partners. To invigorate our business parks, we let creative minds such as chefs and hoteliers weave their magic in our spaces. Here is a look at what we have achieved in the past year.

Woodlands North Coast

# Elevating Our Partners to New Heights

**If you want to go far, go together, it is said. As the world stands on the cusp of Industry 4.0, and as competition tightens, one thing will ensure the longevity of global manufacturers and local SMEs: collaboration. As the government agency in charge of Singapore's industrial development, we leverage on our extensive network to rally industrialists and stalwarts to create innovation roadmaps that will shape the nation's future.**

In 2021, JTC officially launched the Industry Connect Office at Jurong Innovation District (JID), which aims to fast-track digitalisation and transformation. Through sharing sessions and upskilling programmes, some 1,000 companies get to pick the brains of global giants such as Bosch Rexroth, McKinsey and Konica Minolta as well as trade associations like Singapore Business Federation (SBF) and Singapore Precision Engineering & Technology Association (SPETA). As their move into Industry 4.0 kicks into high gear, these companies can harness the growth opportunities that abound in Singapore and the region.

Deepening the conversation on the revolution is the Industrial Transformation Asia-Pacific (ITAP) trade show, which was themed "Stepping Up Capabilities with Industry 4.0". At the three-day hybrid event, JTC showcased JID's ecosystem of manufacturers, researchers, technology and training providers. It is this ecosystem that keeps Singapore on track to meet its Manufacturing 2030 goals. The research work at the district runs the gamut from future mobility to 3D printing commercialisation as well as 5G and artificial intelligence.

Below: A panel discussion during the opening of the Industry Connect Office saw companies discuss their digitalisation efforts

Another milestone was the Punggol Digital District (PDD): Connecting Smartness event. The 50-hectare PDD is poised to become Singapore's first smart business district. At the July event, **we welcomed the first wave of entrants** such as Boston Dynamics, Delta Electronics, Group-IB and Wanxiang Blockchain. PDD serves as a living lab for these companies to test their experimentations, from advanced robots to containerised smart farms, cybersecurity platforms to blockchain solutions.

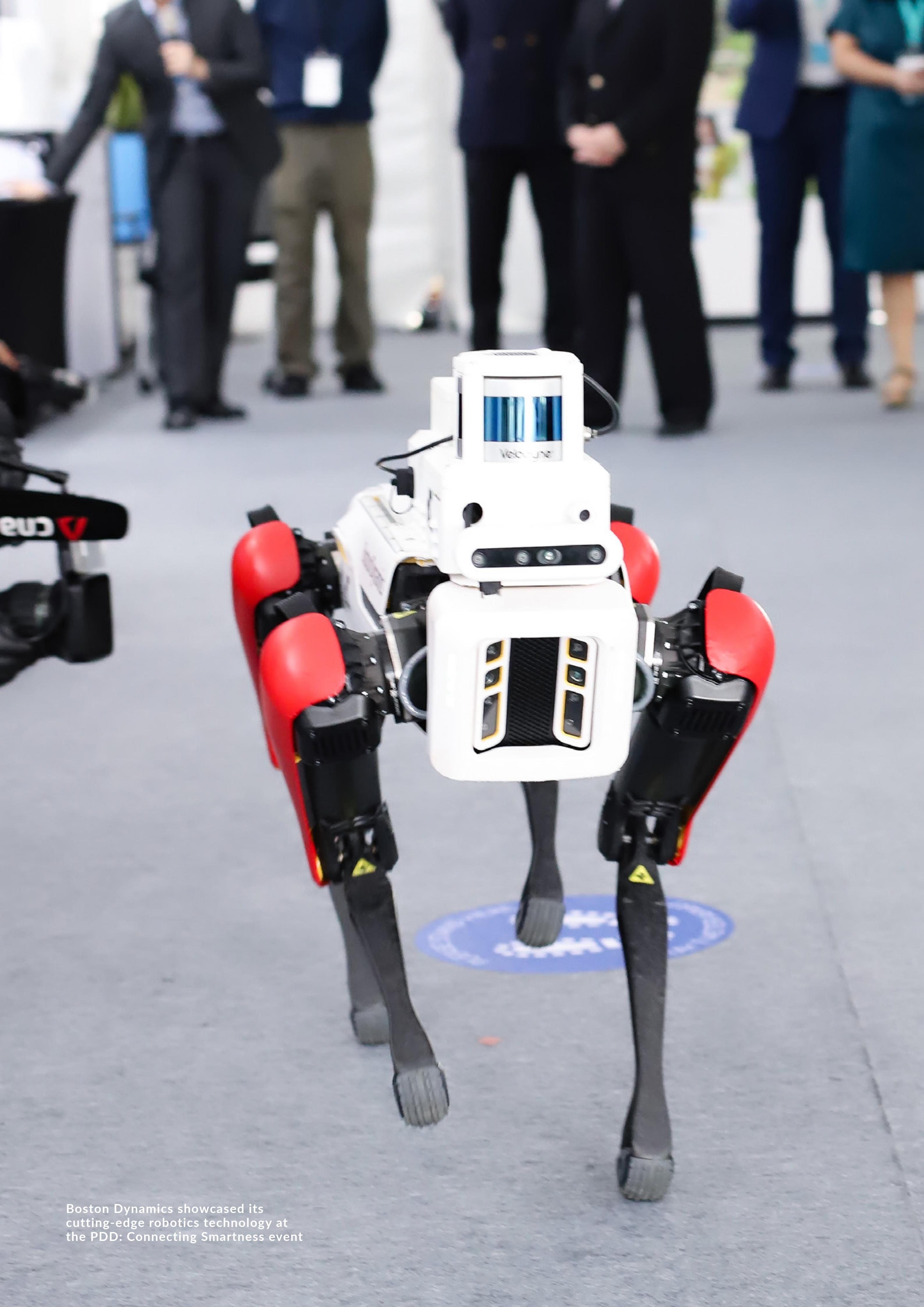
Already, this convergence has birthed an enriching initiative: Bug Bounty 1.0 Programme, which is organised by JTC, Singapore Institute of Technology (SIT), Group-IB, Division Zero and Cyber Security of Singapore. Students from SIT and ethical hackers were invited to hack into real-world operating systems and identify bugs as well as vulnerabilities. The competition was a step forward in nurturing the next generation of cybercrime fighters.

And from smart to skyward — the biennial Singapore Airshow 2022 welcomed close to 600 exhibitors and 13,000-plus visitors. At the show, Singapore Economic Development Board and JTC signed two **Memorandums of Understanding (MOUs)** with Skyports and Volocopter. An air taxi vertiport terminal as well as facilities to conduct manufacturing and maintenance, repair, and overhaul activities for electric vertical take-off and landing aircraft are among the initiatives being explored. To be nestled within Seletar Aerospace Park (SAP), these facilities will support the growth of Singapore's emerging Advanced Air Mobility sector.


Above: The Advanced Air Mobility sector is set to get a boost with two MOU signings

Other new partnerships will also spur transformation. In January 2022, we signed an **MOU with Hyundai Motor Group** to develop smart mobility options for our industrial and business parks. Data will be used to optimise logistics routes, autonomous shuttle services, and infrastructure in our next-generation industrial estates.

We also signed an MOU with **digital building platforms and services provider Glodon** to develop a cloud-based system that integrates cost management tools with building information modelling. This system allows owners, consultants and contractors to share and input data, thus streamlining the collaborative process throughout the construction cycle. Another MOU we inked with Lendlease aims to **develop a digital platform for Integrated Digital Delivery (IDD)**, so that companies can automate and optimise design processes, thereby benefitting the built environment sector.



Boston Dynamics showcased its cutting-edge robotics technology at the PDD: Connecting Smartness event

# Finding Kindred Spirits and Igniting Passions

**All the upgrades to our hardware will be for naught if our sectors are not anchored by a robust pipeline of capable talents. Talent attraction, however, remains a pain point in manufacturing. Lasering in on this problem, JTC organised several Industry Days with trade associations and businesses. All told, we engaged 10,000-plus talents across the biopharma, aerospace and electronics sectors in FY2021. Besides Industry Days, we also engaged talents through webinars, a creative maker's programme and a virtual competition.**

The biopharma industry has experienced a three-fold increase in manufacturing output over the past two decades. Advancements in novel treatments such as cell therapy have also drummed up demand for specialised roles such as biotechnologists, automation engineers and microbiologists. To allow potential talents to experience the inner workings of the industry, JTC and 16 Biopharmaceutical Manufacturers' Advisory Council (BMAC) companies hosted Singapore's very first **Biopharma Industry Day**. The event not only drew some 1,800 participants, but also strengthened the existing connections between companies and academia.

Similarly, **Aerospace Day 2021** was a success — lending muscle were the Institutes of Higher Learning, Association of Aerospace Industries (Singapore), Employment and Employability Institute, and aerospace companies the likes of GE Aviation and Pratt & Whitney. Visions of a future hangar, an industry with net-zero carbon emission, urban mobility and sustainable propulsion were shared at the event. Students and mid-career job seekers were also invited to visit interactive virtual booths, getting a first-hand glimpse into life in the industry.

The **third edition of Electronics Industry Day** also returned to showcase job opportunities in the semiconductor and electronics sector. Spanning more than two months, there were online and onsite career fairs, talks and visits galore as some 7,000 participants plugged into the culture of working in these fast-growing sectors.

During SkillsFuture Month 2021, JTC collaborated with Lifelong Learning Institute to organise webinars and a career fair for the logistics sector. Representatives from JTC, DB Schenker, iHub Solutions and Republic Polytechnic touched on the evolving landscape of the sector as well as offered insights into what companies can do to seize opportunities in a post-pandemic future.

Organised by JTC, Singapore Polytechnic and Audacity World, the Prototypical Festival saw participants creating solutions that would change our lifestyles for the better. Ideas from an upgradeable home hydroponic system to real-time assistive technology for the visually impaired were showcased. Elsewhere, the JTC Virtual Case Challenge 2021 also brought together tertiary and university students to brainstorm how JTC can provide further support to SMEs to ensure the sustainability of their businesses.

But talent attraction goes beyond recruitment efforts and engagement. Talents want to go to workplaces that are lively and fun. Recognising this, JTC has spruced up specific clusters with lifestyle and nature elements.

## Tuas Biomedical Park

Tuas Biomedical Park will be retrofitted with signages featuring biomedical and DNA Helix motifs, which imbue the overall space with individuality. Furthermore, JTC partnered with NParks and BMAC companies to start the Plant-a-Tree initiative. As part of a fundraising drive, we planted a tree for every $300 donated — over $100,000 were raised.

## Wafer Fab Parks

JTC has developed four wafer fab parks, spanning a total of 391 hectares, to support manufacturing operations. Home to 14 global semiconductor firms, the parks will be enclosed by lush greenery all around. Not only that, the Tampines and Pasir Ris wafer fab parks will soon be connected to Singapore's Park Connector Network — cyclists will be treated to scenic routes.

Below: New facilities planned for the wafer fab parks aim to make them attractive workplaces for the community

# Business or Pleasure? Both, Please

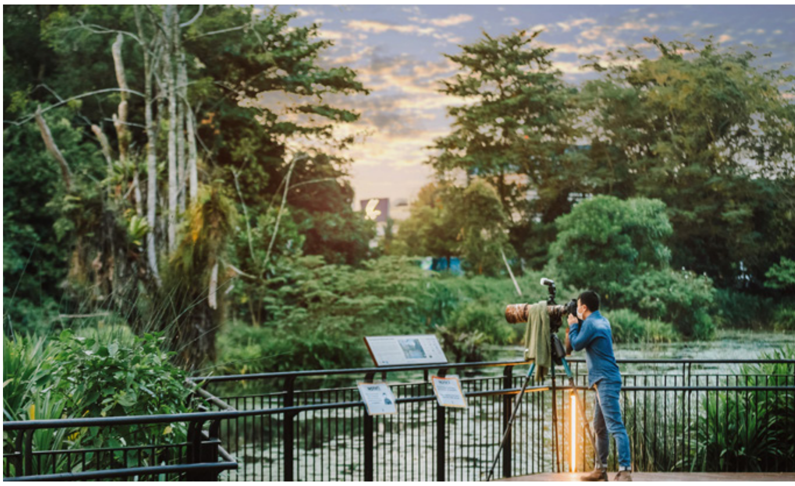
**Business parks are where visionaries and bright minds congregate. They are the heart of R&D and knowledge-intensive activities. The environments should therefore be an embodiment of this innovative spirit. That is why our vibrant business parks deftly dovetail business and pleasure, where everyone can work, live, play and learn.**

Right: The lyf one-north building boasts design elements reminiscent of Brutalist architecture

Dragonflies flitting here and there. Kingfishers, bee-eaters and herons stalking the edge of waterlily ponds. These are the sights that greet visitors at Hampstead Wetlands Park, which is cocooned within SAP. Boardwalks and trails invite one to tune into nature. After this escape to nature, visitors can hop over to The Oval, which is home to restaurants, event spaces and a gym. This rustic enclave of black-and-white bungalows continue to embody JTC's efforts to weave our industrial estates into Singapore's urban fabric.

Over at one-north, a new community garden has sprouted up at LaunchPad. The spot is an oasis of calm for employees as they get to mingle with one another or take a break from their work. Another ideal place for rest is lyf one-north Singapore at Nepal Hill, which is the **first-of-its-kind co-living property** in Singapore. Business students and professionals enjoy access to an array of social, wellness, business and self-improvement programmes. For a unique hideaway leisure experience, check into the Shipping Container Hotel, which has introduced two new concepts to its one-north offerings.

one-north is also proving to be a paradise for a nation of foodies. Marrying floristry with food, Under Der Linden at Portsdown Road provides an immersive and unforgetting dining experience. Its neighbour, Magic Square, is a unique, pay-it-forward project that incubates young local chefs under the age of 30.



From top: A tree-planting activity also took place during the opening of the community garden at LaunchPad @ one-north; bird watchers are a common sight at Hampstead Wetlands Park

# Despite Challenges, We Completed the Following Projects

JTC is always building spaces to cater to the varied needs of different industrialists. We are proud to add these buildings to our portfolio.

- JTC Logistics Hub @ Gul: First-of-its-kind, high-rise logistics facility with an inland container depot, warehouses and a heavy vehicle park. The development won a Prestigious Engineering Award by the Institution of Engineers, Singapore.
- CleanTech Two Block B: 22,300sqm of spaces and facilities that spur cleantech R&D activities.
- Woodlands North Coast No. 1 and 7: For general manufacturing and generic industrial uses.

We are also on track to complete the following sites.

- JTC CleanTech Three @ JID
- Phase Three of JTC aeroSpace @ SAP
- Defu Industrial City
- TimMac @ Kranji


Right: The third phase of JTC aerospace @ SAP aims to help aerospace companies pursue greater automation and digitalisation

# Providing Strategic Companies With a Springboard to Success

**Over the past year, we welcomed global MNCs and homegrown players across the biomedical, agritech, energy, entertainment and manufacturing fields to our fold. The addition of these companies will further cement Singapore's reputation as an epicentre of cutting-edge research and innovation. Let us now envision Singapore's future.**

Eclipse, one-north

# Where Visionaries Can Realise Their Aspirations

**Singapore's Manufacturing 2030 plan entails growing the sector by 50% of its current value and maintaining its current share of about 20% of gross domestic product. Instrumental to this plan is attracting companies that are at the frontier of manufacturing. In FY2021, we saw homegrown brands and the world's movers and shakers set up facilities, production centres and studios in our industrial estates. Their specialised capabilities will help secure our spot in global value chains. Additionally, their R&D works will strengthen our preparedness for and resilience against a volatile and ever-changing future. Their presence is also a boon — collectively, they are set to create more jobs and drive growth.**

Below: Star Array, a biomedical technology company located in JTC's MedTech Hub, is working on shortening the time taken for PCR test results

Building our biomedical competence is one of the ways Singapore can ensure that it is ready to tackle any future pandemic risks. In 2021, we saw an investment from Sanofi Pasteur that will further energise our growing biomedical manufacturing cluster. The **pharmaceutical giant has plans to invest $638 million over five years** to build a vaccine production centre in Singapore. Buoyed by digital technologies and single-use systems in vaccine manufacturing, the facility in Tuas Biomedical Park can produce three or four different types of vaccines simultaneously.

Food security is also something we must not take for granted. Singapore has set its sights on producing 30% of its nutritional needs by 2030 — agri-food tech will be one ingredient that ensures the realisation of this goal. Californian alternative protein factory **Eat Just has built its new offshoot on a 2.7-hectare plot in Pioneer**. It takes the humble mung bean and transforms it into a protein isolate, which will then be used to make bottled egg yolk and cell-grown meats products.

Another company making tremendous headway in the world of plant-based proteins is homegrown brand Growthwell. In October 2021, it launched **Singapore's first fully automated, large-scale production line at JTC Food Hub @ Senoko**. The facility is capable of producing 4,000 metric tonnes of plant-based chicken nuggets, salmon patties, and more. Also making a splash at Senoko estate is Suntory. Known for its beverages of Ribena, Orangina, and Suntory Yamazaki whisky, the brand has set up an advanced manufacturing facility to support its R&D efforts as well as a regional supply chain team.

Other than production, strengthening our food value chain is key to augmenting our food resilience. In March, we saw the **Topping-Out Ceremony of NTUC FairPrice's new Fresh Food Distribution Centre** (FFDC).


Above: FairPrice Group's new FFDC is a timely step to build up global food supply resilience and strengthen Singapore's food value chain

Expected to be fully operational by the end of 2022, this 24/7 one-stop distribution centre boasts 40,000 pallet points and can handle triple the volume of the existing FFDC. An Automatic Storage and Retrieval System, complemented by voice picking, enables quick and precise storage and retrieval of NTUC's vast array of products.

Enhancing Singapore's energy security is another priority. A **new natural gas liquids extraction facility project**, founded by Singapore LNG Corporation (SLNG) and an industry partner, has been incepted on Jurong Island. The project will spur a higher handling flexibility of liquefied natural gas (LNG) as well as explore the use of LNG as marine fuel.

Singapore's competitive economy continues to attract renowned global companies to set up facilities here. **Arkema's new plant on Jurong Island**, for example, will produce Amino 11 and its flagship Rilsan® polyamide 11 high-performance polymers. At this plant, production will be 100% derived from renewable castor beans.

Going the extra mile to cater to rising global demand for cycling products is **Japanese bicycle-parts maker Shimano**. The organisation has funnelled some $245.6 million to its plant at JID. The plant, touted as a Factory of the Future that emphasises on digitalisation, is tasked to produce parts such as transmissions for high-end bicycles.

Similarly, demand for advanced semiconductors has spiked around the world. To cater to this demand, ASM International N.V. (ASM) unveiled a 38,000sqm manufacturing facility and operations hub in Woodlands, and announced the groundbreaking of a second manufacturing floor at the site. Here is where ASM assembles and tests its tools, including atomic layer deposition and Epi.

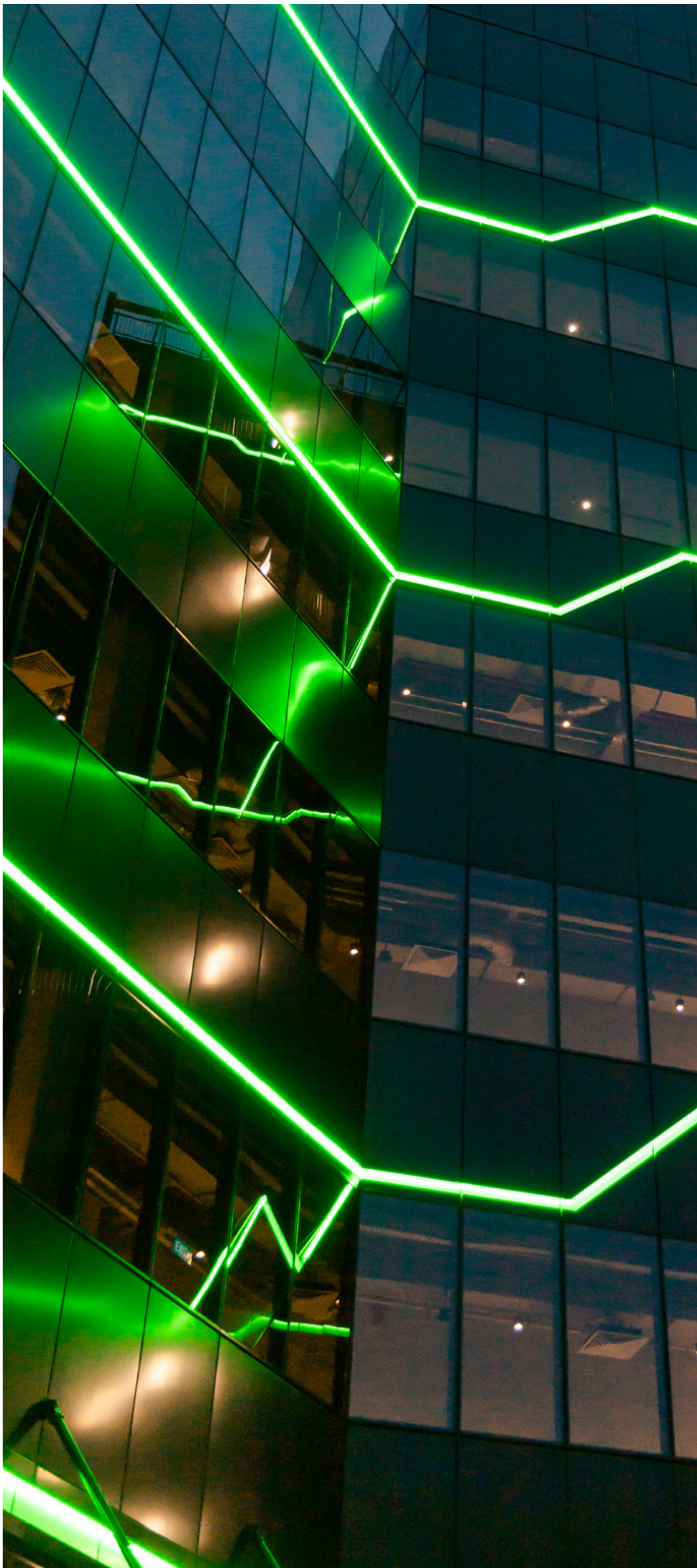
German manufacturer Siltronic also broke ground for its **new manufacturing facility at JTC's Tampines Wafer Fab Park**. In partnership with EDB, Siltronic has invested some $3 billion in the new 300mm fab. It is the company's most advanced wafer facility, overseeing the production of crystal ingots as well as polished and epitaxial wafers. The addition of this facility will make Singapore one of the world's largest purveyors of high-end silicon substrates.

Below: With the new facility, ASM is increasing its ability to meet customer demand

Illuminating one-north's skyline with streaks of neon green is Razer's Southeast Asia headquarters, which opened its doors in October 2021. The sleek, environmentally sustainable building is set to propel Razer's hypergrowth. More than just an office, it also houses RazerStore, where one can explore the brand's award-winning products, as well as RazerCafe, helmed by a state-of-the-art robotic barista arm.

Further sprucing up the one-north cluster is **Lucasfilm's ILMxLAB**, which is opening its first international studio on our shores. To be based in the Industrial Light & Magic office in Fusionopolis, the new studio will provide opportunities for Singaporeans to work on riveting immersive media projects and hone their skills in 3D modelling, artificial intelligence, and real-time rendering. Singapore's tourism and entertainment sectors are about to get a whole lot more exciting.

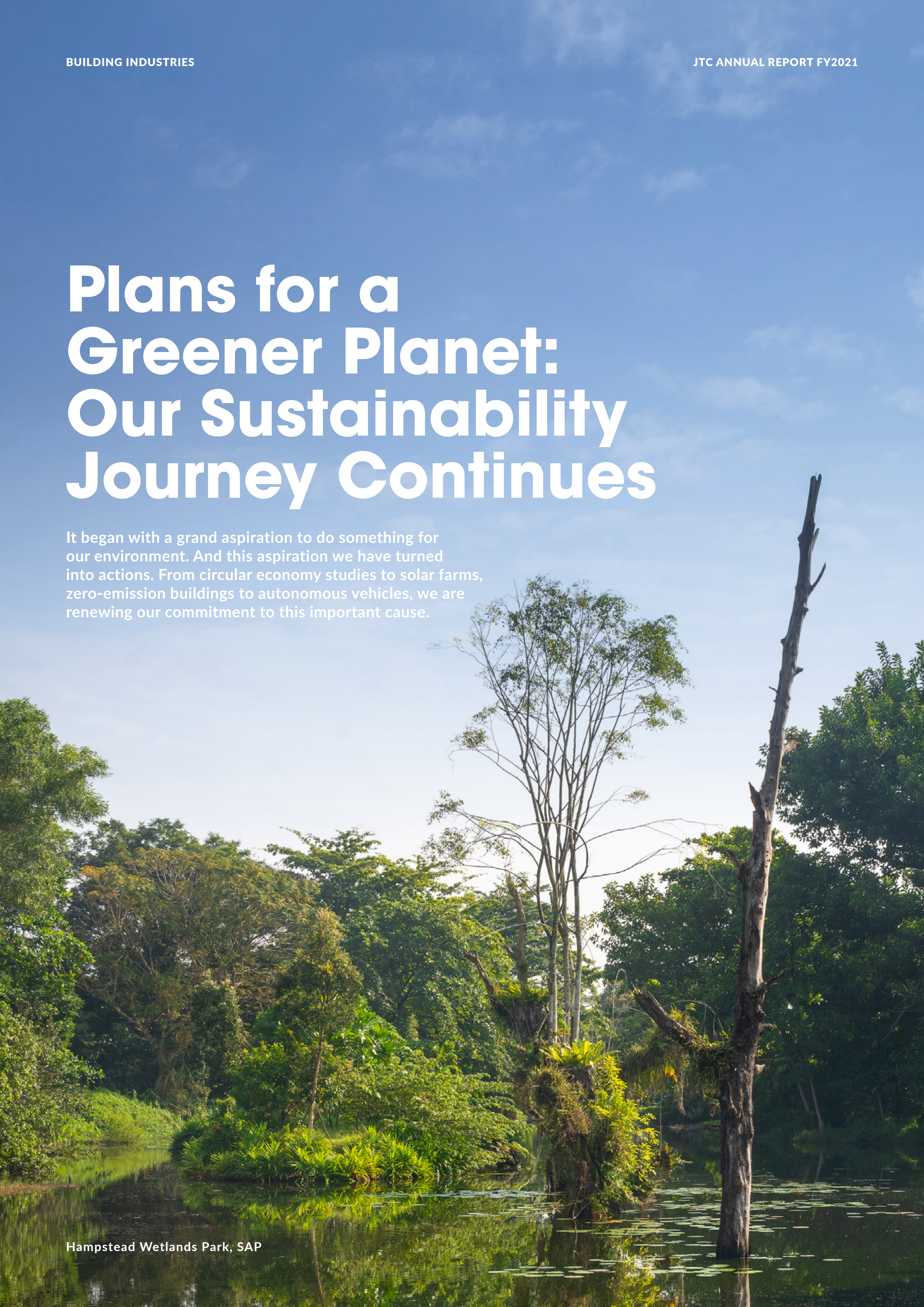
Finally, in tandem with A*STAR, Arcstone opened the **Digital Manufacturing Joint Lab**, which is nestled in the Advanced Remanufacturing and Technology Centre (ARTC) at JTC CleanTech Two @ JID. The joint lab will build upon shared capabilities in technologies such as computational modelling, simulation, and artificial intelligence. These capabilities will disrupt the conventional manufacturing execution systems and halve the time needed to develop transformative technologies.



Right: Close-up of Razer's South-East Asia Headquarters

# Plans for a Greener Planet: Our Sustainability Journey Continues

**It began with a grand aspiration to do something for our environment. And this aspiration we have turned into actions. From circular economy studies to solar farms, zero-emission buildings to autonomous vehicles, we are renewing our commitment to this important cause.**



**Hampstead Wetlands Park, SAP**

# A Dream of Net-Zero Emissions. Here's How We Can Achieve It

**As a major developer for industrial estates, the onus falls on us to not just champion but also encourage others to embrace sustainability. Because only when we work together with like-minded businesses and partners can our efforts bear fruit. Thankfully, when it comes to protecting our environment, we and our partners are of one mind.**

Sunlight is a gift of nature — not only is it abundant, but it is also a source of renewable energy. Through our SolarRoof and SolarLand initiatives, we maximise spaces such as rooftops and vacant lands by installing solar panels that generate clean energy to the national grid.

Our push for harnessing this renewable energy source continues to gain traction. Solar panels may soon be permanent fixtures at Semakau Landfill. This is part of our **MOU with Shell Singapore** to develop a sprawling 60-hectare solar farm. If successful, the solar farm will reduce CO2 emissions by 37,000 tonnes in a year. Additionally, the farm will produce enough clean energy to power up 17,500 households for a year. Aligned with Singapore's target to increase solar deployment to at least 2GWp by 2030, the solar farm is Singapore's first-ever large-scale solar project to utilise a sanitary landfill for clean energy generation.

Below: The fully operational solar farm at Changi Business Park, launched as part of Phase 2 of SolarLand, involves the deployment of 35,185 portable solar photovoltaic panels and boasts an estimated capacity of up to 19MWp

We are also heartened to see more industry players rise to the sustainability challenge. For the first time ever, 51 companies including Chevron, ExxonMobil, and Shell came together to support the JTC-led **Jurong Island Circular Economy Study**, which explores resource optimisation. The participating companies pledged to use cleaner energy, maximise water recycling and recovery as well as explore sustainable recovery and treatment of chemical waste.

The study also shed light on challenges faced by companies when implementing circularity solutions. To address these challenges, JTC announced two innovation calls. The first was the Jurong Island Innovation Challenge, which rallied industry players to submit challenge statements on energy efficiency, emissions reduction, water management and chemical waste management. Start-ups and SMEs then had the opportunity to put forth proposals and work with these players to develop and test-bed their sustainability solutions.

The second innovation call was the Jurong Island Renewable Energy Request-for-Proposals, which sought to reduce the island's carbon footprint. Launched by the Energy Market Authority and JTC which have pledged a joint commitment of $6 million for project funding, it focused on developing and test-bedding cutting-edge renewable energy as well as energy storage systems.

Efforts are indeed mounting to transform Jurong Island into a sustainable energy and chemicals park. The Agency for Science, Technology and Research (A*STAR), Singapore Economic Development Board and JTC have joined hands with ecosystem partners to study the potential development of a **Carbon Capture and Utilisation Translational Testbed (CCUTT) on Jurong Island**. Its plug-and play infrastructure will enable the rapid evaluation and test-bedding of emerging low-energy technologies, which can convert carbon dioxide into useful products such as methanol, kerosene, or formic acid.

Right: Plans are underway to transform Jurong Island into a sustainable energy and chemicals park

Supporting the local energy, chemicals and pharmaceutical sectors in their sustainability journeys is A*STAR's newly incepted **Institute of Sustainability for Chemicals, Energy and Environment** in the energy and chemicals park. By tapping the latest digitalisation and automation tools, the institute will delve into research areas such as low-carbon technologies, carbon life cycle assessment, sustainable materials, and green manufacturing processes.

FY2021 also saw two beginnings that will fuel the net-zero carbon emission dream. In September, **Takeda Pharmaceutical** broke ground on the first-of-its-kind, zero-energy building in Singapore's pharmaceutical manufacturing and biotechnology industry. Two months later, Shell began building a new **pyrolysis oil upgrader unit**, which treats pyrolysis oil that has been converted from hard-to-recycle plastic waste. The oil will be used to produce circular chemicals, which will cut carbon emissions during manufacturing.

**PSA Jurong Island Terminal** also celebrated a milestone in 2021, as it achieved a record container volume of more than 100,000 twenty-foot equivalent units, with a reduction of 100,000 truck trips between Jurong Island and PSA Terminals. Compared with trucking, transportation of container-on-barge results in up to 30% reduction in carbon emissions for every twenty-foot equivalent unit container. This milestone propels Jurong Island towards its goal of building an environmentally friendly supply chain.

Big plans aside, everyday actions create a ripple effect and contribute real impact too. Since the early 2000s, JTC has been upholding Singapore's car-lite vision. one-north was conceived to be a pilot car-lite district. We also worked with partners to introduce on-demand shuttle services. Our efforts were recognised at the Land Transport Excellence Awards held in March 2022, where we received the Best Car-Lite Advocate award.

Below: Urban planning considerations such as wider footpaths and lower curbs have made one-north a walkable estate


The 24km-long Rail Corridor is integrated with one-north, offering respite from the city

# Sustainability Report FY2021: Shining Light on Our Journey

**What progress has JTC made on the sustainability front? How exactly are we making industrial estates greener and eco-friendly? In a bid to communicate our sustainability practices in a transparent and accountable manner, we published our inaugural Sustainability Report FY2021. Here are some key highlights.**

Right: The seven-storey Wilmar International headquarters is one of several green buildings that can be found at one-north

# Feathers in Our Cap: FY2021 at a Glance

Certified Eco-Office Plus Champion in FY2021

Planted approximately 25,000 trees across JTC properties as of the end of FY2021

Recycled 12,913 tonnes of waste in FY2021

Energised more than 51.5MWp of solar panels as of end of FY2021

Commissioned 18 innovation projects in FY2021

To read our inaugural Sustainability Report, click **here**.

Right: Jurong Island is getting a green makeover as part of Singapore's efforts to become a "City in Nature"

# Our Approach to Tackling Climate Change

The 2030 Agenda for Sustainable Development, developed by the United Nations, is a blueprint that seeks to promote peace and prosperity for the world's population and the planet. In November 2020, we conducted a materiality assessment to align ourselves with eight of the **17 Sustainable Development Goals** outlined in the agenda. Not only that, we have identified risks and opportunities across the areas of environmental sustainability, governance and social responsibility.

Our identified Sustainable Development Goals are as follows:

- Ensure healthy lives and promote well-being for all at all ages.
- Ensure access to affordable, reliable, sustainable, and modern energy for all.
- Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.
- Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.
- Make cities and human settlements inclusive, safe, resilient, and sustainable.
- Ensure sustainable consumption and production patterns.
- Take urgent action to combat climate change and its impacts.
- Strengthen the means of implementation and revitalise the global partnership for sustainable development.

Below: An oasis of calm at Hampstead Wetlands Park

# Environmental Sustainability: Lowering Our Carbon Footprint

A Singapore with net-zero emissions. A circular economy where our finite resources are used many times over. A country where sustainability is an engine for jobs and growth. These are some of the visions under the Singapore Green Plan 2030. To move the needle, we have established the JTC Environmental Sustainability Framework, which maps the planning, design, construction and operations of our industrial estates. Some goals and targets are as follows:

- Plant 170,000 more trees in JTC estates by 2030

- Study and protect our low-lying coastal estates from flooding risks
- Collaborate with partners to tackle the urban heat island effect
- Ensure all new buildings achieve Green Mark Platinum-Super Low Energy (SLE) standards or equivalent

- Develop decarbonisation tools for industry use
- Launch programmes to catalyse transformation towards green economy
- Track and manage embodied carbon by developing embodied carbon tools
- Utilise more low-carbon materials such as green concrete

- Launch calls to develop sustainable solutions for estates
- Intensify the deployment of solar PV panels in JTC estates and properties

# Governance and Social Responsibility: Elements That Support Our Framework

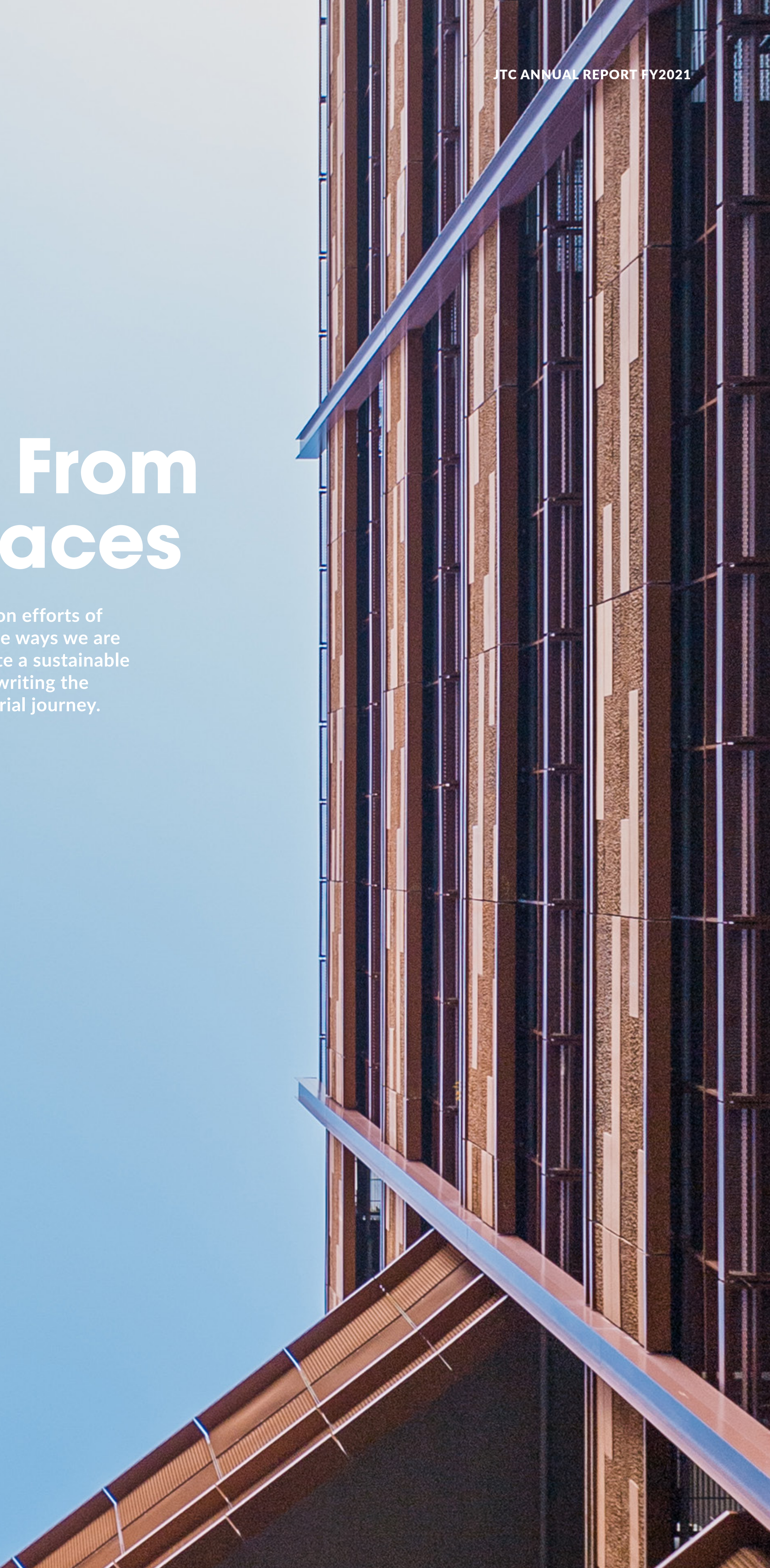
Ethics and integrity of our governance are the roots of our sustainability movement. Across areas such as compliance and risk management as well as resilient supply chains and procurement practices, we have put in place processes and systems to foster a culture of trust and build a strong foundation.

Like pollinators that help flowers reproduce, our internal and external stakeholders — employees, customers, partners, suppliers and tenants — ensure that our efforts will go far. To unlock the value of inclusive ecosystems that will help us build smarter, better, and greener, we zero in on three key areas: stakeholder engagement and well-being, occupational health and safety as well as employment practices. JTC also set up the Sustainability Office to govern, oversee, drive, and track the implementation of sustainability initiatives across different functions.

Right: JTC and NParks have partnered with companies on Jurong Island, plus the Association of Process Industry (ASPRI) and its members, to green the island

# Stories From Our Spaces

From tracing the transformation efforts of companies in our estates to the ways we are working with partners to create a sustainable future, discover how JTC is rewriting the chapters of Singapore's industrial journey.



JTC CleanTech Three @ JID

## 5 Things You Should Know About Jurong Innovation District

Asia's leading advanced manufacturing hub. Singapore's largest living lab. A beacon for Industry 4.0. What else is there to know about Jurong Innovation District — home to factories of the future, research institutions, and capability developers?

Read more

## Mixing Business With Pleasure

If you need proof that industrial estates and business parks can double as recreation destinations that communities can visit and enjoy, look no further than one-north and SAP. The two estates hold many surprises, from a wetlands reserve that is an oasis of serenity to buzzy restaurants that serve up delectable dishes.

Read more

## 5 Things You Should Know About Punggol Digital District

What makes Punggol Digital District smart and unique? Check out the ultimate guide to this mixed-use business park that's also an icon of Singapore's Smart Nation ambitions.

Read more

Below: At The Oval @ SAP, historic black-and-white bungalows are refurbished and given a new lease of life

## 5 Ways Energy and Chemicals Companies Are Lowering Carbon Emissions in Singapore

Jurong Island is set to transform into a sustainable energy and chemicals park. Companies on Jurong Island are joining the movement, test-bedding sustainable solutions in energy, emissions, water and waste management and accelerating efforts to create a greener future. From recovering waste heat to harnessing cold energy, find out how they are reducing carbon emissions.

Read More

## 3 Essentials for Improving Project Management in the Construction Industry

Building smarter and faster is now possible, thanks to digital tools that improve the project management process. Experts from Arcadis, Glodon Singapore, Lean Station, and SeaTalk share insights on how digital transformation will enhance the Built Environment sector.

Read more

## Solar Vision: The Future Looks Bright for Singapore

The sun is the star at the centre of the solar system, but it is also at the heart of a different sort of "solar system" here in Singapore. We are talking solar power — a clean and renewable form of energy that drives our SolarRoof and SolarLand initiatives. Learn about the two programmes that make use of temporarily vacant industrial land and roof spaces to deploy solar panels.

Read more

Right: JTC is going ahead with the next phases of our solar initiatives to optimise the use of over 740,000sqm of industrial land and roof space.

## One Big Move, Another Step Forward: One Company Is Turning Its Dream Factory Into Reality

TimMac @ Kranji is a development at Kranji Built Environment Hub designed to cater to the needs of companies in the metals, machinery, and timber industries. Beng Hock Mechanical Engineering Pte Ltd is one such company relocating its operations to a 60,000sqft factory space in TimMac. It aims to leverage on the move and make plans for Industry 4.0.

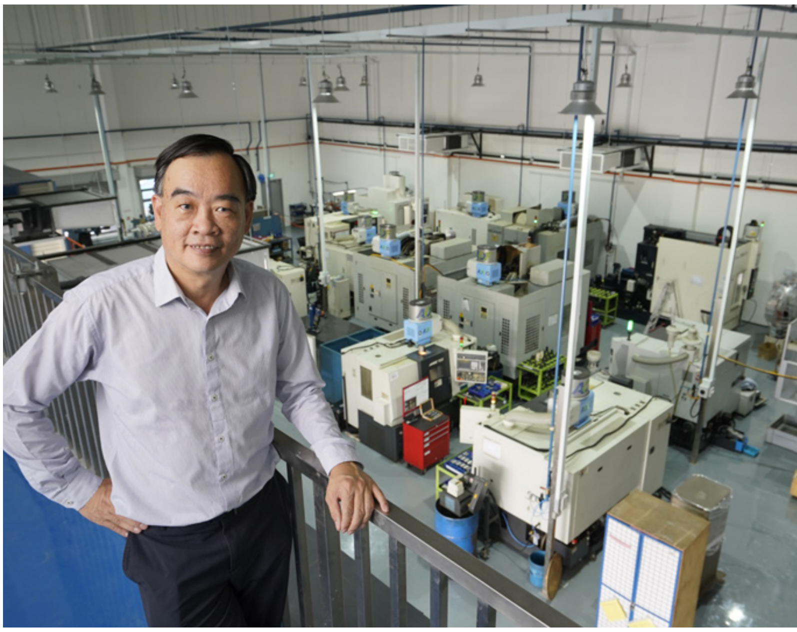
Read more

## Playing With the Big Boys: How an Enterprising SME Services Collins Aerospace, SIA Engineering, and Other Industry Giants

Coway, which counts industry giants such as SIA Engineering and Collins Aerospace as its partners, has laid out an ambitious five-year strategy to grow revenue by increasing its capabilities and capacities.

One of Coway's first steps is moving into a new building that JTC has developed as part of JTC aeroSpace @ Seletar Aerospace Park. The other? Embarking on a forward-looking digitalisation plan as part of its Industry 4.0 journey.

Read more



From top: For businesses such as Beng Hock, a relocation represents a gateway to various possibilities; by moving its operations to a new site, Coway now has the space for its upcoming expansion and development aspirations

# Financial Highlights and Review

Surface Engineering Hub

# Financial Results

FY2021 operating revenue was $2.5 billion, 6.4% higher than previous year. The increase was mainly due to lower COVID-19 rental waivers for building revenue, and higher revenue from port operations attributable to increase in throughput from Cement and Steel as a result of pickup in construction activities. Approximately 89% of the Group's operating revenue came from investment properties and 8% from port operations.

The Group's operating expenditure for FY2021 decreased by 7.1% primarily due to lower loss in recoverable amount of investment properties compared to FY2020. Property related expenditure such as depreciation, loss in recoverable of investment properties, maintenance and conservancy of properties and property tax made up to about 66% of the Group's total operating expenditure.

The Group invested a total of $1.4 billion on capital expenditure which include alienation of industrial lands and lease extension coupled with development of building projects such Punggol Digital District, Bulim, Kranji Green and Jurong Ports Tank Terminal Liquid Bulk terminal.

As at 31 March 2022, the Group's financial position strengthened, with total assets that stood at $32.7 billion. The investment properties contributed to about 64% of the Group's total assets. Total borrowings for the Group amounted to $1 billion which was about 16% of total liabilities.

Right: A sky bridge links Synapse and Amnios buildings in Biopolis, connecting the research and medical-technology institutes housed within

# Group Financial Highlights

## Financial Highlights

| | FY2021 ($'MIL) | FY2020 ($'MIL) | CHANGE (%) |
|---|---|---|---|
| Operating revenue | 2,452 | 2,305 | 6.4% |
| Non-operating income | 323 | 221 | 46.2% |
| Net surplus | 1,034 | 823 | 25.6% |
| Net surplus margin (%) | 42.2% | 35.7% | 6.5% |
| Capital expenditure | 1,394 | 1,838 | -24.2% |

NET SURPLUS
**$1.034**
BILLION

## Financial Position

| | FY2021 ($'MIL) | FY2020 ($'MIL) | CHANGE (%) |
|---|---|---|---|
| Investment properties | 20,811 | 20,213 | 3.0% |
| Total assets | 32,722 | 31,722 | 3.2% |
| Total borrowings | 1,052 | 1,010 | 4.2% |
| Total liabilities | 6,732 | 6,765 | -0.5% |
| Total equity (excluding non-controlling interest) | 25,960 | 24,921 | 4.2% |

TOTAL EQUITY
**$26.0**
BILLION

## Key Financial Ratios

| | FY2021 | FY2020 | CHANGE |
|---|---|---|---|
| Debt-equity ratio (%) | 4.0% | 4.0% | 0.0% |
| Interest coverage (times) | 100 | 104 | -3.8% |
| Return on total assets (%) | 3.2% | 2.7% | 0.5% |
| Return on capital employed (%) | 4.0% | 3.3% | 0.7% |
| Value added per employee ($'Mil) | 1.2 | 1.1 | 0.1 |

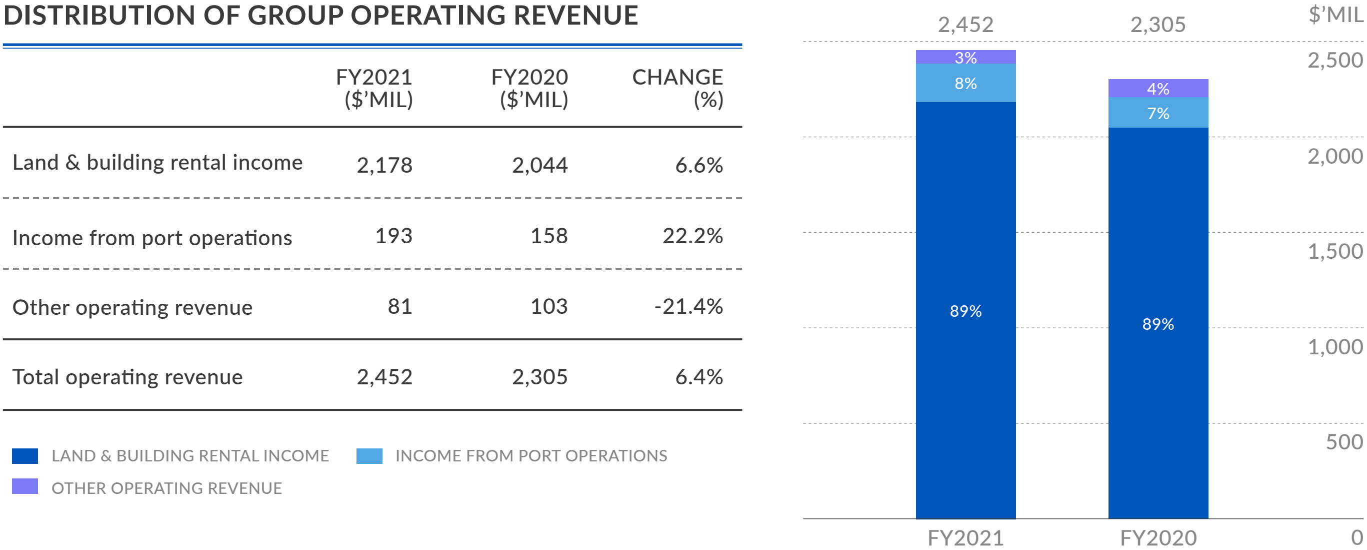
RETURN ON
CAPITAL EMPLOYED
**4%**

# Financial Review

## Operating Overview

### DISTRIBUTION OF GROUP OPERATING REVENUE

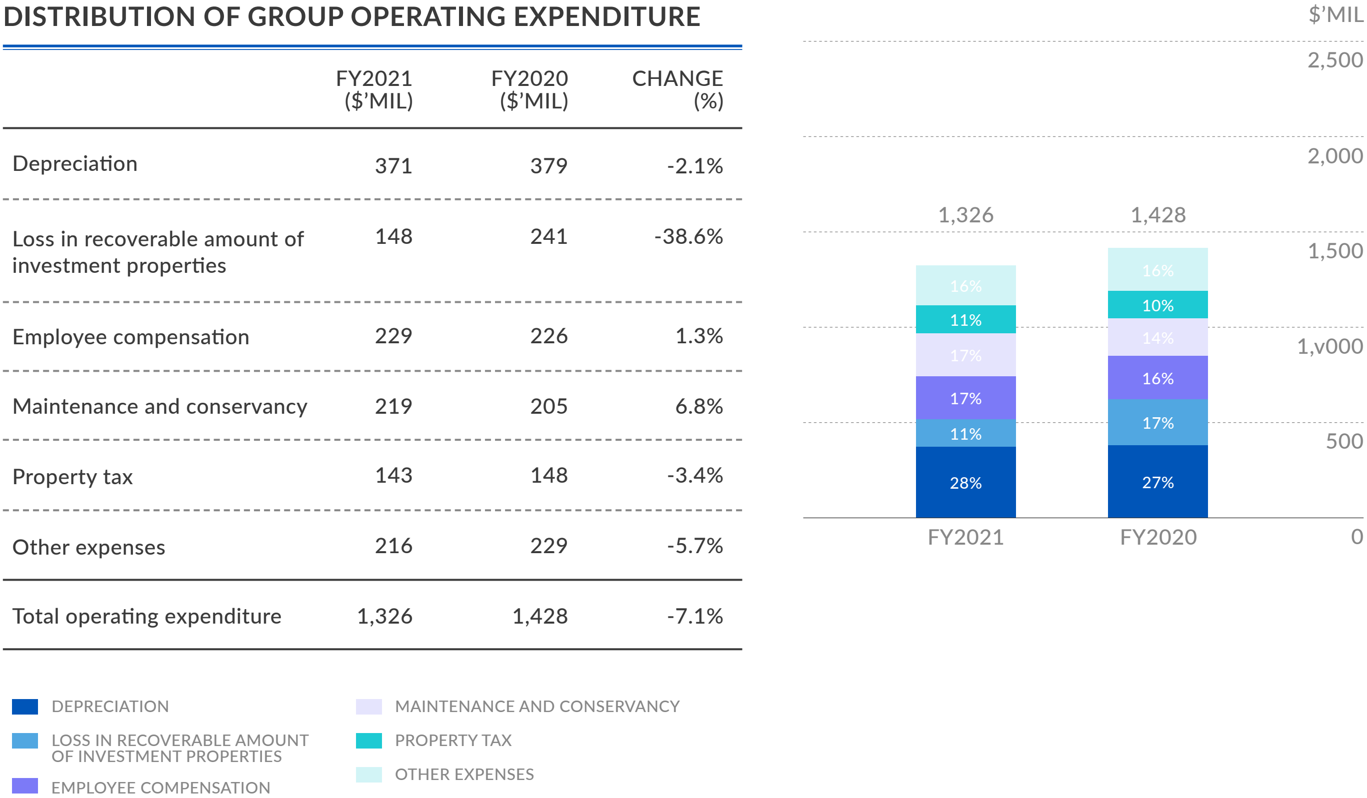
| | FY2021 ($'MIL) | FY2020 ($'MIL) | CHANGE (%) |
|---|---|---|---|
| Land & building rental income | 2,178 | 2,044 | 6.6% |
| Income from port operations | 193 | 158 | 22.2% |
| Other operating revenue | 81 | 103 | -21.4% |
| Total operating revenue | 2,452 | 2,305 | 6.4% |




## Operating Expenditure

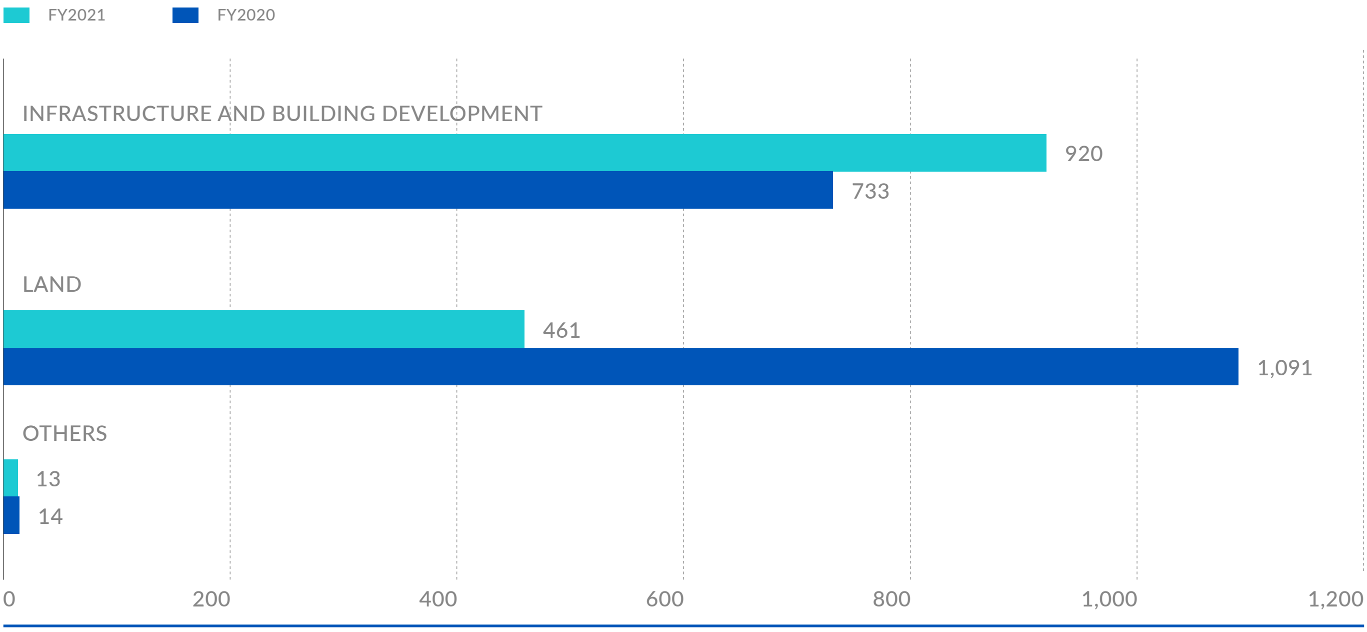
### DISTRIBUTION OF GROUP OPERATING EXPENDITURE

| | FY2021 ($'MIL) | FY2020 ($'MIL) | CHANGE (%) |
|---|---|---|---|
| Depreciation | 371 | 379 | -2.1% |
| Loss in recoverable amount of investment properties | 148 | 241 | -38.6% |
| Employee compensation | 229 | 226 | 1.3% |
| Maintenance and conservancy | 219 | 205 | 6.8% |
| Property tax | 143 | 148 | -3.4% |
| Other expenses | 216 | 229 | -5.7% |
| Total operating expenditure | 1,326 | 1,428 | -7.1% |



# Capital Expenditure, Assets & Liabilities

## GROUP CAPITAL EXPENDITURE ($'MIL)

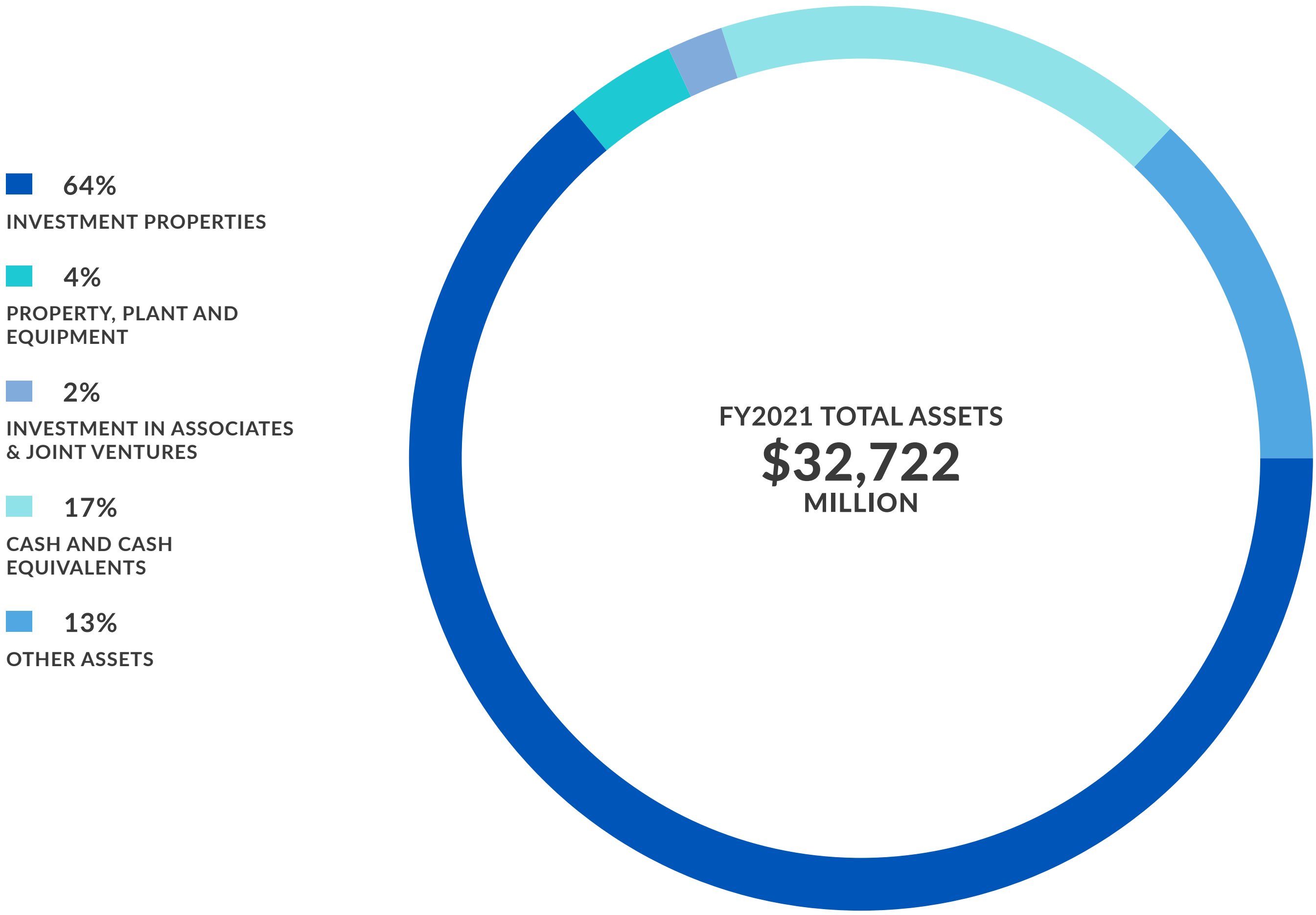



Below: LaunchPad is home to a vibrant ecosystem of start-ups, incubators, and enablers

# Total Assets

## TOTAL ASSETS ($'MIL)

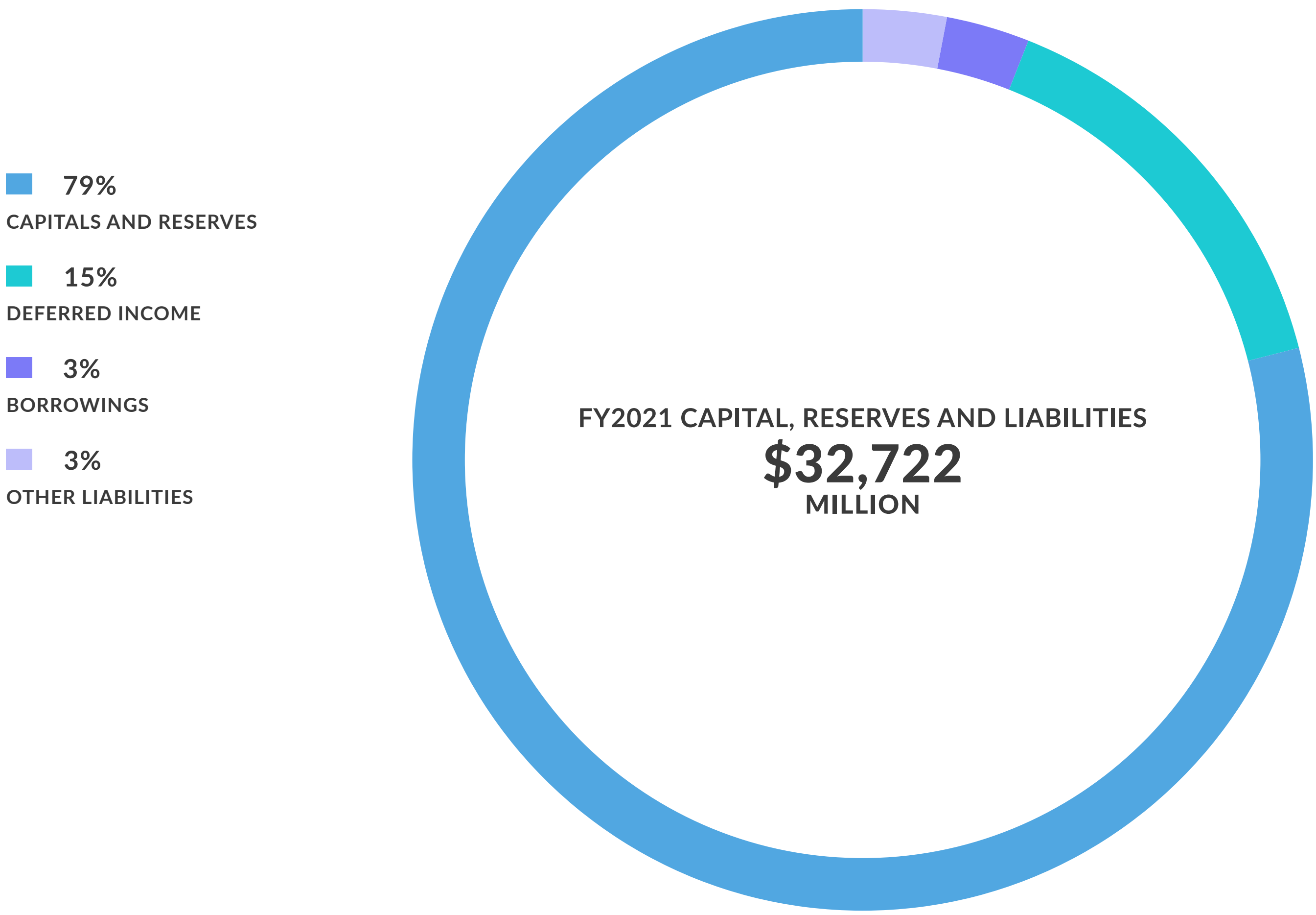
| | FY2021 ($'MIL) | FY2020 ($'MIL) | CHANGE (%) |
|---|---|---|---|
| Investment properties | 20,811 | 20,213 | 3.0% |
| Property, plant and equipment | 1,278 | 1,173 | 9.0% |
| Investment in associates & joint ventures | 731 | 725 | 0.8% |
| Cash and cash equivalents | 5,598 | 7,117 | -21.3% |
| Other assets | 4,304 | 2,494 | 72.6% |
| Total Assets | 32,722 | 31,722 | 3.2% |



# Capital, Reserves And Liabilities

## CAPITAL, RESERVES AND LIABILITIES ($'MIL)

| | FY2021 ($'MIL) | FY2020 ($'MIL) | CHANGE (%) |
|---|---|---|---|
| Capital and reserves | 25,990 | 24,957 | 4.1% |
| Deferred income | 4,862 | 4,907 | -0.9% |
| Borrowings | 1,052 | 1,010 | 4.2% |
| Other liabilities | 818 | 848 | -3.5% |
| Total capital, reserves and liabilities | 32,722 | 31,722 | 3.2% |



# Jurong Town Corporation and Its Subsidiaries


one-north

# Contents

48 Statement By Jurong Town Corporation

49 Independent Auditor's Report

53 Statements Of Comprehensive Income

54 Statements Of Financial Position

55 Statements Of Changes In Equity

56 Consolidated Statement Of Cash Flows

57 Notes To Financial Statements

Right: A close-up of JTC Chemicals Hub, a development for companies specialising in the manufacturing, blending and distribution of chemicals, including those classified as Dangerous Goods (DG).

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**STATEMENT BY JURONG TOWN CORPORATION**

In our opinion,

(a) the accompanying financial statements of Jurong Town Corporation (the "Corporation") and its subsidiaries (the "Group"), set out on pages 6 to 43 are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018 ("PSG Act"), the Jurong Town Corporation Act 1968 ("JTC Act") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the financial position of the Group and the Corporation as at 31 March 2022, and the financial performance, changes in equity of the Group and the Corporation, and cash flows of the Group for the year then ended;

(b) the receipt, expenditure, investments of moneys and the acquisition and disposal of assets by the Corporation during the year have been, in all material respects, in accordance with the provisions of the PSG Act, the JTC Act and the requirements of any other written law applicable to moneys of or managed by the Corporation; and

(c) proper accounting and other records have been kept, including records of all assets of the Corporation whether purchased, donated or otherwise.

On behalf of Jurong Town Corporation and subsidiaries

| | | |
|---|---|---|
| Tan Chong Meng | Tan Boon Khai | Chee Wan Chin |
| Chairman | Chief Executive Officer | Group Chief Financial Officer |

Tan Boon Khai
Chief Executive Officer
JTC Corporation

Singapore
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# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BOARD OF JURONG TOWN CORPORATION

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Jurong Town Corporation (the "Corporation") and its subsidiaries (the "Group") which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Corporation as at 31 March 2022, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of comprehensive income and statement of changes in equity of the Corporation for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 6 to 43.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position, statement of comprehensive income and statement of changes in equity of the Corporation are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018 ("PSG Act"), the Jurong Town Corporation Act 1968 ("JTC Act") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the financial position of the Group and the Corporation as at 31 March 2022 and the financial performance and changes in equity of the Group and the Corporation and cash flows of the Group for the year then ended.

### 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 are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Information Other than Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the Statement by Jurong Town Corporation set out on page 1, but does not include the financial statements and our auditor's report thereon.

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 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, 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.

Deloitte.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BOARD OF**

**JURONG TOWN CORPORATION**

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the PSG Act, JTC Act and SB-FRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

A statutory board is constituted based on its constitutional act and its dissolution requires Parliament's approval.

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 there is intention to wind up the Group or for the Group to cease operations.

Those charged with governance are responsible for 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 skepticism throughout the audit. We also:

(a) 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.

(b) 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.

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

(d) 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BOARD OF JURONG TOWN CORPORATION**

**Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)**

(e) 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.

(f) 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.

We communicate with those charged with governance 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.

**Report on Other Legal and Regulatory Requirements**

**Opinion**

In our opinion:

(a) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Corporation during the year are, in all material respects, in accordance with the provisions of the PSG Act, JTC Act and the requirements of any other written law applicable to moneys of or managed by the Corporation.

(b) proper accounting and other records have been kept, including records of all assets of the Corporation whether purchased, donated or otherwise.

**Basis for Opinion**

We conducted our audit in accordance with SSAs. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Compliance Audit* section of our report. We are independent of the Group in accordance with the 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on management's compliance.

**Responsibilities of Management for Compliance with Legal and Regulatory Requirements**

Management is responsible for ensuring that the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the PSG Act, the JTC Act and the requirements of any other written law applicable to moneys of or managed by the Corporation. This responsibility includes monitoring related compliance requirements relevant to the Corporation, and implementing internal controls as management determines are necessary to enable compliance with the requirements.

Deloitte.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BOARD OF JURONG TOWN CORPORATION**

**Auditor's Responsibilities for the Compliance Audit**

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the PSG Act, JTC Act and the requirements of any other written law applicable to moneys of or managed by the Corporation.

Our compliance audit includes obtaining an understanding of the internal control relevant to the receipts, expenditure, investment of moneys and the acquisition and disposal of assets; and assessing the risks of material misstatement of the financial statements from non-compliance, if any, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Because of the inherent limitations in any accounting and internal control system, non-compliances may nevertheless occur and not be detected.

Deloitte & Touche LLP

Public Accountants and
Chartered Accountants
Singapore

14 June 2022

## JURONG TOWN CORPORATION AND SUBSIDIARIES

### STATEMENTS OF COMPREHENSIVE INCOME
### Year ended 31 March 2022

| | Note | The Group 2022 | The Group 2021 | The Corporation 2022 | The Corporation 2021 |
|---|---|---|---|---|---|
| | | $ Millions | $ Millions | $ Millions | $ Millions |
| **Income** | | | | | |
| Revenue | 4 | 2,452 | 2,305 | 2,225 | 2,115 |
| Other income | 5 | 323 | 221 | 290 | 198 |
| | | 2,775 | 2,526 | 2,515 | 2,313 |
| **Expenditure** | | | | | |
| Property tax | | (143) | (148) | (136) | (142) |
| Maintenance and conservancy | | (219) | (205) | (202) | (192) |
| Employee benefits expense | 6 | (229) | (226) | (157) | (159) |
| Depreciation of property, plant and equipment | 15 | (60) | (57) | (19) | (14) |
| Depreciation of investment properties | 16 | (311) | (322) | (314) | (326) |
| Loss in recoverable amount of investment properties | 16 | (148) | (241) | (148) | (241) |
| Impairment of associate and joint ventures | 18 | (23) | (38) | - | - |
| Finance costs | 7 | (18) | (16) | (11) | (12) |
| Other expenses | 8 | (378) | (276) | (323) | (227) |
| | | (1,529) | (1,529) | (1,310) | (1,313) |
| **Surplus before contribution to Consolidated Fund and taxation** | | 1,246 | 997 | 1,205 | 1,000 |
| Contribution to Consolidated Fund | 9 | (205) | (170) | (205) | (170) |
| Income tax | 10 | (7) | (4) | - | - |
| **Surplus for the year** | | 1,034 | 823 | 1,000 | 830 |
| **Other comprehensive income, net of tax** | | | | | |
| *Items that may be reclassified subsequently to income or expenditure:* | | | | | |
| Currency translation reserve: | | | | | |
| - Exchange differences arising on translation of foreign operations | | 4 | 4 | - | - |
| **Total comprehensive income** | | 1,038 | 827 | 1,000 | 830 |
| **Surplus for the year attributable to** | | | | | |
| Equity holders of the Corporation | | 1,035 | 824 | 1,000 | 830 |
| Non-controlling interests | | (1) | (1) | - | - |
| | | 1,034 | 823 | 1,000 | 830 |
| **Total comprehensive income attributable to** | | | | | |
| Equity holders of the Corporation | | 1,039 | 828 | 1,000 | 830 |
| Non-controlling interests | | (1) | (1) | - | - |
| | | 1,038 | 827 | 1,000 | 830 |

See accompanying notes to financial statements.

## JURONG TOWN CORPORATION AND SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION
## 31 March 2022

| | Note | The Group 2022 $ Millions | The Group 2021 $ Millions | The Corporation 2022 $ Millions | The Corporation 2021 $ Millions |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **Current assets** | | | | | |
| Cash and bank balances | 11 | 5,598 | 7,117 | 5,341 | 6,770 |
| Trade receivables | 12 | 73 | 62 | 53 | 44 |
| Other receivables | 13 | 301 | 375 | 284 | 357 |
| Lease receivables | 14 | 13 | 13 | 13 | 13 |
| Raw materials | | 1,222 | 856 | 1,222 | 856 |
| Investment – debt securities | 19 | 235 | 13 | 235 | 13 |
| Financial assets at fair value through profit or loss (FVTPL) | 20 | 1,466 | 248 | 1,466 | 248 |
| Total current assets | | 8,908 | 8,684 | 8,614 | 8,301 |
| **Non-current assets** | | | | | |
| Property, plant and equipment | 15 | 1,278 | 1,173 | 370 | 378 |
| Investment properties | 16 | 20,811 | 20,213 | 20,943 | 20,348 |
| Investment in subsidiaries | 17 | - | - | 683 | 683 |
| Investment in associate and joint ventures | 18 | 731 | 725 | - | - |
| Lease receivables | 14 | 689 | 706 | 689 | 706 |
| Investment – debt securities | 19 | 125 | 48 | 125 | 48 |
| Other non-current assets | 21 | 180 | 173 | 153 | 143 |
| Total non-current assets | | 23,814 | 23,038 | 22,963 | 22,306 |
| **Total assets** | | 32,722 | 31,722 | 31,577 | 30,607 |
| **LIABILITIES AND EQUITY** | | | | | |
| **Current liabilities** | | | | | |
| Trade and other payables | 22 | 574 | 641 | 478 | 470 |
| Borrowings | 23 | 720 | 26 | 20 | 20 |
| Deferred income | 24 | 236 | 224 | 236 | 224 |
| Income tax payable | | 10 | 10 | - | - |
| Provision for contribution to consolidated fund | 9 | 205 | 170 | 205 | 170 |
| Total current liabilities | | 1,745 | 1,071 | 939 | 884 |
| **Non-current liabilities** | | | | | |
| Trade and other payables | 22 | 13 | 11 | 2 | 1 |
| Borrowings | 23 | 332 | 984 | 332 | 353 |
| Deferred income | 24 | 4,626 | 4,683 | 4,752 | 4,817 |
| Deferred tax liability | 25 | 16 | 16 | - | - |
| Total non-current liabilities | | 4,987 | 5,694 | 5,086 | 5,171 |
| **Capital and reserves** | | | | | |
| Capital account | 26 | 167 | 167 | 167 | 167 |
| Currency translation reserve | | 3 | (1) | - | - |
| Accumulated surplus | | 25,790 | 24,755 | 25,385 | 24,385 |
| Equity attributable to owners of the company | | 25,960 | 24,921 | 25,552 | 24,552 |
| Non-controlling interests | | 30 | 36 | - | - |
| Total equity | | 25,990 | 24,957 | 25,552 | 24,552 |
| **Total liabilities and equity** | | 32,722 | 31,722 | 31,577 | 30,607 |

See accompanying notes to financial statements.

## JURONG TOWN CORPORATION AND SUBSIDIARIES

## STATEMENTS OF CHANGES IN EQUITY
**Year ended 31 March 2022**

| | Capital account | Currency translation reserve | Accumulated surplus | Equity attributable to equity holders | Non-controlling interests | Total equity |
|---|---|---|---|---|---|---|
| | $ Millions | $ Millions | $ Millions | $ Millions | $ Millions | $ Millions |
| The Group | | | | | | |
| Balance as at 1 April 2020 | 167 | (5) | 23,931 | 24,093 | 30 | 24,123 |
| Surplus for the year | - | - | 824 | 824 | (1) | 823 |
| Other comprehensive income | - | 4 | - | 4 | - | 4 |
| Total comprehensive income for the year | - | 4 | 824 | 828 | (1) | 827 |
| Capital contribution by non-controlling interests | - | - | - | - | 7 | 7 |
| Balance as at 31 March 2021 | 167 | (1) | 24,755 | 24,921 | 36 | 24,957 |
| Surplus for the year | - | - | 1,035 | 1,035 | (1) | 1,034 |
| Other comprehensive income | - | 4 | - | 4 | - | 4 |
| Total comprehensive income for the year | - | 4 | 1,035 | 1,039 | (1) | 1,038 |
| Capital redemption by non-controlling interests | - | - | - | - | (5) | (5) |
| Balance as at 31 March 2022 | 167 | 3 | 25,790 | 25,960 | 30 | 25,990 |

| | Capital account | Accumulated surplus | Total equity |
|---|---|---|---|
| | $ Millions | $ Millions | $ Millions |
| The Corporation | | | |
| Balance as at 1 April 2020 | 167 | 23,555 | 23,722 |
| Total surplus for the year, representing total comprehensive income for the year | - | 830 | 830 |
| Balance as at 31 March 2021 | 167 | 24,385 | 24,552 |
| Total surplus for the year, representing total comprehensive income for the year | - | 1,000 | 1,000 |
| Balance as at 31 March 2022 | 167 | 25,385 | 25,552 |

See accompanying notes to financial statements.

## JURONG TOWN CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENT OF CASH FLOWS
**Year ended 31 March 2022**

| | Note | The Group 2022 | The Group 2021 |
|---|---|---|---|
| | | $ Millions | $ Millions |
| **Operating activities** | | | |
| Surplus before contribution to consolidated fund and taxation | | 1,246 | 997 |
| Adjustments for: | | | |
| Depreciation of property, plant and equipment | 15 | 60 | 57 |
| Depreciation of investment properties | 16 | 311 | 322 |
| Raw materials written down | 8 | 26 | 8 |
| Amortisation of long-term lease premium | 24 | (220) | (221) |
| Loss in recoverable amount of investment properties | 16 | 148 | 241 |
| Gain on disposal of investment properties | 5 | (20) | (63) |
| Loss on disposal of property, plant and equipment | 5 | 5 | 6 |
| Allowance for receivables, net of reversal | 12 | 5 | 29 |
| Fair value loss on FVTPL | 5 | 34 | 2 |
| Impairment loss on investment in associate and joint ventures | 18 | 23 | 38 |
| Share of profits of associate/joint ventures | 5 | (25) | (9) |
| Interest income | 4, 5 | (58) | (108) |
| Finance costs | 7 | 18 | 16 |
| Operating profit before working capital changes | | 1,553 | 1,315 |
| Changes in working capital: | | | |
| Raw materials | | (392) | (119) |
| Trade and other receivables | | 62 | (115) |
| Trade and other payables | | (65) | 58 |
| Cash generated from operations | | 1,158 | 1,139 |
| Long-term lease premium received | | 175 | 345 |
| Interest received | | 64 | 175 |
| Interest paid | | (18) | (16) |
| Contribution to consolidated fund paid | | (170) | (260) |
| Income tax paid (net) | | (7) | (6) |
| Net cash from operating activities | | 1,202 | 1,377 |
| **Investing activities** | | | |
| Purchase of property, plant and equipment | | (166) | (107) |
| Purchase of investment properties | | (1,228) | (1,730) |
| Investment in a joint venture | | - | (576) |
| Proceeds from disposal of property, plant and equipment and investment properties | | 23 | 114 |
| Dividends received from associate and joint ventures | | - | 1 |
| (Purchase)/Proceeds of investment – debt securities | | (299) | 16 |
| Purchase of financial assets at fair value through profit or loss | | (1,252) | (250) |
| Net cash used in investing activities | | (2,922) | (2,532) |
| **Financing activities** | | | |
| Government grants received for property, plant and equipment and investment properties | | 169 | 102 |
| Capital (redemption)/contribution by non-controlling interest in a subsidiary | | (5) | 7 |
| Proceeds from borrowings | | 68 | 512 |
| Repayment of borrowings | | (26) | (25) |
| Repayment of lease liabilities | | (5) | (6) |
| Net cash from financing activities | | 201 | 590 |
| Net change in cash and cash equivalents | | (1,519) | (565) |
| Cash and cash equivalents at beginning of year | | 7,114 | 7,679 |
| **Cash and cash equivalents at end of year** | 11 | 5,595 | 7,114 |

See accompanying notes to financial statements.

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

1 GENERAL

Jurong Town Corporation (the "Corporation") is established in the Republic of Singapore under the Jurong Town Corporation Act 1968 with its principal place of business and registered office at The JTC Summit, 8 Jurong Town Hall Road, Singapore 609434.

The principal activities of the Corporation are to develop and manage industrial estates in Singapore and to provide facilities to enhance the operations of industries. There have been no significant changes in the nature of these activities during the financial year.

The principal activities of the subsidiaries, associates and joint ventures are set out in Note 17 and Note 18.

The financial statements for the year ended 31 March 2022 were authorised for issue by the Board on 14 June 2022.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements are prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018 ("PSG Act"), the Jurong Town Corporation Act 1968 ("JTC Act"), and Statutory Board Financial Reporting Standards ("SB-FRS"), including Interpretations of SB-FRS ("INT SB-FRS") and SB-FRS Guidance Notes.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in the consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of SB-FRS 102 *Share-based Payment*, leasing transactions that are within the scope of SB-FRS 116 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SB-FRS 2 Inventories or value in use in SB-FRS 36 *Impairment of Assets.*

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are not based on observable market data (unobservable inputs) for the asset or liability.

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

The preparation of financial statements in conformity with SB-FRS requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

The consolidated financial statements of the Group and the statement of comprehensive income, financial position and equity of the Corporation are presented in Singapore dollars ($), which is the functional currency of the Corporation and the presentation currency for the consolidated financial statements. All values in the tables are rounded to the nearest million ("$ Millions"), except when otherwise indicated.

2.2 Adoption of new and revised standards

On 1 April 2021, the Group adopted all the new and revised SB-FRSs, INT SB-FRS and SB-FRS Guidance Notes that are effective from that date and relevant to its operations. The adoption of these standards do not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior years.

2.3 Standards issued but not yet effective

Management has considered and is of the view that adoption of the new/revised SB-FRSs that are issued as at the date of these financial statements but effective only in future periods will not have a material impact on the financial statements of the Group in the period of their initial adoption.

2.4 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Corporation and entities (including special purpose entities) controlled by the Corporation (its subsidiary). Control is achieved when the Corporation:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Corporation 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.

When the Corporation has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Corporation considers all relevant facts and circumstances in assessing whether or not the Corporation's voting rights in an investee are sufficient to give it power, including:

- The size of the Corporation's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Corporation, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Corporation has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

Consolidation of a subsidiary begins when the Corporation obtains control over the subsidiary and ceases when the Corporation loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Corporation gains control until the date when the Corporation ceases to control the subsidiary.

Income or expenditure and each component of other comprehensive income are attributed to the owners of the Corporation and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Corporation and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

In the Corporation's financial statements, investments in subsidiaries and joint ventures are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

2.5 Associate and Joint ventures

An associate is an entity over which the group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associate and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with SB-FRS 105 *Non-current Assets Held for Sale and Discontinued Operations*. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of SB-FRS 28 *Investments in Associates and Joint Ventures* are applied to determine whether it is necessary to recognise any impairment loss with respect to the group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with SB-FRS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with SB-FRS 36 to the extent that the recoverable amount of the investment subsequently increases.

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or when an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss 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 reclassified to profit or loss on the disposal of the related assets or liabilities.

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

2.6 Financial instruments

Financial assets and financial liabilities are recognised on the statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

**Financial assets**

All financial assets are recognised and de-recognised on settlement dates based on fair values on trade dates. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments mainly comprise cash and bank balances, trade and other receivables and investment securities that meet the following conditions are subsequently measured at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest is recognised using the effective interest method for debt instruments measured subsequently at amortised cost, except for short-term balances when the effect of discounting is immaterial.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on financial assets, consisting of trade and other receivables, lease receivables and investment securities. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group applied the simplified approach permitted by SB-FRS 109 and recognises lifetime ECL for trade receivables and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-months ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-months ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Group considers a financial asset in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

**Financial liabilities and equity instruments**

Classification as debt or equity

Debt and equity instruments issued by a Group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Pursuant to the Finance Circular Minute ("FCM") No. 26/2008 on Capital Management Framework ("CMF"), equity injection from the Government is recorded as share capital.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

2.7 Derivative financial instruments

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value as at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the group has both a legally enforceable right and intention to offset.

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

2.8 Leases

The Group as lessor

The Group enters into lease agreements as a lessor with respect to its investment property. The unguaranteed residual values do not represent a significant risk for the Group.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised 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.

The Group as lessee

The Group assesses whether a contract is or contain a lease, at inception of the leases. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is a lessee, except for short term leases (defined as leases with lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

The group applies SB-FRS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2.9 and Note 2.10.

2.9 Raw materials

Raw materials are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the raw materials to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

2.10 Property, plant and equipment

Measurement

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

The cost of an item of property, plant and equipment includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including borrowing costs incurred for the capital projects-in-progress. The projected cost of dismantlement, removal or restoration is also included as part of the cost of property, plant and equipment if the obligation for the dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset during that period.

Depreciation

The Group adopts the component approach to depreciation whereby the amount initially recognised in respect of an item of property, plant and equipment is allocated to its significant parts. Each significant part is depreciated separately if those parts have different useful lives.

Capital projects-in-progress are not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

| | | |
|---|---|---|
| Leasehold land and land development | - | over the lease period up to 99 years |
| Wharf and base structures | - | over the lease period up to 50 years |
| Bulk handling facilities | - | 3 to 15 years |
| Tank storage facilities | - | 2 to 30 years |
| Buildings | - | over the lease period up to 60 years |
| Computers, motor vehicles, furniture, equipment and renovation | - | 1 to 20 years |

No depreciation is provided for 999 years leasehold land and freehold land.

The residual values, estimated useful lives and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate. The effects of any revision of the residual values and useful lives are included in profit or loss when the changes arise.

Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in income or expenditure when incurred.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.11 Investment properties

Investment properties comprise significant portions of leasehold land and freehold office buildings that are held for long-term rental yields and/or for capital appreciation.

Investment properties are initially measured at cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful lives. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted as appropriate, at the end of each reporting period. The effects of any revision are included in profit or loss when the changes arise.

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

The Group adopts the component approach to depreciation whereby the amount initially recognised in respect of an item of investment properties is allocated to its significant parts. Each significant part is depreciated separately if those parts have different useful lives.

No depreciation is provided for 999 years leasehold land and freehold land.

Depreciation on other items of investment properties is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

| | | |
|---|---|---|
| Leasehold land and land development | - | over the lease period up to 99 years |
| Buildings | - | over the lease period up to 60 years |

Included in buildings are the following items which are depreciable over their estimated useful lives as follows:

| | | |
|---|---|---|
| Renovations and improvements | - | 3 to 5 years |
| Plant, machinery and equipment | - | 3 to 20 years |
| Air-cons, lifts and escalators | - | 15 to 20 years |

The residual values, estimated useful lives and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate. The effects of any revision of the residual values and useful lives are included in profit or loss when the changes arise.

Transfers are made to or from investment properties only when there is a change in use. Any transfer between investment properties and owner-occupied properties does not result in any change in the cost for disclosure purpose as the Group and Corporation use the cost model.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised as additions and the carrying amounts of the replaced components are written off to profit or loss. The cost of maintenance, repairs and minor improvement is charged to profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2.12 Impairment of tangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those 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 (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately as an expense.

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Loss in recoverable amount of investment properties

The loss in recoverable amount represents the amount which the carrying value of the investment properties exceed their recoverable amounts. The recoverable amounts are determined principally using the estimated future cash flows expected to be generated by each investment property by reference to the Corporation's prevailing and estimated future posted rent rates, which are generally lower than the prevailing rent rates in the open market.

2.14 Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.15 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

2.16 Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

Rental income

The Group's policy for recognition of revenue from operating leases is described above.

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

Income from port operations

Revenue from port and marine services rendered is recognised over time when the company satisfies a performance obligation by transferring control of a service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to each satisfied performance obligation.

Transaction price is the amount of consideration in the contract to which the company expects to be entitled in exchange for transferring the promised services.

Agency fees

Agency fees from the provision of consultancy services are recognised when the services are rendered, using the percentage of completion method based on the actual service provided as a proportion of the total services to be performed.

Interest income

Interest income, including income from finance lease and other financial instruments, is recognised using the effective interest method.

Dividend income

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

Income from transfer of raw materials

Income is recognised when control of the raw materials has transferred, being when the raw materials have been collected by the customer or delivered to the customer's specific location and all criteria for acceptance have been satisfied.

2.17 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.18 Retirement benefit obligations

Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered the services entitling them to the contributions. Contributions made to Singapore Central Provident Fund, are recognised in the profit or loss in the period when employees rendered their services entitling them to the contributions.

2.19 Employee leave entitlement

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

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

2.20 Contribution to Consolidated Fund

In lieu of income tax, the Corporation is required to make contribution to the Consolidated Fund in accordance with the Statutory Corporations (Contributions to Consolidated Fund) Act 1989. The provision is based on the guidelines specified by the Ministry of Finance and is computed based on the net surplus of the Corporation for each of the financial year at the prevailing corporate tax rate for the Year of Assessment. Contribution to consolidated fund is provided for on an accrual basis.

2.21 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax of the subsidiaries of the Corporation.

The tax currently payable is based on taxable profit of the subsidiaries for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the subsidiaries operate by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity respectively), or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

2.22 Cash and cash equivalents in the statement of cash flows

Cash and cash equivalents in the statement of cash flows comprise cash and bank balances and deposits placed with the Accountant-General's Department ("AGD") less restricted cash and are subject to an insignificant risk of changes in value.

Under the Accountant-General's Circular No.4/2009 dated 2 November 2009, the Corporation is required to participate in the Centralised Liquidity Management Framework ("CLM"). Under the CLM, all bank accounts maintained with selected banks will be linked up with AGD's bank accounts such that excess available cash can be automatically aggregated for central management on a daily basis. These balances are included in cash and cash equivalents as "Centralised Liquidity Management ("CLM") deposits held with Accountant-General's Department ("AGD").

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

***Critical judgements in applying the entity's accounting policies***

Apart from those involving estimations (see below), the management is of the opinion that any instances of application of judgements are not expected to have a significant effect on the amounts recognised in the financial statements.

***Key sources of estimation uncertainty***

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment review of investment properties

In the assessment of impairment loss, fair values are determined using the income capitalisation method or direct comparison method. The income capitalisation method involves the estimation of income and expenses, taking into account expected future changes in economic and social conditions, which may affect the value of the properties. The direct comparison method involves the comparison of recent sales transactions of similar properties.

Management is of the view that the valuation methods and estimates are reflective of the current market conditions and adequate impairment losses, as disclosed in Note 16 to the financial statements, have been made.

Impairment review of investment in associate and joint ventures

In the estimation of impairment loss for investment in associate and joint ventures, the Group estimates the recoverable amount using value-in-use computations and key assumptions such as discount rates, revenue growth, capital expenditures and working capital cycles as at the assessment date.

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

Management has considered the financial position and long-term business outlook of the associate and joint ventures, including factors such as changes in overall economic and industry performance and related market risks as well as prospective financial information. This assessment is highly subjective in nature. Accordingly, actual outcome may be different from that forecasted since anticipated events frequently do not occur as expected and the variation may be material.

Management is of the view that adequate impairment losses have been made and the carrying amount of the investments in associate and joint ventures, as disclosed in Note 18, do not exceed their respective recoverable amounts.

4 REVENUE

| | The Group | | The Corporation | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | $ Millions | $ Millions | $ Millions | $ Millions |
| Land rental income | 1,378 | 1,353 | 1,366 | 1,342 |
| Building rental income | 800 | 691 | 782 | 677 |
| Income from port operations | 193 | 158 | - | - |
| Interest income on finance leases | 32 | 32 | 32 | 32 |
| Sundry income | 49 | 71 | 45 | 64 |
| | 2,452 | 2,305 | 2,225 | 2,115 |

5 OTHER INCOME

| | The Group | | The Corporation | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | $ Millions | $ Millions | $ Millions | $ Millions |
| Interest income | 26 | 76 | 24 | 71 |
| Loss on disposal of property, plant and equipment | (5) | (6) | - | - |
| Gain on disposal of investment properties | 20 | 63 | 20 | 63 |
| Share of profits of associate/ joint ventures | 25 | 9 | - | - |
| Income from transfer of raw materials to government agencies | 281 | 64 | 281 | 64 |
| Fair value loss on financial assets (FVTPL) | (34) | (2) | (34) | (2) |
| Others | 10 | 17 | (1) | 2 |
| | 323 | 221 | 290 | 198 |

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

## 6 EMPLOYEE BENEFITS EXPENSE

| | The Group | | The Corporation | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | $ Millions | $ Millions | $ Millions | $ Millions |
| Salaries and other benefits | 206 | 202 | 141 | 143 |
| Employer's contribution to defined contribution plans including Central Provident Fund | 23 | 24 | 16 | 16 |
| | 229 | 226 | 157 | 159 |

The above include the remuneration of key management of the Group and Corporation as follows:

| | The Group | | The Corporation | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | $ Millions | $ Millions | $ Millions | $ Millions |
| Salaries and other benefits including employer's contribution to Central Provident Fund | 12 | 12 | 8 | 8 |

The structure of Board members' fees is based on the guidelines provided by the Public Service Group. Total Directors' fees paid to the Board members of the Corporation amounted to $0.3 million (2021 : $0.3 million).

## 7 FINANCE COSTS

| | The Group | | The Corporation | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | $ Millions | $ Millions | $ Millions | $ Millions |
| Interest expense | 18 | 16 | 11 | 12 |

## 8 OTHER EXPENSES

| | The Group | | The Corporation | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | $ Millions | $ Millions | $ Millions | $ Millions |
| Security service expenses | 44 | 39 | 38 | 33 |
| Information technology expense | 39 | 37 | 39 | 37 |
| Professional fees | 19 | 21 | 15 | 18 |
| Cargo and container handling expenses | 38 | 36 | - | - |
| Raw materials written down | 26 | 8 | 26 | 8 |
| Impairment allowance of receivables | 5 | 29 | 2 | 29 |
| Cost of raw materials transferred | 136 | 39 | 136 | 39 |
| Other expenses | 71 | 67 | 67 | 63 |
| | 378 | 276 | 323 | 227 |

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

9 CONTRIBUTION TO CONSOLIDATED FUND

In lieu of income tax, the Corporation is required to make contribution to the Consolidated Fund in accordance with the Statutory Corporations (Contributions to Consolidated Fund) Act, Chapter 319A. The provision is based on the guidelines specified by the Ministry of Finance and is computed based on the net surplus of the Corporation for each of the financial year at the prevailing corporate tax rate for the Year of Assessment. Contribution to Consolidated Fund is provided for on an accrual basis.

The total contribution for the year can be reconciled to the surplus as follows:

| | The Corporation | |
|---|---|---|
| | 2022 | 2021 |
| | $ Millions | $ Millions |
| Surplus of the Corporation before contribution to Consolidated Fund | 1,205 | 1,000 |
| Contribution at 17% | 205 | 170 |

10 INCOME TAX

| | The Group | |
|---|---|---|
| | 2022 | 2021 |
| | $ Millions | $ Millions |
| Current tax | 7 | 5 |
| Deferred tax | - | - |
| Overprovision in prior year | - | (1) |
| | 7 | 4 |

Domestic income tax of the Group is calculated at 17% (2021 : 17%) of the estimated assessable income for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The charge for the year can be reconciled to the accounting surplus as follows:

| | The Group | |
|---|---|---|
| | 2022 | 2021 |
| | $ Millions | $ Millions |
| Surplus before contribution to Consolidated Fund and taxation | 1,246 | 997 |
| Less: Surplus of the Corporation before contribution to Consolidated Fund and taxation not subjected to tax | (1,205) | (1,000) |
| | 41 | (3) |
| Income tax (benefit)/expense at statutory tax rate of 17% (2021 : 17%) | 7 | * |
| Expenses not deductible for tax purposes | 4 | 7 |
| Share of profit of joint ventures | (4) | (2) |
| Overprovision in prior years | - | (1) |
| Total income tax expense | 7 | 4 |

* less than $1 million

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

## 11 CASH AND BANK BALANCES

| | The Group | | The Corporation | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | $ Millions | $ Millions | $ Millions | $ Millions |
| Cash at bank and on hand | 43 | 147 | - | - |
| Cash with AGD | 5,345 | 6,770 | 5,341 | 6,770 |
| Fixed deposits | 210 | 200 | - | - |
| Cash and bank balances | 5,598 | 7,117 | 5,341 | 6,770 |
| Less: Restricted cash | (3) | (3) | (3) | (3) |
| Cash and cash equivalents in the statement of cash flows | 5,595 | 7,114 | 5,338 | 6,767 |

Cash at bank earns interest at floating rates based on daily bank deposit rates. Fixed deposits earn interest at the respective short-term deposit rates. The effective interest rates as at 31 March 2022 for the Group was 0.29% (2021 : 0.41%) per annum.

Cash with the Accountant-General's Department ("AGD") refers to cash that are managed by AGD under the Centralised Liquidity Management Scheme as set out in the Accountant-General's Circular No.4/2009.

Restricted cash under the Group's cash and cash equivalents of $3 million (2021 : $3 million) were held under project accounts and withdrawals from which are restricted to payments for expenditure incurred on projects.

## 12 TRADE RECEIVABLES

| | The Group | | The Corporation | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | $ Millions | $ Millions | $ Millions | $ Millions |
| Outside parties | 122 | 108 | 99 | 90 |
| Loss allowance: | | | | |
| Balance at beginning of year | (46) | (21) | (46) | (21) |
| Allowance for the year | (18) | (29) | (15) | (29) |
| Reversal of allowance | 13 | - | 13 | - |
| Bad debts written off | 2 | 4 | 2 | 4 |
| Balance at end of year | (49) | (46) | (46) | (46) |
| | 73 | 62 | 53 | 44 |

Loss allowance has been measured at an amount equal to expected credit losses. Apart from the above, no loss allowance is necessary in respect of the remaining trade receivables after taking into account the historical default experience, together with the value of deposits and bank guarantees.

There has been no significant change in the estimation techniques or significant assumptions made during the current reporting period.

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

The following is an aging analysis of trade receivables:

| | The Group | | The Corporation | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | $ Millions | $ Millions | $ Millions | $ Millions |
| Not past due | 47 | 49 | 31 | 31 |
| Less than 3 months | 23 | 4 | 21 | 4 |
| 3 to 6 months | 3 | 3 | 1 | 3 |
| More than 6 months | - | 6 | - | 6 |
| | 73 | 62 | 53 | 44 |

13 OTHER RECEIVABLES

| | The Group | | The Corporation | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | $ Millions | $ Millions | $ Millions | $ Millions |
| Outside parties | 209 | 244 | 203 | 238 |
| Less: Impairment loss | (110) | (110) | (110) | (110) |
| | 99 | 134 | 93 | 128 |
| Prepaid property tax | 101 | 90 | 101 | 90 |
| Amounts due from: | | | | |
| - Government agencies | 93 | 140 | 89 | 138 |
| - Others | 8 | 11 | 1 | 1 |
| | 301 | 375 | 284 | 357 |

Amounts owing by government agencies are unsecured, interest free and repayable on demand in cash. An impairment allowance of $110 million (2021 : $110 million) was made in relation to a Redeemable Preference Shares in TJ Holdings (IV) Pte. Ltd. ("TJ4") held by the Corporation amounting to $65 million and a loan extended to TJ4 of $45 million (2021 : $45 million).

14 LEASE RECEIVABLES

| | The Group and Corporation | |
|---|---|---|
| | 2022 | 2021 |
| | $ Millions | $ Millions |
| Represented by: | | |
| Current portion | 13 | 13 |
| Non-current portion | 689 | 706 |
| Total | 702 | 719 |

These relate principally to rental receivable in respect of finance leases. Outstanding payments from lease receivables range from 12 to 380 months (2021 : 12 to 394 months). The discount rates implicit in the finance leases range from 2.56% to 5.50% (2021 : 2.56% to 5.50%) per annum.

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

| | The Group and Corporation | |
|---|---|---|
| | 2022 | 2021 |
| | $ Millions | $ Millions |
| Amounts receivable under finance leases: | | |
| Year 1 | 45 | 45 |
| Year 2 | 46 | 46 |
| Year 3 | 47 | 47 |
| Year 4 | 48 | 48 |
| Year 5 | 51 | 50 |
| Year 6 onwards | 920 | 970 |
| Undiscounted lease payments, representing gross investment in the leases | 1,157 | 1,206 |
| Less: Unearned finance income | (455) | (487) |
| Present value of lease payments, representing net investment in the leases | 702 | 719 |
| | | |
| Undiscounted lease payments analysed as: | | |
| Recoverable within 12 months | 45 | 45 |
| Recoverable after 12 months | 1,112 | 1,161 |
| | 1,157 | 1,206 |
| Net investment in the lease analysed as: | | |
| Recoverable within 12 months | 13 | 13 |
| Recoverable after 12 months | 689 | 706 |
| | 702 | 719 |

The Group's finance lease arrangements do not include variable payments. Finance income on net investment in finance leases is disclosed in Note 4.

The loss allowance on finance lease receivables at the end of the reporting period is estimated at an amount equal to lifetime expected credit losses. None of the finance lease receivables at the end of the reporting period is past due, and taking into account the historical default experience, together with the value of deposits and bank guarantees held in respect to the finance lease receivables, the Group considers that none of the finance lease receivables is impaired.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for finance lease receivables.

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

15 PROPERTY, PLANT AND EQUIPMENT

| The Group ($ Millions) | Freehold land | Leasehold land* | Land development | Wharf and base structures | Bulk handling facilities | Tank storage facilities | Buildings | Other assets # | Capital projects-in-progress | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| Cost: | | | | | | | | | | |
| At 1 April 2020 | 79 | 113 | 167 | 519 | 160 | 155 | 234 | 164 | 61 | 1,652 |
| Additions | - | - | - | - | - | - | - | 1 | 99 | 100 |
| Disposals/Write-offs | - | (2) | - | (10) | - | - | (1) | (16) | - | (29) |
| Transfer from investment properties (Note 16) | 43 | 32 | - | - | - | - | 73 | - | 5 | 153 |
| Transfers/Reclassifications | - | 22 | - | 19 | 1 | (10) | 1 | 27 | (60) | - |
| At 31 March 2021 | 122 | 165 | 167 | 528 | 161 | 145 | 307 | 176 | 105 | 1,876 |
| Additions | - | - | - | - | - | - | - | 5 | 161 | 166 |
| Disposals/Write-offs | - | - | - | (4) | (1) | - | (2) | (4) | - | (11) |
| Transfers/Reclassifications | - | - | - | - | 1 | - | - | 5 | (6) | - |
| At 31 March 2022 | 122 | 165 | 167 | 524 | 161 | 145 | 305 | 182 | 260 | 2,031 |
| Accumulated depreciation: | | | | | | | | | | |
| At 1 April 2020 | - | 11 | 50 | 265 | 104 | 5 | 73 | 124 | - | 632 |
| Depreciation charge | - | 9 | - | 18 | 7 | 5 | 5 | 13 | - | 57 |
| Disposals/Write-offs | - | (2) | - | (4) | - | - | (1) | (16) | - | (23) |
| Transfer from investment properties (Note 16) | - | 8 | - | - | - | - | 29 | - | - | 37 |
| At 31 March 2021 | - | 26 | 50 | 279 | 111 | 10 | 106 | 121 | - | 703 |
| Depreciation charge | - | 1 | 2 | 17 | 7 | 5 | 7 | 21 | - | 60 |
| Disposals/Write-offs | - | - | - | (2) | (1) | - | (2) | (5) | - | (10) |
| At 31 March 2022 | - | 27 | 52 | 294 | 117 | 15 | 111 | 137 | - | 753 |
| Net carrying value - 31 March 2022 | 122 | 138 | 115 | 230 | 44 | 130 | 194 | 45 | 260 | 1,278 |
| Net carrying value - 31 March 2021 | 122 | 139 | 117 | 249 | 50 | 135 | 201 | 55 | 105 | 1,173 |

# Other assets include computers, motor vehicles, furniture, equipment and renovation.
* These are right-of-use assets with upfront payments.

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

| The Corporation ($ Millions) | Freehold land | Leasehold land* | Land development | Buildings | Other assets # | Capital projects-in-progress | Total |
|---|---|---|---|---|---|---|---|
| Cost: | | | | | | | |
| At 1 April 2020 | 71 | 53 | 6 | 186 | 111 | 14 | 441 |
| Additions | - | - | - | - | 1 | 9 | 10 |
| Disposals/Write-off | - | - | - | - | (1) | - | (1) |
| Transfer from investment properties (Note 16) | 43 | 32 | - | 73 | - | 5 | 153 |
| Transfers/Reclassifications | - | - | - | 1 | 26 | (27) | - |
| At 31 March 2021 | 114 | 85 | 6 | 260 | 137 | 1 | 603 |
| Additions | - | - | - | - | 3 | 9 | 12 |
| Disposals/Write-off | - | - | - | - | (3) | (1) | (4) |
| Transfers/Reclassifications | - | - | - | - | 2 | (2) | - |
| At 31 March 2022 | 114 | 85 | 6 | 260 | 139 | 7 | 611 |
| Accumulated depreciation: | | | | | | | |
| At 1 April 2020 | - | 14 | 3 | 73 | 85 | - | 175 |
| Depreciation charge | - | 1 | - | 4 | 9 | - | 14 |
| Disposals/Write-off | - | - | - | - | (1) | - | (1) |
| Transfer from investment properties (Note 16) | - | 8 | - | 29 | - | - | 37 |
| At 31 March 2021 | - | 23 | 3 | 106 | 93 | - | 225 |
| Depreciation charge | - | 1 | - | 4 | 14 | - | 19 |
| Disposals/Write-off | - | - | - | - | (3) | - | (3) |
| At 31 March 2022 | - | 24 | 3 | 110 | 104 | - | 241 |
| Net carrying value - 31 March 2022 | 114 | 61 | 3 | 150 | 35 | 7 | 370 |
| Net carrying value - 31 March 2021 | 114 | 62 | 3 | 154 | 44 | 1 | 378 |

\# Other assets include computers, motor vehicles, furniture, equipment and renovation.
* These are right-of-use assets with upfront payments.

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

16 INVESTMENT PROPERTIES

| | The Group | | The Corporation | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | $ Millions | $ Millions | $ Millions | $ Millions |
| Cost: | | | | |
| Balance at beginning of year | 30,859 | 29,451 | 31,030 | 29,622 |
| Additions | 1,059 | 1,635 | 1,060 | 1,635 |
| Disposals/Write-offs | (8) | (74) | (8) | (74) |
| Transfer (to) from property, plant and equipment (Note 15) | - | (153) | - | (153) |
| Balance at end of year | 31,910 | 30,859 | 32,082 | 31,030 |
| Accumulated depreciation and loss in in recoverable amount of investment properties: | | | | |
| Balance at beginning of year | 10,646 | 10,143 | 10,682 | 10,173 |
| Depreciation charge | 311 | 322 | 314 | 326 |
| Loss in recoverable amount | 148 | 241 | 148 | 241 |
| Disposals/Write-offs | (6) | (23) | (5) | (21) |
| Transfer (to) from property, plant and equipment (Note 15) | - | (37) | - | (37) |
| Balance at end of year | 11,099 | 10,646 | 11,139 | 10,682 |
| Carrying amount | 20,811 | 20,213 | 20,943 | 20,348 |

The fair values of the investment properties are as follows:

| | The Group and Corporation | |
|---|---|---|
| | 2022 | 2021 |
| | $ Millions | $ Millions |
| Fair value (Level 3) | 48,817 | 47,611 |

The fair values of the investment properties are determined annually by in-house professional valuers based on the properties' highest and best use, using the income method or direct comparison method as is appropriate to the nature of each property.

The following amounts are recognised in the statements of comprehensive income:

| | The Group and Corporation | |
|---|---|---|
| | 2022 | 2021 |
| | $ Millions | $ Millions |
| Rental income | 2,140 | 2,011 |
| Property tax and direct operating expenses arising from investment properties that generated rental income | (345) | (338) |
| Property tax and direct operating expenses arising from investment properties that did not generate rental income | (52) | (46) |

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

17 INVESTMENT IN SUBSIDIARIES

| | The Corporation | |
|---|---|---|
| | 2022 | 2021 |
| | $ Millions | $ Millions |
| Unquoted shares, at cost | 683 | 683 |

Details of the Corporation's significant subsidiaries as at the end of the reporting period are as follows:

| Direct subsidiaries | Principal activities | Country of incorporation/ place of business | Proportion of ownership interest and voting power held | | Cost of investments | |
|---|---|---|---|---|---|---|
| | | | 2022 | 2021 | 2022 | 2021 |
| | | | % | % | $ Millions | $ Millions |
| Jurong Port Pte Ltd | Provision of port, marine and logistics services and facilities and investment holding | Singapore | 100 | 100 | 683 | 683 |
| SLI Holdings Pte. Ltd. | Investment holding | Singapore | 100 | 100 | * | * |
| | | | | | 683 | 683 |

* less than $1m

During the financial year 2020, the share capital of SLI Holdings Pte Ltd was reduced by $33 million to $1.

| Indirect subsidiaries | Principal activities | Country of incorporation/ place of business | Class of shares | Effective interest held by the Group | |
|---|---|---|---|---|---|
| | | | | 2022 | 2021 |
| | | | | % | % |
| **Subsidiaries of Jurong Port Pte Ltd ("JP")** | | | | | |
| Jurong Port Rizhao Holding Pte. Ltd. | Investment holding | Singapore | Ordinary | 100 | 100 |
| Jurong Port Hainan Holding Pte. Ltd. | Investment holding | Singapore | Ordinary | 100 | 100 |
| Jurong Port Jakarta Holding Pte. Ltd. | Investment holding | Singapore | Ordinary | 100 | 100 |
| Jurong Port Singapore Holding Pte. Ltd. | Investment holding | Singapore | Ordinary | 100 | 100 |
| **Subsidiary of Jurong Port Jakarta Holding Pte. Ltd.** | | | | | |
| Jurong Port Marunda Holding Pte. Ltd. | Investment holding | Singapore | Ordinary | 100 | 100 |

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

| Indirect subsidiaries | Principal activities | Country of incorporation/ place of business | Class of shares | Effective interest held by the Group 2022 | 2021 |
|---|---|---|---|---|---|
| | | | | % | % |
| **Subsidiary of Jurong Port Singapore Holding Pte. Ltd.** | | | | | |
| Jurong Port Tank Terminals Pte. Ltd. | Owners and operator of storage facilities for petroleum products/gas/chemicals | Singapore | Ordinary | 60 | 60 |
| Jurong Port Meranti Holding Pte. Ltd. | Investment holding | Singapore | Ordinary | 100 | 100 |

18 INVESTMENT IN ASSOCIATE AND JOINT VENTURES

| | The Group 2022 | The Group 2021 |
|---|---|---|
| | $ Millions | $ Millions |
| **Investment in associate** | | |
| Quoted equity investment, at cost | 68 | 68 |
| Add/(less): | | |
| Share of post-acquisition accumulated profits, net of dividend | 37 | 28 |
| Translation differences | 9 | 4 |
| | 114 | 100 |
| Impairment loss | (85) | (62) |
| Net carrying value | 29 | 38 |
| **Investments in joint ventures** | | |
| Unquoted equity investments, at cost | 761 | 110 |
| Add/(less): | | |
| Additions | - | 651 |
| Share of post-acquisition accumulated profits/(loss), net of dividend | 17 | 1 |
| Translation differences | (6) | (5) |
| | 772 | 757 |
| Impairment loss | (70) | (70) |
| Net carrying value | 702 | 687 |
| Total net carrying value of investments in associate and joint ventures | 731 | 725 |

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

Details of the Group's associate and joint ventures as at the end of the reporting period are as follows:

| Associate and joint ventures | Principal activities | Country of incorporation | Percentage of equity held by the Group | | Cost of investments | |
|---|---|---|---|---|---|---|
| | | | 2022 | 2021 | 2022 | 2021 |
| | | | % | % | $ Millions | $ Millions |
| **Associate of Jurong Port Rizhao Holding Pte. Ltd.** | | | | | | |
| Rizhao Port Jurong Co. Ltd. ("RZJP") | Provision of port, marine and logistics services | People's Republic of China | 22 | 22 | 68 | 68 |
| **Joint venture of Jurong Hainan Holding Pte. Ltd.** | | | | | | |
| SDIC Jurong Yangpu Port Co. Ltd. ("SDIC") | Provision of port, marine and logistics services | People's Republic of China | 49 | 49 | 73 | 73 |
| **Joint venture of Jurong Port Marunda Holding Pte. Ltd.** | | | | | | |
| PT Pelabuhan Tegar Indonesia ("PTI") | Provision of port services | Indonesia | 49 | 49 | 37 | 37 |
| **Joint venture of Jurong Port Meranti Holdings Pte. Ltd.** | | | | | | |
| Jurong Port Universal Terminal Pte. Ltd. ("JPUT") | Provision of port, marine and logistics services | Singapore | 41 | 41 | 651 | 651 |
| | | | | | 829 | 829 |

Summarised financial information for significant associate is set out below:

| | RZJP | |
|---|---|---|
| | 2022 | 2021 |
| The Group | $ Millions | $ Millions |
| **Associates** | | |
| Current assets | 153 | 86 |
| Non-current assets | 471 | 397 |
| | 624 | 483 |
| Current liabilities | 23 | 18 |
| Non-current liabilities | 76 | 1 |
| | 99 | 19 |
| Revenue | 168 | 129 |
| Net profit | 39 | 30 |
| Group's share of net profit | 9 | 6 |

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

Reconciliation of the summarized financial information presented, to the carrying value of the Group's interest in associate, is as follows:

| | RZJP | |
|---|---|---|
| | 2022 | 2021 |
| | $ Millions | $ Millions |
| Net assets | 525 | 464 |
| Group's equity stake | 21.7% | 21.7% |
| Group's share of net assets | 114 | 100 |
| Less: impairment | (85) | (62) |
| Net carrying value of associates | 29 | 38 |

RZJP was listed on the Main Board of the Stock Exchange of Hong Kong Limited on 19 June 2019. The fair value of the equity interest in RZJP amounts to $29 million (2021 : $38 million) based on the last transacted market price for the year.

Summarised financial information for significant joint ventures is set out below:

| | JPUT | | PTI | | SDIC | |
|---|---|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| The Group ($ Millions) | | | | | | |
| **Joint ventures** | | | | | | |
| Current assets | 145 | 186 | 9 | 13 | 46 | 31 |
| Non-current assets | 3,328 | 3,234 | 78 | 78 | 145 | 151 |
| | 3,473 | 3,420 | 87 | 91 | 191 | 182 |
| Current liabilities | 128 | 104 | 11 | 18 | 49 | 40 |
| Non-current liabilities | 1,818 | 1,824 | - | - | - | - |
| | 1,946 | 1,928 | 11 | 18 | 49 | 40 |
| Revenue | 204 | 7 | 19 | 18 | 33 | 28 |
| Net profit/(loss) | 34 | 1 | 5 | 6 | (5) | * |
| Group's share of net profit/(loss) | 14 | * | 2 | 3 | ** | * |

Reconciliation of the summarised financial information presented, to the carrying value of the Group's interest in joint ventures, is as follows:

| | JPUT 2022 | JPUT 2021 | PTI 2022 | PTI 2021 | SDIC 2022 | SDIC 2021 |
|---|---|---|---|---|---|---|
| Net assets | 1,527 | 1,492 | 76 | 73 | 142 | 142 |
| Group's equity stake | 41% | 41% | 49% | 49% | 49% | 49% |
| Group's share of net assets | 626 | 612 | 37 | 36 | 70 | 70 |
| Capitalised acquisition costs | 39 | 39 | - | - | - | - |
| Less: impairment | - | - | - | - | (70) | (70) |
| Net carrying value of joint ventures | 665 | 651 | 37 | 36 | - | - |

* less than $1 million
** capped to cost of investment

In 2021, the Group acquired 41% of Jurong Port Universal Terminal Pte. Ltd. (JPUT) through its wholly-owned subsidiary, Jurong Port Meranti Holdings Pte. Ltd. (JPMH). The consideration payable (excluding acquisition costs) for the investment amounted to $612 million, of which $75 million was fully paid during the financial year 2022. (Note 22).

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

19 INVESTMENT - DEBT SECURITIES

| | The Group and Corporation | |
|---|---|---|
| | 2022 | 2021 |
| | $ Millions | $ Millions |
| Debt securities at amortised cost: | | |
| Current portion | 235 | 13 |
| Non-current portion | 125 | 48 |
| | 360 | 61 |

The debt securities have coupon rates ranging from 0% to 3.80% (2021 : 2.47% to 4.50%) per annum and maturity dates ranging June 2022 to February 2029 (2021 : August 2021 to February 2029).

The debt securities are considered to have low credit risk as the counterparties to these instruments have a minimum BBB credit rating. Accordingly, the loss allowance is measured at an amount equal to 12-month expected credit losses (ECL) and no credit losses were recognised for the year.

20 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

The financial assets at FVTPL are managed by external fund managers in accordance with a documented and approved investment mandate. The fair values of the financial assets are based on valuation provided by the external fund managers. The fair value measurement of the financial assets are categorised as Level 2. There are no significant unobservable inputs.

21 OTHER NON-CURRENT ASSETS

| | The Group | | The Corporation | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | $ Millions | $ Millions | $ Millions | $ Millions |
| Loans to investee companies and third parties | 6 | 6 | 3 | 3 |
| Less: Allowance for impairment | (6) | (6) | (3) | (3) |
| Loans, net | - | - | - | - |
| Rent-free incentive | 144 | 134 | 144 | 134 |
| Others | 36 | 39 | 9 | 9 |
| | 180 | 173 | 153 | 143 |

The carrying amounts of non-current assets approximate their fair values at the end of the reporting period.

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

22 TRADE AND OTHER PAYABLES

| | The Group | | The Corporation | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | $ Millions | $ Millions | $ Millions | $ Millions |
| Trade payables and accrued operating expenses | 100 | 141 | 78 | 111 |
| Other payables: | | | | |
| - Capital expenditure | 165 | 168 | 133 | 141 |
| - Miscellaneous | 40 | 43 | 22 | 25 |
| Deposits and advance rentals collected | 130 | 127 | 112 | 114 |
| Accrued property tax | 4 | 3 | 3 | 3 |
| Accrued interest on borrowings | 15 | 16 | 15 | 16 |
| Accrued staff related costs | 55 | 55 | 53 | 52 |
| Lease liability | 16 | 17 | 5 | 6 |
| Amounts due to joint ventures (Note 18) | - | 75 | - | - |
| Amounts due to government agencies | 62 | 7 | 59 | 3 |
| | 587 | 652 | 480 | 471 |
| Represented by: | | | | |
| Current portion | 574 | 641 | 478 | 470 |
| Non-current portion | 13 | 11 | 2 | 1 |
| | 587 | 652 | 480 | 471 |

23 BORROWINGS

| | The Group | | The Corporation | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | $ Millions | $ Millions | $ Millions | $ Millions |
| Unsecured term loans: | | | | |
| - Current portion | 720 | 26 | 20 | 20 |
| - Non-current portion | 332 | 984 | 332 | 353 |
| | 1,052 | 1,010 | 352 | 373 |

Unsecured term loans comprise:

- Loans of $352 million (2021 : $373 million), with fixed interest rates of 2.76% to 3.13% (2021 : 2.76% to 3.13%) per annum. The loans are repayable in semi-annual instalments between 1 year to 36 years.

- Loans of $700 million (2021 : $637 million), with floating interest rates of 0.50% to 1.83% (2021 : 0.63% to 1.88%) per annum. The loan is repayable in semi-annual instalments within the next 12 months (2021 : between 1 to 3 years).

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

24 DEFERRED INCOME

| | The Group | | The Corporation | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | $ Millions | $ Millions | $ Millions | $ Millions |
| Balance at beginning of year | 4,907 | 4,803 | 5,041 | 4,945 |
| Additions | 175 | 325 | 175 | 325 |
| Amortisation | (220) | (221) | (228) | (229) |
| Balance at end of year | 4,862 | 4,907 | 4,988 | 5,041 |
| Represented by: | | | | |
| Current | 236 | 224 | 236 | 224 |
| Non-current | 4,626 | 4,683 | 4,752 | 4,817 |
| | 4,862 | 4,907 | 4,988 | 5,041 |

Deferred income relates principally to premium received in advance and receivable in respect of operating leases and the amount is amortised to the statement of comprehensive income in accordance with the policy of the Group.

25 DEFERRED TAX LIABILITY

This arose mainly from the excess of net book value over tax written down value of plant and equipment at the end of the year.

26 CAPITAL ACCOUNT

| | The Group and Corporation | | | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | Number of ordinary shares | | Amount | |
| | Million | Million | $ Millions | $ Millions |
| At beginning and end of year | 110 | 110 | 167 | 167 |

The shares are held by the Ministry of Finance, a body incorporated by the Minister for Finance (Incorporation) Act.

All issued ordinary shares are fully paid. The shares carry neither voting rights nor par value.

27 COMMITMENTS

As at the end of the financial year, the Group and the Corporation have the following commitments:

*(a) Development and capital expenditure*

| | The Group | | The Corporation | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | $ Millions | $ Millions | $ Millions | $ Millions |
| Amounts approved and contracted for | 2,150 | 2,766 | 2,071 | 2,695 |

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

(b) *Lease receivable as lessor*

Future minimum lease receivables under non-cancellable operating leases contracted for at the end of the reporting period but not recognised as assets, are analysed as follows:

| | The Group | |
|---|---|---|
| | 2022 | 2021 |
| | $ Millions | $ Millions |
| Lease receivables due: | | |
| - Year 1 | 29 | 31 |
| - Year 2 | 17 | 8 |
| - Year 3 | 15 | 6 |
| - Year 4 | 13 | 7 |
| - Year 5 | 13 | 4 |
| - Year 6 onwards | 166 | 32 |
| | 253 | 88 |

These are operating leases on leasehold land and buildings. The lease rentals are subject to yearly revision. The payments due are computed without the yearly revision as the quantum has not been determined.

28 RELATED PARTY TRANSACTIONS

For the purposes of these financial statements, related parties refer to subsidiaries, joint ventures, Ministries, Organs of State, other Statutory Boards and key management personnel. The transactions with Government-related entities (other than Ministries, Organs of State, and other Statutory Boards), are not disclosed unless there are circumstances to indicate that these transactions are of interest to the readers of the financial statements.

Some of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. These balances are unsecured and non-interest bearing.

Other than as disclosed elsewhere in the financial statements, the following significant transactions took place between the Group and related parties during the financial year:

| | The Group and Corporation | |
|---|---|---|
| | 2022 | 2021 |
| | $ Millions | $ Millions |
| **The Corporation's transactions with:** | | |
| **Singapore Land Authority:** | | |
| - Purchase of land/lease extension | (440) | (1,034) |
| **Agency for Science, Technology and Research:** | | |
| - Rental income and others | 148 | 147 |
| **Key Management Personnel:** | | |
| - Income received from firms in which Board members are directors | 22 | 14 |

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

29 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

***(a) Categories of financial instruments***

The following table sets out the financial instruments as at the end of the reporting period:

| | The Group | | The Corporation | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | $ Millions | $ Millions | $ Millions | $ Millions |
| **Financial assets** | | | | |
| At amortised cost | 6,969 | 8,283 | 6,648 | 7,870 |
| Fair value through profit or loss | 1,466 | 248 | 1,466 | 248 |
| | 8,435 | 8,531 | 8,114 | 8,118 |
| **Financial liabilities** | | | | |
| At amortised cost | 1,639 | 1,662 | 832 | 844 |

***(b) Financial risk management policies and objectives***

The Group is exposed to financial risk arising from its operations which include foreign exchange risk, interest rate risk, credit risk and liquidity risk.

The risk management objective of the Group is to focus on minimising foreign exchange risk, interest rate risk, credit risk and liquidity risk. The companies within the Group set policies, strategies and mechanisms, which aim at effective management of these risks within their unique operating environment. The policies for managing each of these risks are discussed below.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk.

*(i) Foreign exchange risk management*

The Group's operations are not exposed to significant foreign currency risk as its transactions, monetary assets and liabilities are predominantly denominated in Singapore dollars.

Foreign currency sensitivity analysis has not been presented as management do not expect any reasonable possible changes in foreign currency exchange rates to have a significant impact on the Group and the Corporation.

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

*(ii)* *Interest rate risk management*

The Group is exposed to interest rate risk on its cash balances placed with reputable financial institutions, and deposits held with AGD and borrowings.

The cash balances are mainly denominated in SGD. At 31 March 2022, if the SGD interest rate had increased/decreased by 0.5% (2021 : 0.5%) with all other variables including tax rate being held constant, the surplus for the year would have been higher/lower by $28 million (2021 : $36 million).

*(iii)* *Price risk*

Surplus funds from the Group's operations are mainly invested in investments managed by professional fund managers. To manage the price risk arising from investments, the Group diversifies its portfolio.

The price of the investments are based on observable inputs in an active market. The Group is exposed to market risk associated with these investments arising from the potential loss in fair value resulting from the decrease in the net asset value of the funds.

The Group's investment strategies and policies are determined by the Finance and Investment Committee and approved by the Board.

At 31 March 2022, if the underlying prices of the investments (Note 20) had been 5% higher or lower while all other variables were held constant, the surplus for the year would have been higher/lower by $73 million (2021 : $12 million).

*(iv)* *Credit risk management*

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. In managing credit risk exposure, credit review and approval processes as well as monitoring mechanisms are applied.

The Group's major classes of financial assets are cash and deposits with AGD, trade and other receivables, lease receivables, investment securities and investments managed by professional fund managers, all of which have low risk of default. The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instruments as presented on the statement of financial position.

*(v)* *Liquidity risk management*

The Group maintains sufficient cash and cash equivalents, and internally generated cash flows to finance its activities.

Liquidity risk is managed by matching the payment and receipt cycle. The Group has sufficient cash from operations and credit lines to fund its capital investments and working capital requirements.

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

*Liquidity risk analyses*

The inclusion of information on non-derivative financial assets and liabilities is necessary in order to understand the Group's liquidity risk management as the Group's liquidity risk is managed on a net asset and liability basis. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Group anticipates that the cash flow will occur in a different period and financial liabilities based on the earliest date on which the Group can be required to pay. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which are not included in the carrying amount of the financial asset/liability on the statement of financial position.

| Group ($' Millions) | Average effective interest rate % | Within 1 year | Within 2 to 5 years | More than 5 years | Adjust-ments | Total |
|---|---|---|---|---|---|---|
| **Financial assets** | | | | | | |
| 2022 | | | | | | |
| Non-interest bearing | - | 300 | 9 | - | - | 309 |
| Variable interest rate instruments | - | 5,598 | - | - | - | 5,598 |
| Financial assets at FVTPL | - | 1,466 | - | - | - | 1,466 |
| Fixed interest rate instruments | 2.5 | 235 | 125 | - | - | 360 |
| Fixed rate lease receivables (Note 14) | 4.0 | 45 | 192 | 920 | (455) | 702 |
| | | 7,644 | 326 | 920 | (455) | 8,435 |
| 2021 | | | | | | |
| Non-interest bearing | - | 347 | 30 | 9 | - | 386 |
| Variable interest rate instruments | - | 7,117 | - | - | - | 7,117 |
| Financial assets at FVTPL | - | 248 | - | - | - | 248 |
| Fixed interest rate instruments | 2.8 | 13 | 48 | - | - | 61 |
| Fixed rate lease receivables (Note 14) | 4.0 | 45 | 191 | 970 | (487) | 719 |
| | | 7,770 | 269 | 979 | (487) | 8,531 |
| **Financial liabilities** | | | | | | |
| 2022 | | | | | | |
| Non-interest bearing | - | 574 | 13 | - | - | 587 |
| Variable interest rate instrument | 1.2 | 700 | - | - | - | 700 |
| Fixed interest rate instruments | 3.0 | 32 | 161 | 290 | (131) | 352 |
| | | 1,306 | 174 | 290 | (131) | 1,639 |
| 2021 | | | | | | |
| Non-interest bearing | - | 641 | 11 | - | - | 652 |
| Variable interest rate instrument | 1.3 | 6 | 631 | - | - | 637 |
| Fixed interest rate instruments | 3.0 | 32 | 129 | 355 | (143) | 373 |
| | | 679 | 771 | 355 | (143) | 1,662 |

**JURONG TOWN CORPORATION AND SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**
**31 March 2022**

| Corporation ($' Million) | Average effective interest rate % | Within 1 year | Within 2 to 5 years | More than 5 years | Adjust-ments | Total |
|---|---|---|---|---|---|---|
| **Financial assets** | | | | | | |
| 2022 | | | | | | |
| Non-interest bearing | - | 236 | - | 9 | - | 245 |
| Variable interest rate instruments | - | 5,341 | - | - | - | 5,341 |
| Financial assets at FVTPL | - | 1,466 | - | - | - | 1,466 |
| Fixed interest rate instruments | 2.5 | 235 | 125 | - | - | 360 |
| Fixed rate lease receivables (Note 14) | | 45 | 192 | 920 | (455) | 702 |
| | | 7,323 | 317 | 929 | (455) | 8,114 |
| 2021 | | | | | | |
| Non-interest bearing | - | 311 | - | 9 | - | 320 |
| Variable interest rate instruments | - | 6,770 | - | - | - | 6,770 |
| Financial assets at FVTPL | - | 248 | - | - | - | 248 |
| Fixed interest rate instruments | 2.8 | 13 | 48 | - | - | 61 |
| Fixed rate lease receivables (Note 14) | | 45 | 191 | 970 | (487) | 719 |
| | | 7,387 | 239 | 979 | (487) | 8,118 |
| **Financial liabilities** | | | | | | |
| 2022 | | | | | | |
| Non-interest bearing | - | 478 | 2 | - | - | 480 |
| Fixed interest rate instruments | 3.0 | 32 | 161 | 290 | (131) | 352 |
| | | 510 | 163 | 290 | (131) | 832 |
| 2021 | | | | | | |
| Non-interest bearing | - | 470 | 1 | - | - | 471 |
| Fixed interest rate instruments | 3.0 | 32 | 129 | 355 | (143) | 373 |
| | | 502 | 130 | 355 | (143) | 844 |

*(vi) Fair value of financial assets and financial liabilities*

The carrying amounts of financial assets and financial liabilities as reported on the statement of financial position approximate their respective fair values.

### *(c) Capital management policies and objectives*

The Group manages its capital to ensure that it will be able to continue as a going concern while fulfilling its objective as a statutory board. The capital structure of the Group consists of accumulated surplus and capital account. The overall strategy of the Group remains unchanged from the previous financial year.

JTC ANNUAL REPORT FY2021

THE JTC SUMMIT
8 JURONG TOWN HALL ROAD
SINGAPORE 609434

Jurong Port

# Creating Value and Enhancing Resilience

ANNUAL REPORT 2021

# Year in Review

**By focusing on creating value and enhancing resilience for the 3 key industry verticals that we serve: construction, energy and anchorage, Jurong Port (JP) has made progress towards achieveing our vision of becoming a Next Generation Multipurpose Port (NGMPP) by 2025.**

2021 was a year of recovery towards pre-COVID levels in terms of key cargo throughput for JP. Despite resource constraints and enhanced COVID-19 measures, JP was able to maintain high service levels as business activities recover. Key projects such as the Ready-Mix Concrete (RMC) Ecosystem and Jurong Port Tank Terminals (JPTT) Phase 2 began to take shape as construction activities continued amidst labour constraints. 2021 also marked the first full year of operating Jurong Port Universal Terminal (JPUT), in which we managed a seamless transition for operations, preserving stability as the largest supplier to Singapore's bunkering market.

Our waterfront transformation efforts also made significant progress in creating value and enhancing resilience for our port users through streamlined safety protocols, operational efficiency and resource optimisation. To remain relevant with the evolving business and operating landscape, JP formulated the next iteration of our digital strategy, which leverages on technological solutions along and across key supply chains that we serve.

Being environmentally sustainable is an integral aspect of our journey to become a NGMPP. As the primary multipurpose port in Singapore, JP is committed to accelerating decarbonisation efforts, helping build leaner and greener supply chains that will contribute to the national and global sustainability agenda, and continuously innovating to become a smart and environmentally friendly port.
JP will transition towards a low-carbon future through the adoption of cleaner energy, automation and digitalisation. In line with Maritime and Port Authority of Singapore's (MPA) Maritime Decarbonisation Blueprint, JP aims to achieve 50% reduction in carbon emissions by 2030 from 2005 levels. JP also aspires to be carbon neutral by 2050.

JP thanks the Board for navigating us through another challenging year. We would also like to thank former Chairman Mr Ng Chee Keong for leading JP during a significant period of transformation and being directly involved in our milestones of growth and accomplishments ending 30 September 2021. JP welcomed Mr Wee Siew Kim as the new Chairman on 1 October 2021.

JP is grateful to our stakeholders, business partners and customers for their continuous support. We also pay tribute to our frontline workers for their steadfast dedication in keeping our port safe and operational during this difficult time.

Below: View of Jurong Port

# FY2021 Performance

## Cargo Throughput

### Overall Volumes

▲ 12%

A 12%* YoY increase in overall throughput in FY2021 is attributed by the growth in cement and steel throughput on the back of recovering construction activities.

** Excluding JPUT volumes.*

### General Cargo (Steel)

▲ 17%

**3.1 Mil tonnes**

Steel throughput for FY2021 increased 17% YoY primarily due to the recovery of construction activities. The buying trend shifted towards Southeast Asia due to the war in Ukraine.

### Bulk Cargo (Cement)

▲ 65%

**4.7 Mil tonnes**

Cement throughput for FY2021 increased 65% YoY, due to the suspension of construction activities in FY2020. However, record high freight rates have dented demand for cement import via sea.

### JP Tank Terminals (JPTT)

▼ 20%

**3.1 Mil tonnes**

JPTT YoY throughput dropped by 20% in FY2021 due to reduction in regional demand of petroleum products induced by COVID-19.

### JP Universal Terminal (JPUT)

**25.7 Mil tonnes**

2021 marked the first full year of operating JPUT where we achieved 100% utilisation in January 2022.

### Containers

▼ 0.4%

**312k TEUs**

Container throughput declined marginally by 0.4% YoY, but mix improved with more laden containers handled.

### Lighter Terminals and Offshore Marine Centre (OMC)

▼ 5%

**1.2 Mil tonnes**

YoY throughput decreased for Lighter Terminals as Singapore's vessel arrivals fell 3.1% YoY.

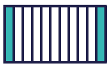
# Overseas Joint Ventures

## Overview

▲ 19%

**32 Mil tonnes**

In FY2021, the general and bulk cargo volumes of overseas terminals totalled 32 million tonnes vs 27 million tonnes in FY2020.



▲ 39%

**207k TEUs**

In FY2021, the container volumes of overseas terminals totalled 207k TEUs vs 149k TEUs in FY2020.

## Rizhao

Throughput and net profit after tax (NPAT) increased 26% and 28% YoY respectively. The growth in throughput is mainly contributed by the recovery of woodchip business (+185%) and improvement of maize business (+42%).

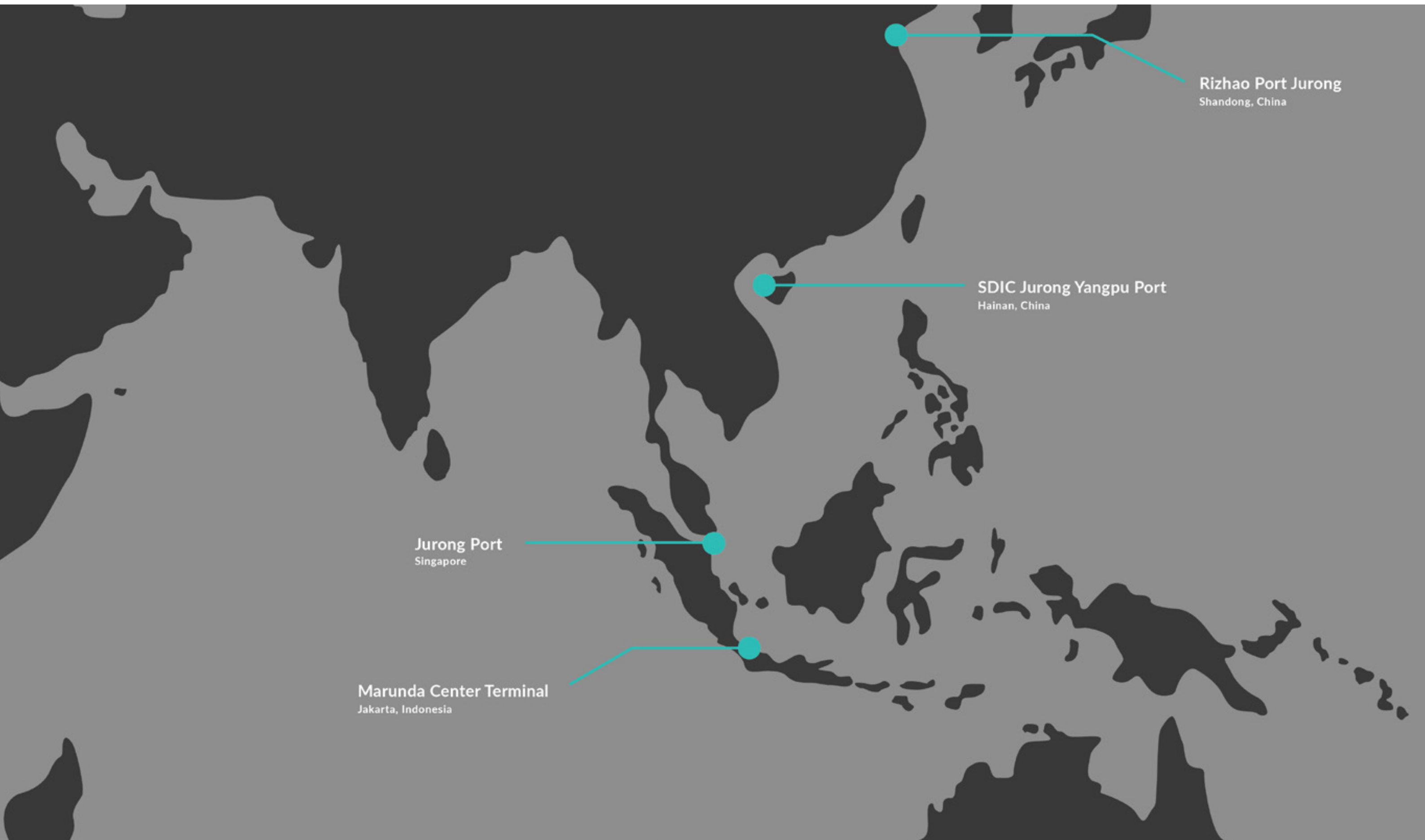
## PTI (Marunda)

Throughput increased by 16% and NPAT dropped by 2% YoY respectively due to an increase in amortisation, maintenance and professional services costs.

## Yangpu

General and bulk cargo throughput dropped 2% YoY while container throughput increased 39% YoY.

Below: Jurong Port and our overseas joint ventures



# Cargo Handling Productivity

## Bulk Cargo (Cement) Handling Productivity

▼ 5%

**556 to 531**

**tonnes per hour over the course of FY21**

A slight decrease in cement handling productivity levels due to the adjustment by our operators to the newly installed operator cabins.

## General Cargo (Steel) Handling Productivity

▼ 19%

**349 to 283**

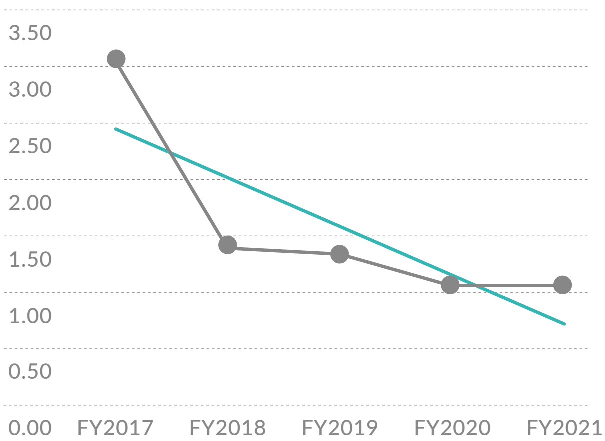
**tonnes per hour over the course of FY21**

A decrease in steel handling productivity was due to a surge in steel imports to replenish inventory following the circuit breaker in FY2020. However, the same labour constraints remained in FY2021.

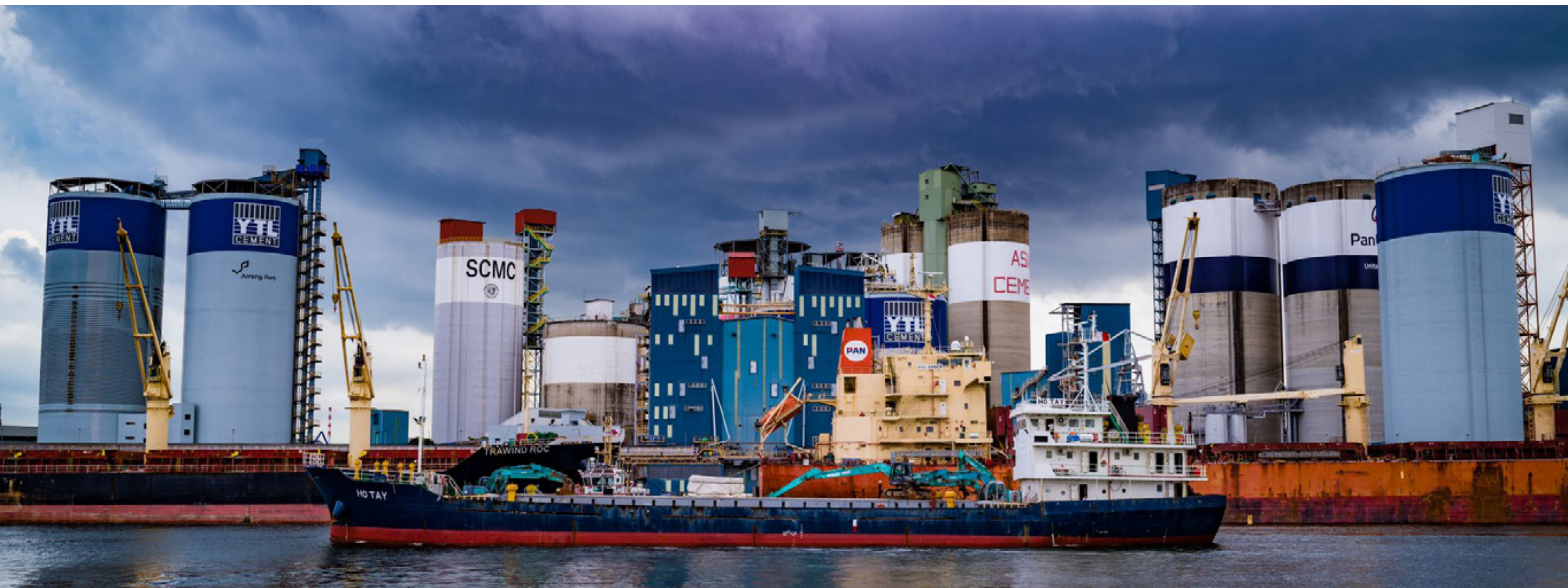
## Operational Safety

Since our safety transformation in 2017, we have steadily reduced our AFR from 3.07 in FY2017 to 1.09 in FY2021. Accident Frequency Rate (AFR) remained flat at 1.09 for FY2021.

ACCIDENT FREQUENCY RATE TREND LINE




Below: Jurong Port Cement Terminal



# Ensuring a Safe Working Environment

JP's Workplace Safety and Health (WSH) took guidance from the Ministry of Health and maintained strong safety protocols to safeguard the well-being and safety of all staff and port users as the pandemic situation evolved. An Enhanced Port Segregation and Surveillance Plan was rolled out in June 2021 to ensure proper segregation between frontliners and non-frontliners to prevent and control COVID-19 transmission, enabling JP to operate safely and efficiently. To maintain high operational readiness, JP ensured that there was minimal disruption to port users' operations while implementing safe management measures in our port.

Complementing JP's continued efforts towards an injury-free workplace were innovations that shape a safer environment for our workers. In 2021, JP developed a cement operator cabin with semi-automation that eliminated the need for personnel to perch over the cargo hold to control the unloader, thus avoiding exposure to physically demanding conditions (such as fine cement dust). Furthermore, a first-of-its kind customised multi-functional wheel loader utilising a motion sensor brush head and "quick change" bucket attachment to collect fallen cement was also introduced. Leveraging on automation and mechanisation, the requirement of 6 sweepers to clean the vessel walls was reduced by more than half to just 2-3 sweepers in the cargo hold. For this innovative solution, JP clinched the **Gold Award (Logistics and Transport Sector)** at the WSH Innovation Awards 2021.

JP also received the **Operational Excellence Award 2021**, given by the Ministry of Home Affairs, for achieving exceptional operational outcomes and performance while displaying outstanding service and innovation.

Above: Jurong Port team receiving the award from Oh Bee Lock, Chief Executive Officer of Singapore Logistics Association

# Developing Port-Centric Ecosystems

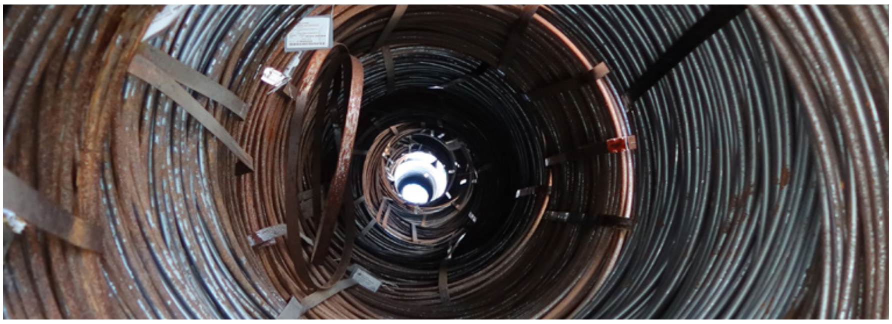
## Key Highlights

### Construction

World's **first-of-its-kind** common user facility to co-locate aggregates storage and concrete batching facilities

**25 years** of operations, **100 million** tonnes of cement

Commencement of **Steel Stowage** Requirements



### Energy


**JPTT**

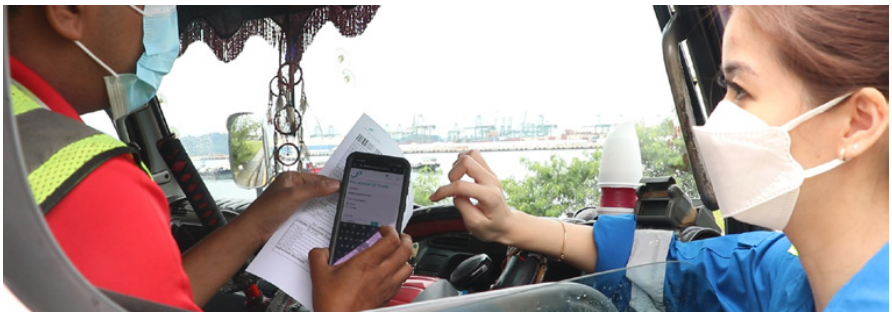
**100%** leased out of storage capacities (550,000 cubic metres)

**JPUT**

**100%** utilisation of tanks, accounting for around 30% of Singapore's bunkering market

### Anchorage

Launch of **LT Connect** mobile app



# Construction

## Cement Terminal

JP Cement Terminal celebrated 25 years of operations, and this milestone was marked by the handling of 100 million tonnes of cement in October 2021. As the world's largest common-user cement terminal, JP handles more than 80% of Singapore's bulk cement imports. The terminals are capable of catering to an annual handling capacity of over 7.5 million tonnes and come fitted with cutting-edge infrastructure and equipment that ensure safe, efficient and environmentally friendly discharge of cement.

## Steel Terminal

In FY2021, JP worked closely with MPA to institute the national Steel Stowage Requirements for all vessels carrying steel cargo to be unloaded at publicly licensed cargo terminals in Singapore. This marks a significant milestone since the launch of steel stowage guidelines in 2018 and will create a safer environment for all workers involved in steel cargo handling at the port. The commencement of the steel stowage standards is key to paving the way for the development of JP's steel terminal, which will enable greater levels of mechanisation and safety. It will be an important building block to achieve quantum improvements in safety and labour dependency.

## Ready-Mixed Concrete Ecosystem

Believed to be the world's first-of-its-kind common user facility, RMC Ecosystem will bring about the co-location of aggregates storage and concrete batching facilities nearer to JP to enable shorter, leaner and greener construction material supply chains in Singapore. It is expected to intensify land use, increase operational efficiency and eliminate more than 600,000 truck trips per annum. 2021 saw the realisation of the RMC Ecosystem from concept to actual infrastructure with the construction of Phase 1 expected to be completed in late 2022.

A corresponding RMC Terminal Operating System was also designed and developed in-house to fully integrate with JP's existing systems. This was achieved thanks to meaningful engagements with aggregates importers and RMC batching players as we transition them from BCA's Tuas Aggregate Terminal to JP. This entails leading them through a digitalisation journey and enabling them to leverage on data to improve supply chain visibility and optimise resource deployment.

Below: Aerial view of the Ready-Mixed Concrete Ecosystem

## Energy

### Jurong Port Tank Terminals

Operational since 2019, JPTT has created value for Singapore's energy supply chain with our partners and contributed to the clean petroleum products storage business. The trestle linking JPTT to the northern part of Jurong Island, in particular to a refinery and other tank storage operators, allows us to serve our customers better through the use of pipeline connectivity, enabling direct storage from refinery, trading with other players and sharing of berthing infrastructure. With the expected completion of Phase 2 in 2022, JPTT will boast approximately 550,000 cubic metres of storage capacity for clean petroleum products. In 2021, JPTT successfully leased out 100% of both Phase 1 and 2 capacities on long-term contracts.

### Jurong Port Universal Terminal

Our acquisition of a stake in JPUT has created strategic depth for JP's oil terminal and storage business, making JP the largest independent tank storage terminal operator in Singapore. In our first year of operating JPUT, we facilitated a seamless transition in our operations, maintained a high level of operational levels, and achieved 100% utilisation of the tanks. This provided stability to Singapore's bunkering market as JPUT's share of Singapore's bunker sales remained steady at around 30%.

## Anchorage

JP's Lighter Terminals (Penjuru Lighter Terminal and Marina South Wharves) handle a total of 800,000 metric tonnes of ship supplies and spares, served with 80,000 supply boat calls to mother vessels at anchorage annually. Our lighter terminals account for more than 90% of ship supplies handled in Singapore and contributes towards reinforcing the country's maritime hub status.

JP continues to champion industry transformation for the ship supplies industry to ensure Maritime Singapore maintain its competitiveness. LT Connect, a digital platform for efficient terminal management developed by JP, has seen an increase in user adoption and effectiveness. It is now used by supply chain participants as a planning tool to ensure efficient logistical arrangements. Close engagements with the industry also enabled JP to incorporate continuous improvements to the system such as creation of a communication platform within the LT Connect Mobile App.

Below: Aerial View of Jurong Port Universal Terminal

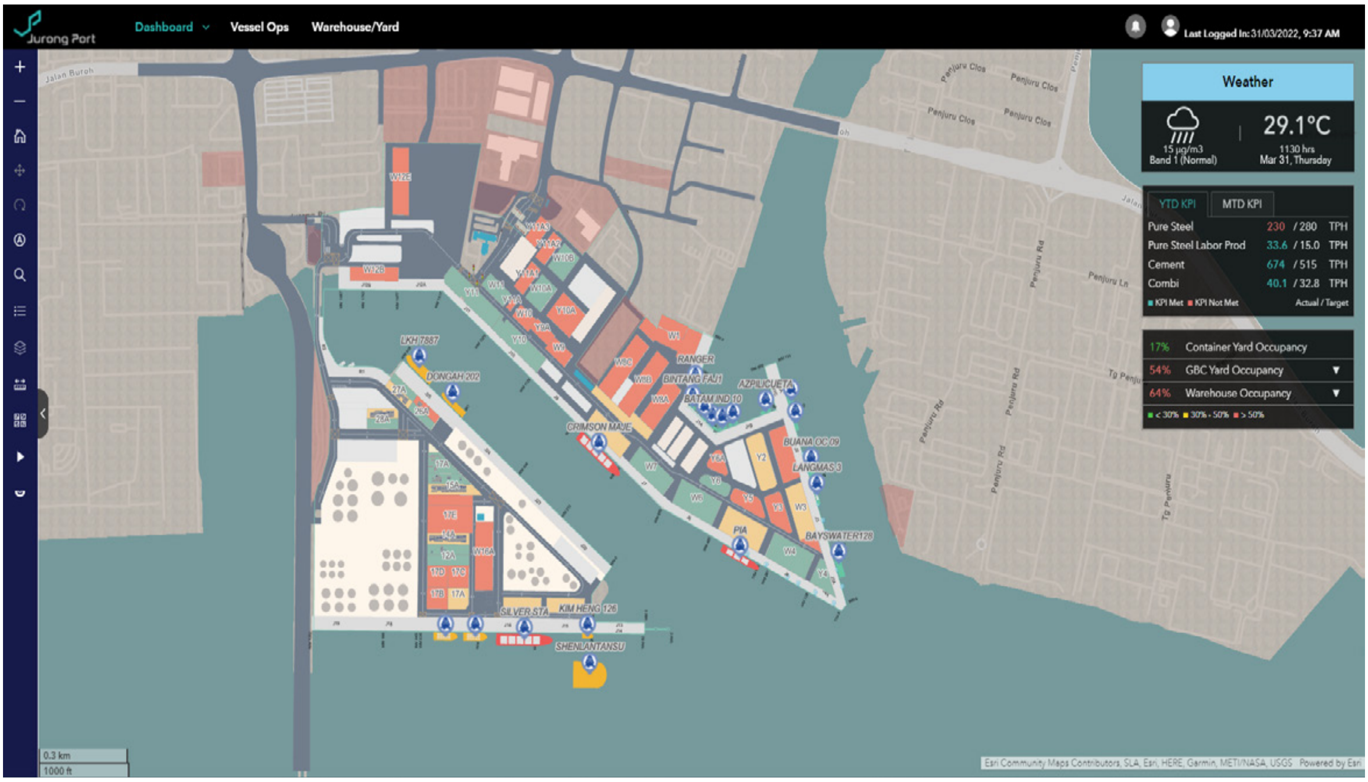
# Leveraging On Digitalisation And Mechanisation To Drive Waterfront Transformation

In 2021, JP launched JP Glass (digital twin) to enable real-time monitoring of our Homeport operations. This was the culmination of multi-year efforts to digitalise JP's waterfront operations across vessel, berth, yard and warehouse storage as well as gate segments. JP Glass will enable us to boost operational productivity through process optimisation, thereby delivering better customer service.

To optimise the forklifts used within the port, JP worked with 10 major stevedore companies to have all forklifts in a common shared pool. Through economies of scale, we achieved a 32% reduction in the forklift fleet while maintaining the same, if not higher, service levels. A corresponding reduction in land requirement to park the forklifts was also achieved. Furthermore, we were able to enforce quality standards for the forklifts deployed for cargo operations. To enhance workplace safety, JP installed cameras and reverse sensors on all forklifts and ensured that they are serviced regularly. JP also implemented the Equipment Pooling Management System (EPMS) to digitalise the manual processes of forklift booking by stevedore companies and maintenance planning of equipment by ground officers.

In July 2021, JP joined public and private sector stakeholders to launch the Singapore Trade Data Exchange (SGTraDex), an interoperable common data infrastructure that connects supply chain ecosystem participants. This digital infrastructure enables information flows across fragmented global supply chain ecosystems through a common data highway, and in a trusted and secure manner.

Below: Screenshot of Jurong Port Glass



# Accelerating Decarbonisation Efforts

## Environmental Stewardship— Decarbonising JP's Operations and More

In 2021, JP established a carbon emission monitoring platform for our Scope 1 and 2 emissions to closely monitor our carbon footprint as we progress towards our target of 50% carbon emission reduction by 2030. To achieve this target, action plans were put in place. For Scope 1, we will, where possible, pursue the electrification of port equipment, such as opting for electric conveyor systems instead of trucks for the RMC Ecosystem. We will also explore the use of transitional fuel, such as biodiesel, for existing diesel-operated port equipment. For Scope 2, we will maximise solar power generation in JP by installing solar panels at the new RMC ecosystem building and switching to energy-efficient LED lights, which will reduce approximately 600 $tCO_2$ annually by 2025. In addition, the development of a Smart Multi-Energy System (SMES) with NTU and SP Group will help JP optimise our electricity consumption from multiple sources.

Beyond decarbonisation, JP is also focused on waste reduction. In support of Singapore's target for 30% reduction in waste sent to landfill per capita by 2030, JP has made efforts to recycle debris from our existing construction projects (i.e. berth upgrading and RMC construction). More than 47,000 tonnes of debris have been recycled in 2021.

To foster a green culture, JP has taken on active engagement and communication efforts to inculcate informed and responsible sustainability habits.


Above: Jurong Port Management at OneMillionTrees Movement

This entails a mindset to understand what it means to live sustainably and make positive differences in our community, workplace and homes. One such engagement was our participation in the national OneMillionTrees movement where JP management and staff planted new trees on Jurong Island in December 2021. The tree planting initiative symbolises JP's commitment to go green and aims to encourage staff to take up ownership and responsibility in doing their part for the environment.

The recognition of our environmental sustainability efforts was marked by the receiving of the Global Compact Network Singapore's LowCarbonSG logo and the inaugural Maritime SG Carbon50 Award 2022.

# Facilitating Green Supply Chains

## Truck-to-ship LNG & Biodiesel Bunkering

JP has been the choice facility for Truck-to-Ship (TTS) LNG bunkering, completing over 480 TTS LNG bunkering operations as of FY2021. Following the success of TTS LNG bunkering, further biodiesel trials were conducted between May and June 2021 using B50 biofuels that include a 50% blend of used cooking oil. This is estimated to reduce carbon dioxide emissions by more than 50%.

## Collaboration with Industry Partners

Being the operator of the busiest bunkering terminal in the world's largest bunkering port today, JP is keen to facilitate the adoption of future marine fuels. We continue to collaborate with like-minded industry partners to decarbonise the maritime industry.

We have joined the Castor Initiative with the aim of providing suitable bunkering infrastructure to support the delivery of ammonia as bunker.

Jurong Port joined six other organisations to form the Coastal Sustainability Alliance, which aims to accelerate the decarbonisation, electrification and advancement in energy-efficient logistics and engineering solutions. JP hopes to elevate industry standards in ship chandelling operations by optimising fleet solutions and engaging with SMEs to improve port efficiency and reduce maritime congestion.

JP is also collaborating with agencies, institutes of higher learning and industry partners to develop a hydrogen-based ecosystem for the adoption of hydrogen fuel to be economically achievable. As part of a consortium with Nanyang Technological University Singapore, JP signed an MOU with Chiyoda, Mitsubishi Corporation and five Singaporean companies to set up a dehydrogenation plant capable of extracting hydrogen from Liquid Organic Hydrogen Carrier (LOHC) by 2023.


Above: Coastal Sustainability Launch & MOU Formalisation Ceremony
Below: Low-Carbon Energy Research RCA Signing Ceremony (Credit: NTU Singapore)

## Board Members
### As at 30 June 2020

Wee Siew Kim
Chairman

Robert Yap Min Choy
Independent Non-executive Director

Gina Lee-Wan
Independent Non-executive Director

Muthukrishnan Ramaswami
Independent Non-executive Director

Vincent Chong
Independent Non-executive Director

Lee Chiang Huat
Independent Non-executive Director

Tan Boon Khai
Director

Teo Eng Dih
Director

Ooi Boon Hoe
Director

David Tan
Alternate Director

## Senior Leadership Team
### As at 30 June 2020

Ooi Boon Hoe
Chief Executive Officer

Samuel Siew
President, Operations & Technology

Pay Cher Wee
President, Business Units

Saw Kok Wei
Chief Financial Officer

Michael Goh
Chief Corporate Services Officer

Tan Wee Meng
Chief Technical Officer
Chief Sustainability Officer

Desmond Lim
Chief Strategy Officer

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jurong-port-pte-ltd

Below: Aerial View of Jurong Port