JTC CORPORATION

ANNUAL REPORT FY2020

BUILDING INDUSTRIES SG

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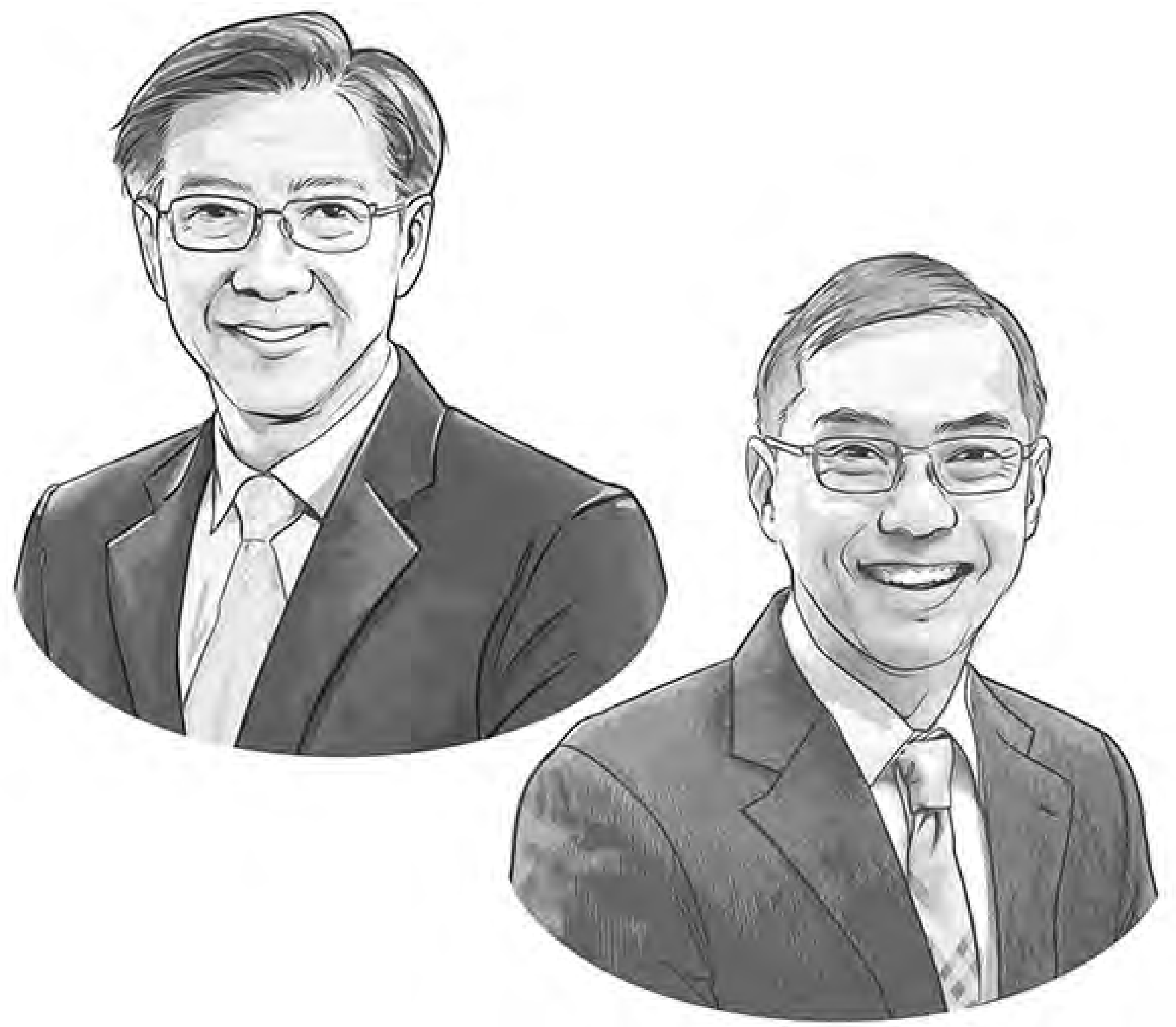
LaunchPad @ Jurong Innovation District

JOINT MESSAGE FROM CHAIRMAN AND CEO



The year 2020 can be summed up in one word: unprecedented.

From the onset of the COVID-19 pandemic, followed by a two-month-long lockdown known as the Circuit Breaker here in Singapore, to the long road to recovery made more gruelling by new waves of infections, JTC has been in the thick of it all.

Our efforts include setting up temporary dormitories and care facilities for Singapore's migrant workers, participating in safe management measures and supporting businesses with government rental relief schemes, just to name a few. Through these tough times, JTC, in our role as Singapore's industrial master planner and developer, has not only remained steadfast in helping and working with businesses, but also cast an eye to the future to turn such challenges into opportunities.

One thing is clear for Singapore's industrial sector: it has remained resilient throughout this crisis. Amidst COVID-19, Singapore's industrial sector has been stable, with certain bright spots in sectors experiencing continued growth. Throughout the full year of 2020, Singapore's manufacturing sector grew by 7.3% as many businesses seized opportunities to consolidate and scale their operations.

Going forward, the outlook for Singapore's industrial future remains positive. JTC is committed to build on this momentum as we work towards creating an industrial sector that is not only clean, green and nimble to weather all storms, but also one that helps to create good jobs for all. Investing in human capital is key to achieving JTC's objectives and we will be stepping up our efforts to build collaborative ecosystems and nurture talent through our Industry Connect initiatives.

Beyond 2021, the Ministry of Trade and Industry has announced ambitious targets to grow Singapore's manufacturing sector by 50% of its current value (estimated at around S$106 billion) as part of the Manufacturing 2030 plan. To help achieve this target, JTC has been working closely with our partners to complete several projects over the past year. Since 2020, the following key milestones have been achieved:

- Jurong Innovation District welcomed a slew of new entrants including Hyundai Motor Group, which has chosen the advanced manufacturing hub as the site for its new electric vehicle plant
- We witnessed the tunnel breakthrough for the upcoming Punggol Coast MRT station, which will bring increased connectivity to JTC's Punggol Digital District
- We obtained Temporary Occupation Permit (TOP) for the latest phases of CleanTech Park and aeroSpace Three @ Seletar Aerospace Park, 1 and 7 North Coast at Woodlands North Coast, while JTC Logistics Hub @ Gul achieved partial TOP
- We are expecting developments such as Defu Industrial City, Built Environment Hub comprising TimMac @ Kranji and Kranji Green at Sungei Kadut Eco-District to achieve TOP status in the coming months

Our work will not stop here. In the coming years, JTC will build upon Singapore's Green Plan 2030 and make a concerted push towards sustainability by ensuring our future estates are green and environmentally friendly.

Today, JTC's solar programmes such as SolarRoof and SolarLand have allowed us to generate renewable energy that contributes to the national grid. But there is much more that can — and will — be done. This includes building key infrastructure such as district cooling systems to enhance energy efficiency and reduce wastage in our estates, as well as working with industrial players to build and curate sustainable business practices.

Regardless of the ongoing challenges caused by COVID-19, the future looks bright and exciting for Singapore's manufacturing sector. JTC will continue to play our role in ensuring a strong and vibrant industrial ecosystem, and work hand in hand with all stakeholders to help businesses grow and thrive.

Tan Chong Meng
Chairman

Tan Boon Khai
Chief Executive Officer

2021 BOARD MEMBERS

As at 31 July 2021

CHAIRMAN

Mr Tan Chong Meng
Group Chief Executive Officer
PSA International Pte Ltd

Chairman
Development Committee
Human Resource Committee

MEMBERS

Ms Jeanette Wong
Board Member
PSA International Pte Ltd &
UBS Group AG & Prudential PLC

Chairman
Finance & Investment Committee

Mr Michael Sim
Executive Director
Platanetree Capital Pte Ltd

Chairman
Audit & Risk Committee

Mr Muthukrishnan Ramaswami
Partner
PeepalTree Pte Ltd

Chairman
Digital Technology Committee

Mr Ng Chee Keong
Chairman
Jurong Port Pte Ltd

Ms Kwa Kim Li
Managing Partner
Lee & Lee Advocates & Solicitors

Mr Olivier Lim Tse Ghow
Chairman
Certis CISCO Security Pte Ltd

Mr Vincent Chong
Group President & CEO
ST Engineering

Mr Mok Wei Wei
Managing Director
W Architects Pte Ltd

LG Melvyn Ong Su Kiat
Chief of Defence Force
Ministry of Defence

Mr Adrian Chua
Deputy Secretary (Industry)
Ministry of Trade and Industry

Mr John Lim
Second Deputy Secretary
Ministry of Social and Family
Development

Mr Zainal Bin Sapari
Assistant Director-General
National Trades Union Congress

Mr Tan Boon Khai
Chief Executive Officer
JTC Corporation

2021 SENIOR MANAGEMENT

As at 31 July 2021

Mr Tan Boon Khai
Chief Executive Officer
JTC Corporation

Mr Terence Seow
Assistant Chief Executive Officer
Corporate, Policy & Planning Group
Enterprise Group

Chief Digital Officer (Covering)

Mr David Tan
Assistant Chief Executive Officer
Development Group

Mr Heah Soon Poh
Assistant Chief Executive Officer
Engineering & Operations Group

Group Director (Covering)
Project Management

Mr Alvin Tan
Assistant Chief Executive Officer
Industry Cluster Group

Ms Chee Wan Chin
Group Chief Financial Officer

Director (Covering)
Billing & Reporting

Mr Tay Ter Long
Group Director
Contracts & Procurement

Mr Tan Chee Kiat
Group Director
Engineering

Director (Covering)
Future of Building & Infrastructure

Mr Leong Hong Yew
Group Director
Enterprise Cluster Group

Ms Ma Ping Nee
Group Director
Enterprise Cluster Group

Director (Covering)
Industrial Estates

2021 SENIOR MANAGEMENT

As at 31 July 2021

Mr Mark Koh
Group Director
Facilities & Estates Management

Director (Covering)
Security Division

Mr Leow Thiam Seng
Group Director
Industry Cluster Group

Ms Vivien Tan
Group Director
Industry Cluster Group

Mr Kok Poh June
Group Director
New Estates 2

Ms Josephine Loke
Group Director
Land Planning & Redevelopment

Dean
JTC Academy

Ms Yvonne Lim
Group Director
Policy & Research

Director (Covering)
Policy & Research

Ms Jan Seow
Group Director Designate
Land Planning & Redevelopment

Director (Covering)
Land Planning

2021 SENIOR MANAGEMENT

As at 31 July 2021

CEO's OFFICE

Ms Caroline Wong
Director
Communications

Ms Lee Chuay Noi
Director
Human Resources

Mr Stanley Tan
Director
JTC Academy

Director
Centre for Information Management

Mr Francis Nyan
Director
Treasury & Payments

CORPORATE, POLICY & PLANNING

Mr Goh Chye Kiang
Director
Applications Development

Mr Goh Thong
Director
Audit & Advisory

Ms Wee Pei Yean
Director
Corporate Planning

Mr Andy Yeo
Chief Information Security Officer
Cybersecurity & Design

Mr Benjamin Chan
Director
Data Science

Mr Alan Siow
Director
Digital Infrastructure & Ops

Mr Mohd Hafiz Bin Sayuti
General Counsel
Legal Services

Mr Mak Chee Hua
Director
Valuation

DEVELOPMENT

Ms Elaine Lee
Director
Contracts & Procurement (Construction)

Mr Nelson Liew
Director
Land Redevelopment

Director
New Estates 2

Ms Finn Tay
Director
New Estates 1

Ms Gina Foo
Director
New Estates 2

Mr James Tan
Director
Smart District

Ms Tang Hsiao Ling
Director
Urban Design & Architecture

Ms Dawn Chiang
Acting Director
Contracts & Procurement (Corporate)

ENTERPRISE CLUSTER

Mr Tang Weng Chau
Director
Housing & Community

Ms Tang Li Fun
Director
Industrial Properties Management 1

Ms Gillian Phua
Director
Industrial Properties Management 2

ENGINEERING & OPERATIONS

Mr Wong Wei Loong
Director
Building Projects

Mr Ng Eng Sin
Director
Facilities Engineering & Systems

Mr Jason Foo
Director
Facilities Planning & Enforcement

Mr Chan Chee Choong
Director
Facilities & Estates Management (Central)

Ms Yap Chung Lee
Director
Facilities & Estates Management (East)

Mr Derrick Ong
Director
Facilities & Estates Management (Public)

Mr Kenny Lim
Director
Public Projects

Mr Chua Leong Yew
Director
Reclamation

Ms Tan Su Chern
Director
Technical Services

Mr Koh Chwee
Director
Workplace Safety & Construction Quality

Mr Hubert Tan
Acting Director
Facilities & Estates Management (West)

Mr Brian Koh
Acting Director
Infrastructure Projects

INDUSTRY CLUSTER

Ms Lim Aiting
Director
Aerospace & Marine

Mr Cheong Wee Lee
Director
Biomedical & Electronics

Mr Aw Wei Been
Director
Cluster Solutions

Ms Cindy Koh
Director
Energy & Chemicals

Mr Eugene Lim
Director
Food & Lifestyle

Ms Sophia Ng
Director
Info-Comm Media & Start-Up Cluster

Mr Anil Das
Director
Logistics & Land Transport

Mr Cheang Tick Kei
Director
Precision Engineering & Advanced Manufacturing

Mr Lim Junwei
Director
Urban Solutions & Construction

FY2020 HIGHLIGHTS

NEW ALLOCATION OF JTC'S INDUSTRIAL LAND

Land Area (Ha)	No. of companies
136.4	95

New Allocation of JTC's Industrial Land by Industry

19% Biomedical Manufacturing

10% Chemicals

20% Construction

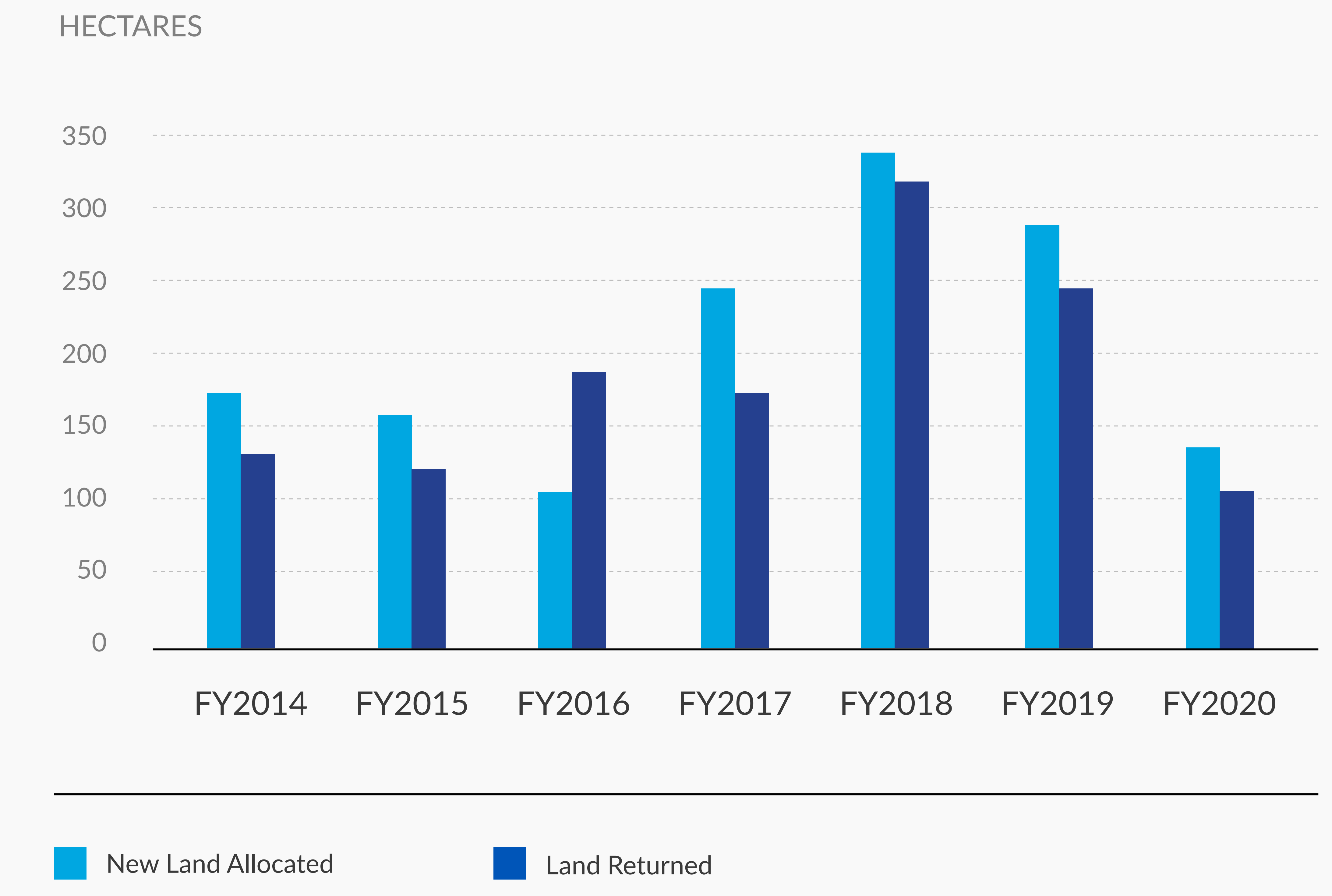
10% Real Estate/ Financial Activities/ Holding Companies

12% Transport Engineering

29% Other Industries

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

New Land Allocated and Land Returned (Ha), FY2014-FY2020



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

FY2020 HIGHLIGHTS

NEW ALLOCATION OF JTC'S READY-BUILT FACILITIES

Area ('000 sqm)
295.3

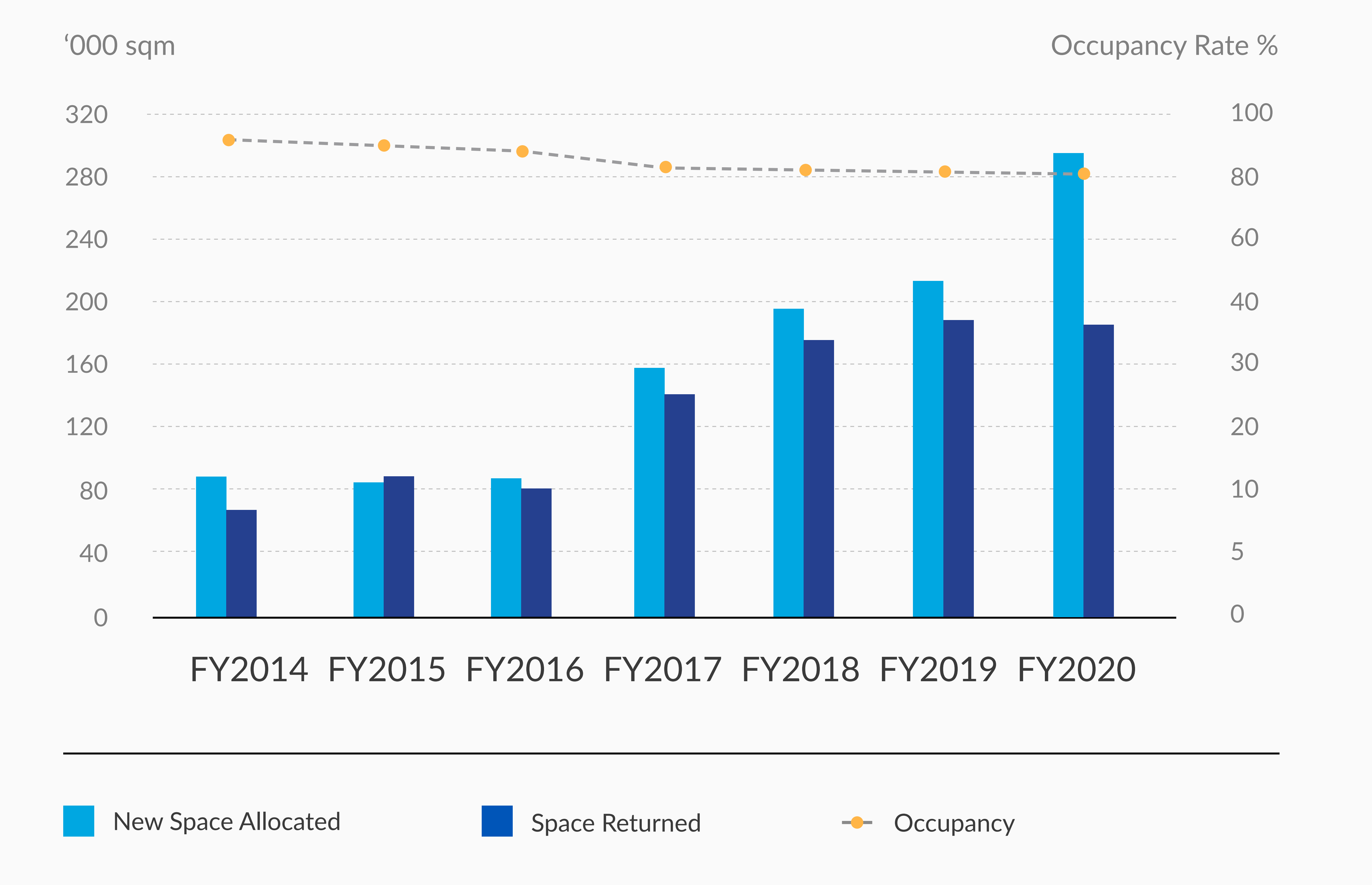
No. of companies
751

New Allocation of JTC's Ready-Built Facilities by Industry

- 6% Chemicals
- 11% Construction
- 10% General Manufacturing
- 7% Precision Engineering
- 4% Professional Scientific and technical Activities
- 23% Transport and Storage
- 38% Other Industries

Numbers may not add up due to rounding.

New Space Allocated, Space Returned and Occupancy Rate of JTC's Ready-Built Facilities ('000 sqm) FY2014-FY2020



Source for Occupancy Rate: J-Space

Who Says MANUFACTURING IS BORING?

It is becoming more advanced, innovative and high-tech.

1,200
Number of jobs to be created in JID in the next 18 months

4,500
Size of JID's workforce when more companies begin operations there

S$420mil
Quantum of investments over the past year in JID

Manufacturing is a key driver of Singapore's economic growth, and it is set to make an even greater impact. To support Singapore's manufacturing ambitions, we are developing future-ready industrial estates while encouraging enterprises to adapt and evolve for Industry 4.0.

In 2020, Jurong Innovation District (JID) continued to make strides to become Asia's advanced manufacturing hub. Over the past year, it attracted $420 million worth of new investments. The hub is expected to create some 1,200 jobs in the next 18 months, with the district's workforce growing to over 4,500 once companies such as industrial developer Surbana Jurong and bicycle components heavyweight Shimano move their operations into the district.

An artist's impression of JID's Sky Corridor, a transport artery that brings connectivity to the district

At Industrial Transformation ASIA-PACIFIC 2020, we announced that Advanced Manufacturing Training Academy, DMG Mori, Fanuc, Konica Minolta and Makino are among many names joining a growing advanced manufacturing ecosystem at JID that includes Siemens and Bosch Rexroth. The district will also be home to the Hyundai Motor Group Innovation Centre in Singapore (HMGICS), a facility where future mobility and automotive technologies, including those for electric car production, will be developed. The centre, which has a built-up area of about 90,000 sqm, will function as an open innovation lab that facilitates collaboration between industry and academia.

Despite the effects of COVID-19 across various sectors, 2020 also saw a series of announcements that boosted confidence in Singapore. In November, Airbus opened its $38 million integrated campus in Seletar Aerospace Park. Kajima, a name synonymous with the Japanese construction industry, broke ground on its $100 million Kajima Global Hub at Changi Business Park. The 13,088 sqm hub will be Kajima's first and only overseas innovation centre that will test-bed and showcase new construction technologies.

Future mobility and automotive technologies will be developed at the Hyundai Motor Group Innovation in Singapore

Creating Environments for Innovation

From HMGICS to the Kajima Global Hub, innovation centres play an integral part in the progress of Singapore's manufacturing landscape. Apart from major players, other companies are also capitalising on Singapore's growing entrepreneurial scene. PlanetSparks Innovation Centre at Changi Business Park aims to help homegrown hardware and technology start-ups accelerate their product development journey. Over at Rochester Park in one-north, Boston Consulting Group (BCG) launched the BCG Digital Ventures to incubate and grow new businesses with global companies.

These innovation centres are also testament to how our industrial estates are shaping up to be living labs where new prototypes and game-changing solutions can be tested and scaled. For example, autonomous bus trials were run at Jurong Island (JI) this year. A collaboration between M1, Continental Automotive Singapore and JTC that explores the operations of 5G-enabled Autonomous Mobile Robots is also currently underway at JID.

Similarly, Continental and the NTU Corporate Lab will trial the use of autonomous last-mile delivery robots to send meals to JTC Summit. To ensure successful deliveries, these robots will navigate their way to their locations by communicating with the Open Digital Platform (ODP). Such trials will help us bolster the robustness of the ODP when deployed in Punggol Digital District (PDD) and beyond.

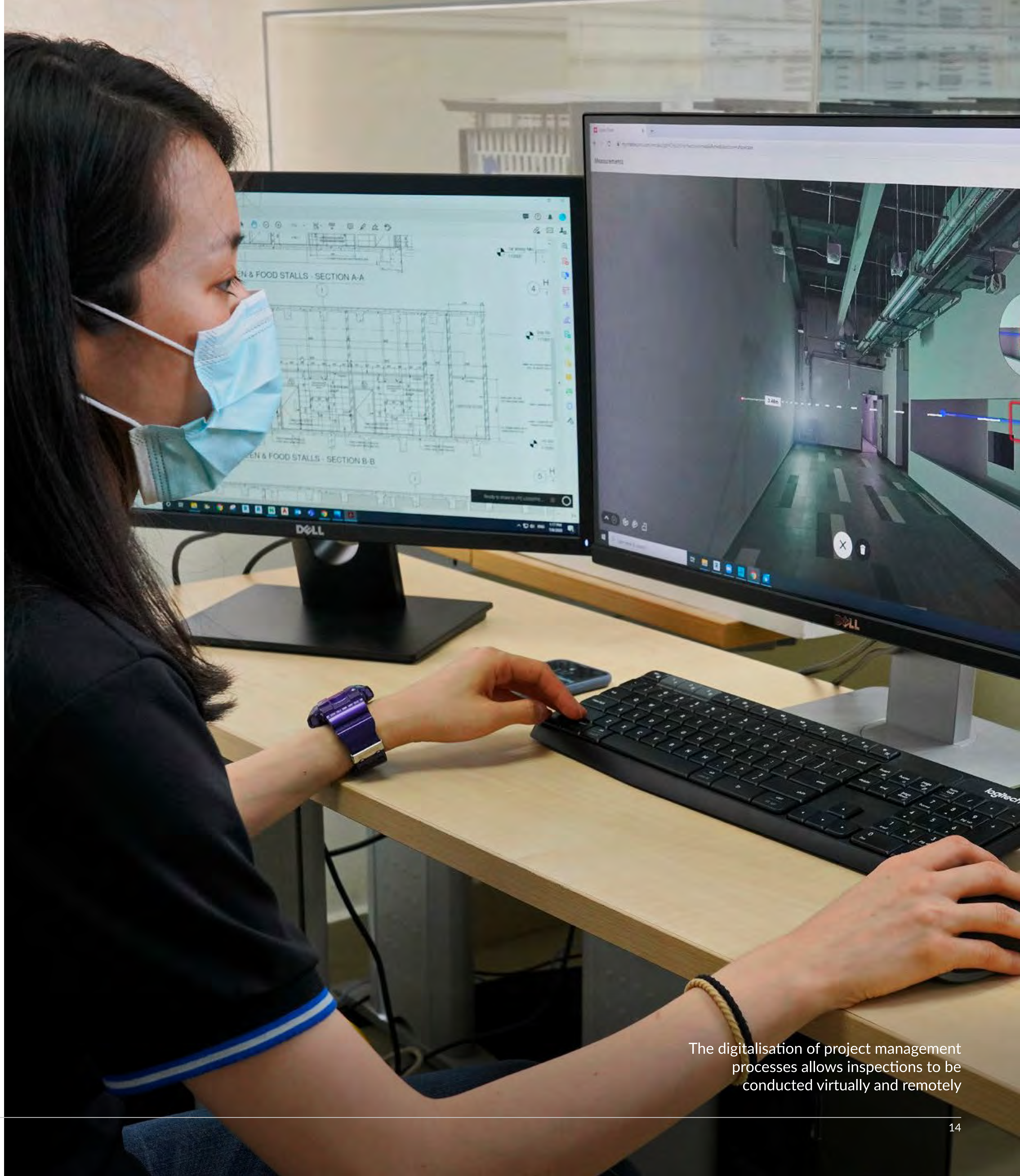
Located in JID, AUDACITY's mFac is a makerspace and creator studio that provides shared equipment access for the community

Looking Ahead With Digitalisation

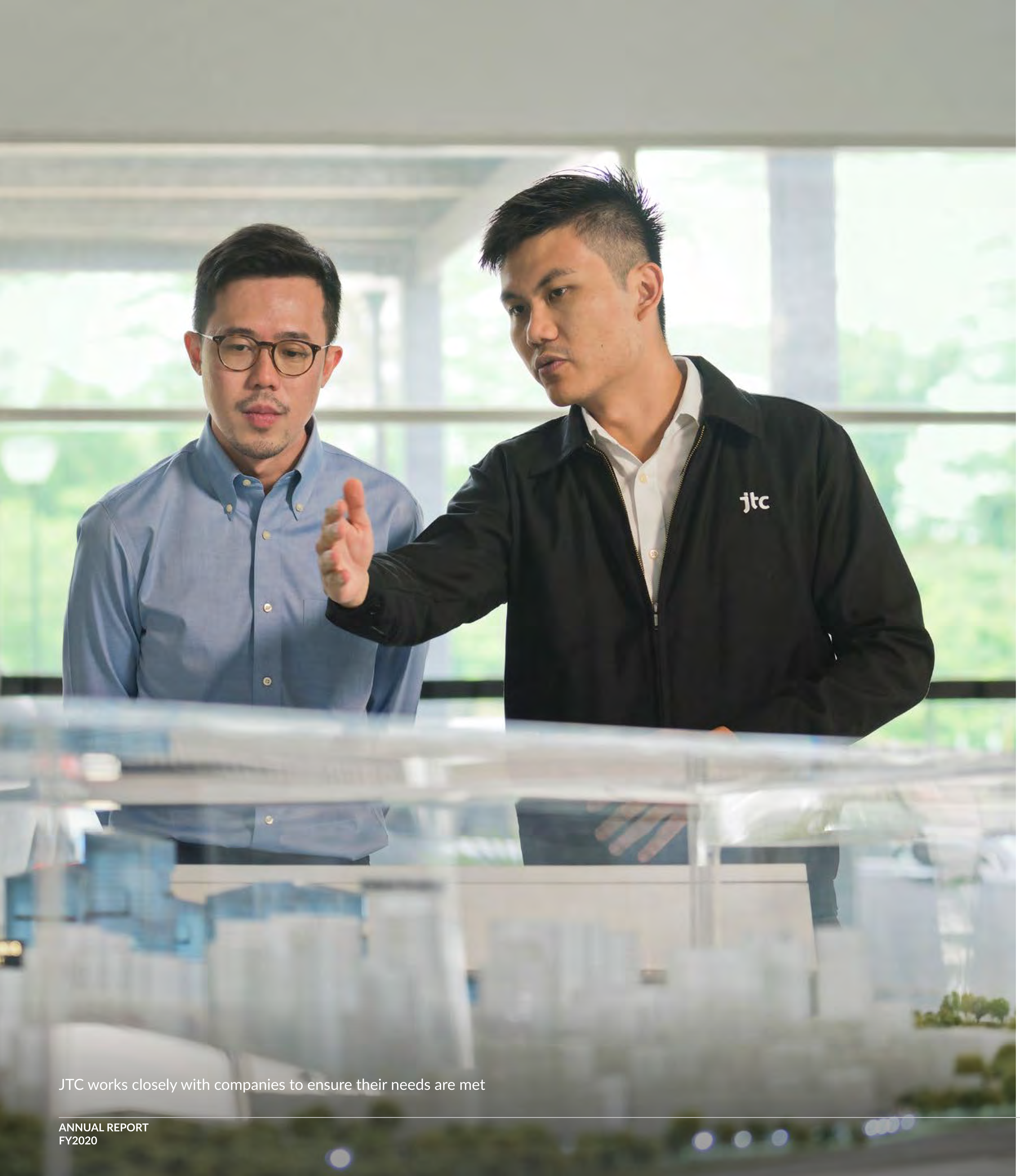
Innovation paves the way for Singapore's manufacturing landscape, but resilience is what ensures its long-term competitiveness. The COVID-19 pandemic has accelerated the need for many industries to embrace digitalisation so that they can emerge stronger in the future economy.

This includes the Built Environment (BE) sector too. In the face of delays in the construction industry, JTC is furthering digitalisation efforts in the BE sector so that construction and project management can be smarter, faster and more efficient. As part of outreach efforts, we organised webinars such as the "BE Inspired!" series to highlight how technology can be helpful in project management processes.

More importantly, we are encouraging digitalisation by being early adopters of related technology and allowing suitable sites to double up as testbeds for our partners. Building Information Modelling, a 3D model-based collaborative process, is used by Woh Hup in the development of PDD. Kimly Construction has also adopted solutions like the Digital Defect Management system for JTC Logistics Hub @ Gul.



The digitalisation of project management processes allows inspections to be conducted virtually and remotely



JTC works closely with companies to ensure their needs are met

Strengthening Capabilities Through Partnerships

As Singapore's additive manufacturing (AM) sector advances, it requires its own set of industry best practices. To that end, a new technical reference (TR) 87 was launched. Developed by Enterprise Singapore and the Singapore Standards Council, JTC supported its development alongside other government agencies, partners and institutes of higher learning. We are working with AM players in JID like Siemens and TÜV SÜD to implement the standards.

Furthermore, we are supporting several programmes and schemes to help companies transform, build resilience and seize new growth opportunities. The JTC-Singapore Business Federation Industry Transformation Initiative, for example, will provide companies access to relevant Industry 4.0-related resources like curated workshops and link-ups to technology partners.

Another example is the Industry 4.0 Human Capital Initiative (IHCI) Enabler Programme. Companies can seek Industry 4.0 consultancy support from appointed consultants from McKinsey & Company and Ernst & Young. Four cohorts of 90 companies have taken part in IHCI since its launch in March 2020.

JTC is nurturing a culture of collaboration within its spaces

Growing the Talent Pool

Whether by matchmaking job seekers with companies or organising industry days for bright-spot sectors like electronics and biopharma, we are partnering companies and education institutions through our Industry Connect initiative to grow the capabilities of the workforce and attract more people to be part of manufacturing.

Now into its second edition, Electronics Industry Day is a two-day event which brings companies and students together. Organised by the Singapore Semiconductor Industry Association with support from JTC and e2i, this year's edition gave 2,000 students and job seekers the chance to learn more about the industry through virtual plant tours, industry talks and exhibitions. The inaugural Biopharma Industry Day, co-organised with companies from the Biopharmaceutical Manufacturer's Advisory Council, attracted close to 1,800 students and job seekers.

Time for a selfie: The tunnel boring breakthrough ceremony was also attended by then Transport Minister Mr Ong Ye Kung

Ideas reinvigorate industries and innovation challenges allow the brightest minds to inject fresh perspectives. Over the course of the past year, we held several of such ideation and innovation events: JTC Innovation Challenge from June to October 2020, which sought solutions for the BE industry to build smarter, faster and greener; JTC Virtual Case Challenge, which canvassed ideas to rejuvenate the printing industry; and Prototypical, which witnessed moonshot ideas become prototypes that could be tested in our new estates.

Vibrant work environments are vital to attracting and retaining talent. This is why our four wafer fabrication parks will be spruced up with more greenery, covered walkways and cycling. 2020 also marked the completion of tunnel boring works at the future Punggol Coast station, which will bring people from all over Singapore into the heart of PDD. The tunnel boring ceremony not only brought us one step closer to the completion of PDD, but also reiterated JTC's commitment to develop well-connected next-generation estates.

The planning and building of these Quick Build Dormitories (QBDs) required a collective effort from JTC and other agencies

Rallying Against COVID-19

Our COVID-19 response took on a multi-pronged approach. Beyond providing rental support to small and medium-sized enterprises (SMEs), programmes such as the SMEs Go Digital Programme and SMEs Digital Readiness webinars were introduced to help our customers embrace digitalisation.

Together with fellow government agencies and other stakeholders, we also set up temporary dormitories across our estates for migrant workers affected by COVID-19. Teams from the inter-agency taskforce worked to convert the premises of an old factory in Tuas into a Community Care Facility for migrant workers who have contracted COVID-19.

As Singapore's vaccination exercise kicked into higher gear, a group of JTC staff joined volunteers from the Agency for Integrated Care and Silver Generation Office in their engagement efforts to encourage more seniors to get vaccinated against COVID-19. They visited seniors at their homes to hand out informative materials, answer queries and facilitate vaccination sign-ups. Such efforts go a long way to ensuring Singapore emerges from the shadows of COVID-19 stronger.

Stories
FROM OUR SPACES

From embracing digitalisation to elevating the skillsets of their workforce, find out how SMEs in our estates are writing new chapters in the Industry 4.0 era with assistance from JTC's Industry Connect.

→

JTC's Industry Connect Helps Businesses Reach New Heights

To help homegrown manufacturing process management plant Decor Industries realise its full potential in the age of Industry 4.0, JTC linked them up with the Singapore Precision Engineering and Technology Association and the iSMART consortium in 2019. Since then, production has increased by 50% to 60%, and the defect rate has reduced by 5%. The company is also upskilling its 50-strong workforce by sending them on subsidised digital-related courses.

Read more

Hey SIRI: Recommending Tools to Transform Singapore's Manufacturing Sector

Various programmes are available to help SMEs adapt for Industry 4.0. To that end, JTC is recommending suitable initiatives to companies to kickstart their transformation efforts. The Smart Industry Readiness Index (SIRI) is one such assessment tool that cable manufacturer Tai Sin Electric Limited tapped as part of its digitalisation plans. Created by the Singapore Economic Development Board, the SIRI self-diagnostic tool allows enterprises to capture the growth opportunities presented by Industry 4.0. With digitalisation, Tai Sin's sales saw an estimated 20% growth while productivity improved by nearly 30%.

Read more

Advancing Manufacturing in Our Estates — One Collaboration at a Time

A four-figure Proof of Concept (PoC) solution that translates into potential six-figure savings? That is the result of a partnership between Bosch Rexroth and Flexmech Engineering. Collaborations of such nature will soon be commonplace at the Bosch Rexroth Training Centre — itself a partnership between Bosch Rexroth, JTC, SkillsFuture SG, Singapore Polytechnic and the Singaporean-German Chamber of Industry and Commerce that aims to empower local SMEs on their Industry 4.0 journeys — and other innovation centres located in Jurong Innovation District.

Read more

Learning Is a Lifelong Journey

55-year-old Miss Perlin Lim is proof you are never too old to learn. After working as a hairdresser for over 20 years, she joined Osteopore International in JTC's MedTech Hub as a production operator, where she learnt to manage the high-tech processes the company has developed to manufacture its 3D-printed medical implants

Read more

An artist impression of Digital Canyon in PDD

50 Shades OF GREEN

Whether through thoughtful biophilic architecture or innovative solar initiatives, we are striving towards a more sustainable manufacturing landscape.

The Singapore Green Plan 2030 was first unveiled in February 2021 as a framework to help steer the country towards a more sustainable future. As Singapore's lead master planner and industrial developer, JTC is working with industry players, partners and customers to make our estates more environmentally friendly.

30%
Higher energy efficiency than standard commercial buildings at PDD

80,000 megawatt hours
Amount of clean energy to be generated via SolarLand Phase 3 each year

34,000
Number of trees to be planted at Jurong Island by 2022

740,000 sqm
Industrial land and roof space to be optimised in the next phase of JTC's solar initiatives

Harnessing Solar Power Creatively

Our SolarRoof and SolarLand programmes saw significant progress in 2020. For example, plans to extend solar deployment on the rooftops of more than 40 JTC buildings as part of SolarRoof are now underway, with an estimated additional solar energy capacity of 17.4 MWp (megawatt peak) expected to be generated by 2022. We have also renewed our partnership with Terrenus Energy to pilot solar, tidal, wave and wind technologies as part of an extension of the SolarLand project on JI.

The solar energy movement achieved another milestone when tech giants Facebook and Amazon both inked deals to tap power from our solar farms. Facebook signed an agreement with Terrenus Energy in December 2020 for 19 MWp of renewable energy from a solar farm that is being developed at Changi Business Park. Three months later, Amazon inked a deal with Sunseap Group to tap 62MWp of clean energy through the national grid as part of its own sustainability drive.

We are now embarking on the next chapter of our solar initiatives to optimise the use of over 740,000 sqm of industrial land and roof space. To be rolled out in partnership with Sunseap Group and Sembcorp Solar, the new SolarLand phase will see over 506,000 sqm of temporary vacant land across Singapore maximised to deploy more than 80 MWp of estimated solar energy capacity.

Putting temporarily vacant land to good use is this solar farm on Jurong Island

Reinvigorating Our Estates With Greenery

We are also creating greener work environments to mitigate the Urban Heat Island effect. JTC is working alongside the National Parks Board (NParks) in support of their City in Nature initiative to add about 100 hectares of new green spaces and plant about 170,000 trees in industrial estates over the next 10 years. JI is also getting its own green makeover via the Greening Jurong Island project.

The goal? To plant 34,000 new trees on the island by 2022 with NParks, companies on JI and the Association of Process Industry and its members. This not only creates a more attractive work environment, but also paves the way for future sustainability efforts there.

One such example is the Jurong Island Circular Economy study, which explores how a closed resource loop can bring economic and environmental benefits to companies situated on the island. Meanwhile, we also kicked off a coastal protection study for JI. With the help of the Public Utilities Board, we are examining measures that will help us tackle the problem of rising sea levels.

We are working with our partners to inject more greenery to our industrial estates

Setting the Pace With Our Spaces

No act is too small or insignificant when sustainability is concerned. To raise awareness of climate change as part of Earth Hour, we collaborated with CapitaLand to encourage members of the one-north community to switch off non-essential lights on their premises for one hour.

Besides thoughtful acts such as these, we have made developing cleaner and greener estates our mission too. Sungei Kadut, one of Singapore's oldest industrial estates, is being rejuvenated into the Sungei Kadut Eco-District. The 500-hectare estate is designed to welcome new growth industries that are green, while supporting the progress of environmental technologies.

At PDD, buildings have been thoughtfully designed with biophilic features that will offer a more comfortable work-live-play-learn environment. A state-of-the-art district cooling system by Engie Southeast Asia will deliver energy efficiency requirements to the district. It will be integrated with the Open Digital Platform (ODP), which brings together various smart city technologies within the district to optimise energy and resource efficiency.

An artist's impression of vibrant green spaces co-existing alongside infrastructure at Sungei Kadut Eco-District


Seletar Aerospace Park

Stories FROM OUR SPACES

Just as there are different shades of green, our sustainability efforts come in many forms too. Discover how JTC is moving towards a cleaner and greener future in collaboration with our customers and partners.

→

Creating a Sustainable Singapore, Together

When it comes to sustainability, a little goes a long way. JTC is taking steps both big and small, collaborating with partners and customers to introduce a series of green initiatives across our estates. Whether by making use of rooftop spaces and temporarily vacant land to generate solar power or organising tree-planting activities at places such as Tuas Biomedical Park and Jurong Island, these efforts contribute to the targets set out by the Singapore Green Plan 2030.

Read more

A Green Touch to Industrial Estates

Bringing with him a decade of horticultural experience, Mr Andrew Foke helms a team at JTC that is transforming landscapes in our industrial estates into green spaces that bring communities together. Through a butterfly garden initiative that introduces a whimsical element to the surroundings, Mr Foke and his team are proving that nature can thrive even within an urban landscape, redefining what it means to go green in industrial settings.

Read more

Planting the Seeds of Sustainability at Sungei Kadut

LHT Holdings launched Singapore's first wood waste recycling plant in 1999, and it has invested resources to improve its processes and products in the years since. This focus on innovating for sustainability aligns with JTC's plans to reimagine Sungei Kadut into an eco-district where industries can utilise technology for productivity and the environment. LHT is building a new five-storey factory within Sungei Kadut that aims to be completely zero waste. Named the Envirohub, it will feature smart systems to improve operations and produce technical wood from recycled wood waste.

Read more

Creating Beneficial Synergies Through Circular Economy

Getting onboard the circular economy is one of the ways companies can build resilience. After all, a closed-loop approach to sustainability allows companies to optimise their resources and reduce inefficiencies, at the same time creating beneficial synergies for growth. A long-time tenant in Sungei Kadut, Samwoh Corporation, is already looking forward to the synergies it can create with its neighbours.

Read more

FINANCIAL HIGHLIGHTS AND REVIEW

Financial Results

FY2020 operating revenue was $2.3 billion, lowered by 5.2% as compared to the previous year. The decrease was mainly due to the COVID-19 rental waivers for building revenue and lower revenue from port operations as a result of decline in activities and throughputs from the Cement and Steel Terminals in Jurong Port. Approximately 89% of the Group's operating revenue came from investment properties and 7% from port operations.

The Group's operating expenditure for FY2020 decreased by 10.2% primarily due to the lower loss in recoverable amount of investment properties as compared to FY2019. Property related expenditure such as depreciation, loss in recoverable of investment properties, maintenance and conservancy of properties and property tax made up to about 68% of the Group's total operating expenditure.

The Group invested a total of $1.8 billion on capital expenditure which include alienation of industrial lands and lease extension coupled with development of building projects such as Punggol Digital District, Jurong Ports Tank Terminal Liquid Bulk terminal, Kranji Green, Defu Industrial City and JTC Logistic Hub @ Gul.

As at 31 March 2021, the Group's financial position strengthened, with total assets that stood at $31.7 billion. The investment properties contributed to about 64% of the Group's total assets. Total borrowings for the Group amounted to $1 billion which is about 15% of total liabilities.

Group Financial Highlights

Financial Highlights

For the year ($'Mil)	FY2020	FY2019	Change
Operating revenue	2,305	2,431	-5.2%
Non-operating income	221	920	-76.0%
Net surplus	823	1,211	-32.0%
Net surplus (excluding one-off gains)	823	793	3.8%
Net surplus margin (%)	35.7%	32.6%	3.1%
Capital expenditure	1,838	1,841	-0.2%

Net Surplus
$823 Mil

Financial Position

For the year ($'Mil)	FY2020	FY2019	Change
Investment properties	20,213	19,308	4.7%
Total assets	31,722	30,242	4.9%
Total borrowings	1,010	523	93.1%
Total liabilities	6,765	6,119	10.6%
Total equity (excluding non-controlling interest)	24,921	24,093	3.4%

Total Equity
$24.9 Bil

Key Financial Ratios

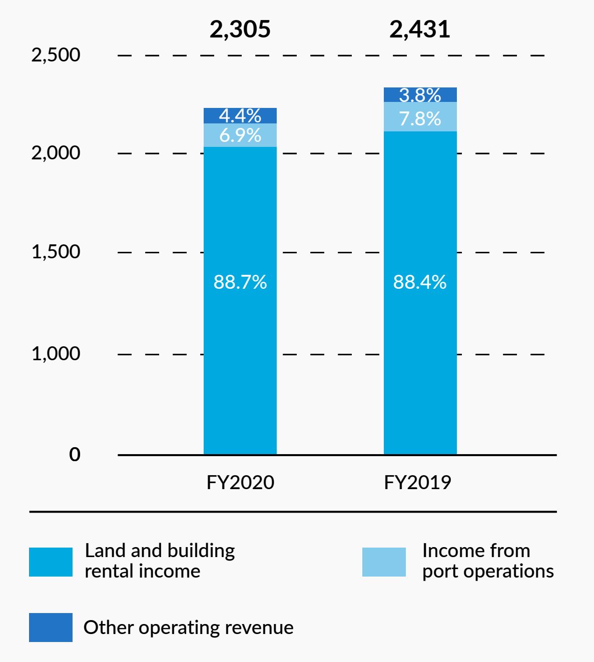
For the year	FY2020	FY2019	Change
Debt-equity ratio (%)	4.0%	2.2%	1.8%
Interest coverage (times)	104	146	-28.8%
Return on total assets (%)	2.7%	4.1%	-1.4%
Return on total assets (excluding one-off gains) (%)	2.7%	2.7%	-
Return on capital employed (%)	3.3%	5.1%	-1.8%
Return on capital employed (excluding one-off gains) (%)	3.3%	3.4%	-0.1%
Value added per employee ($'Mil)	1.2	1.6	-0.4
Value added per employee (excluding one-off gains) ($'Mil)	1.2	1.3	-0.1

Return on Capital Employed
3.3%

Group Highlights

Operating Revenue

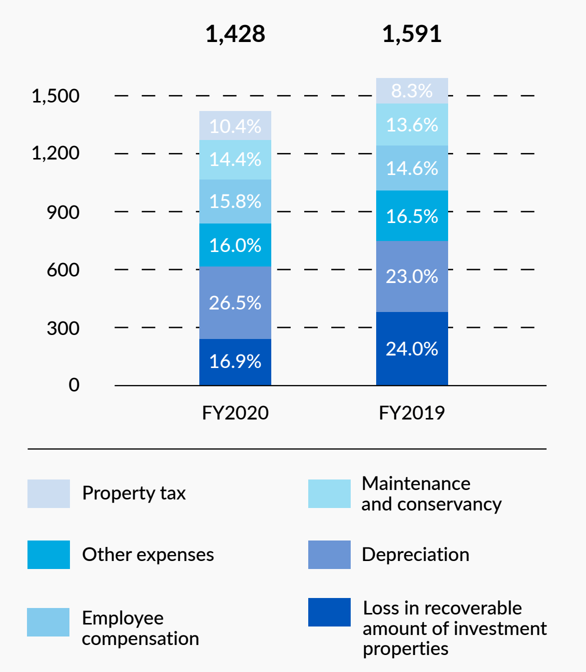
Distribution of Group Operating Revenue ($'Mil)



	FY2020 ($'Mil)	FY2019 ($'Mil)	Change
Land and building rental income	2,044	2,150	-4.9%
Income from port operations	158	189	-16.4%
Other operating revenue	103	92	12.0%
Total Operating Revenue	**2,305**	**2,431**	**-5.2%**

Operating Expenses

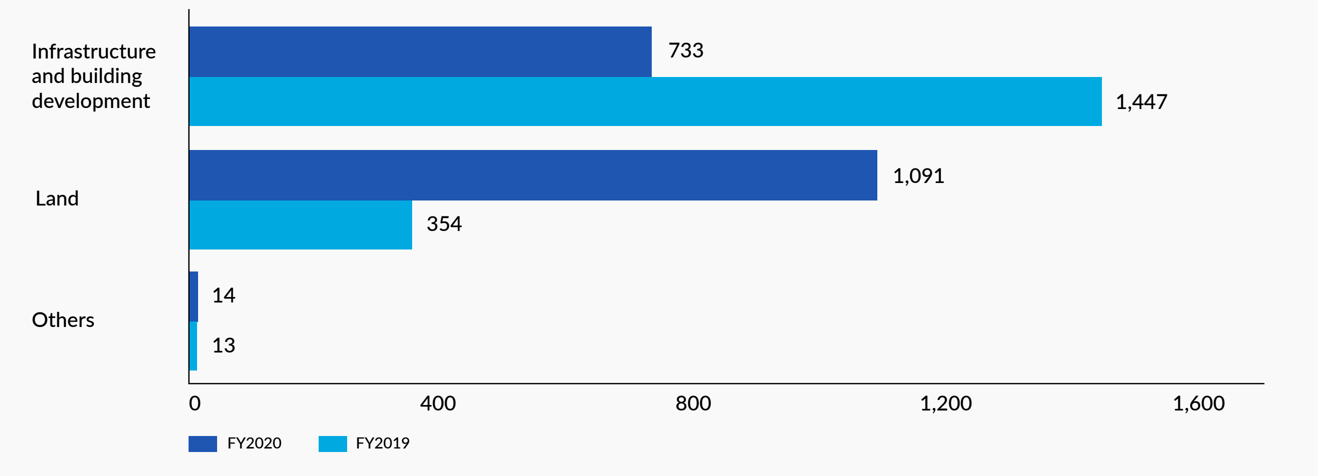
Distribution of Group Operating Expenses ($'Mil)



	FY2020 ($'Mil)	FY2019 ($'Mil)	Change
Depreciation	379	66	3.6%
Loss in recoverable amount of investment properties	241	382	-36.9%
Employee compensation	226	233	-3.0%
Maintenance and conservancy	205	216	-5.1%
Property tax	148	132	12.1%
Other expenses	229	262	-12.6%
Total Operating Expenses	**1,428**	**1,591**	**-10.2%**

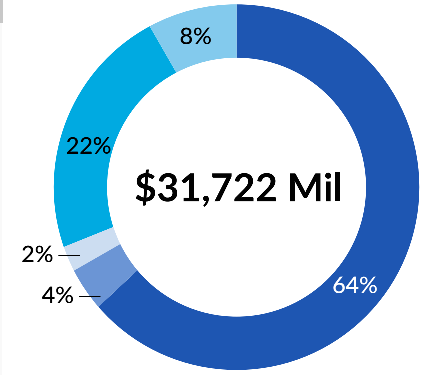
Capital Expenditure, Assets and Liabilities

Group Capital Expenditure ($'Mil)



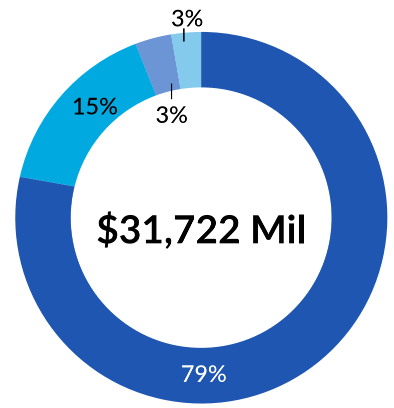
Total Assets

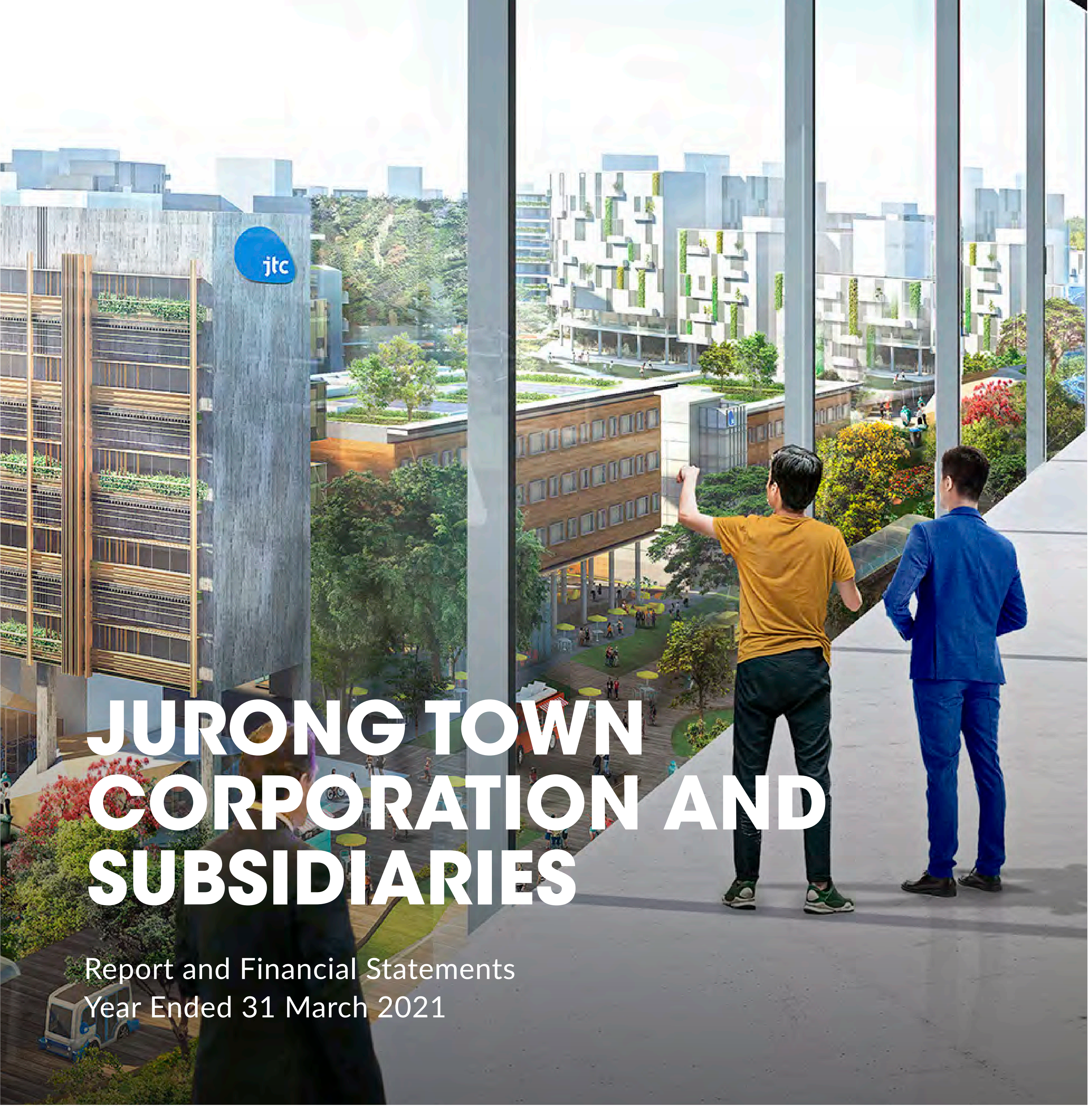
At year end ($'Mil)	FY2020	FY2019	Change
Investment properties	20,213	19,308	4.7%
Property, plant and equipment	1,173	1,020	15.0%
Investment in associates and joint ventures	725	100	625.0%
Cash and cash equivalents	7,117	7,682	-7.4%
Other assets	2,494	2,132	17.0%
Total Assets	**31,722**	**30,242**	**4.9%**



Capital, Reserves and Liabilities

At year end ($'Mil)	FY2020	FY2019	Change
Capital and reserves	24,957	24,123	3.5%
Deferred income	4,907	4,803	2.2%
Borrowings	1,010	523	93.1%
Other liabilities	848	793	6.9%
Total Capital, Reserves and Liabilities	**31,722**	**30,242**	**4.9%**





JURONG TOWN CORPORATION AND SUBSIDIARIES

Report and Financial Statements
Year Ended 31 March 2021

Contents

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 46 are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018, Act 5 of 2018 ("PSG Act"), the Jurong Town Corporation Act (Cap. 150) ("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 2021, 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 and of those subsidiaries incorporated in Singapore, 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

Singapore
8 June 2021

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 2021, 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 46.

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, Act 5 of 2018 ("PSG Act"), the Jurong Town Corporation Act (Cap. 150) ("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 2021 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.

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.

(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.

Independent Auditor's Report to the Members
of the Board of Jurong Town Corporation

Auditor's Responsibility 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

8 June 2021

Statements of Comprehensive Income
Year Ended 31 March 2021

	Note	The Group 2021	The Group 2020	The Corporation 2021	The Corporation 2020
		$ Millions	$ Millions	$ Millions	$ Millions
Income					
Revenue	4	2,305	2,431	2,115	2,207
Other income	5	221	920	198	916
		2,526	3,351	2,313	3,123
Expenditure					
Property tax		(148)	(132)	(142)	(126)
Maintenance and conservancy		(205)	(216)	(192)	(202)
Employee benefits expense	6	(226)	(233)	(159)	(159)
Depreciation of property, plant and equipment	15	(57)	(44)	(14)	(13)
Depreciation of investment properties	16	(322)	(322)	(326)	(326)
Loss in recoverable amount of investment properties	16	(241)	(382)	(241)	(382)
Impairment of associate and joint ventures	18	(38)	(94)	-	-
Finance costs	7	(16)	(16)	(12)	(13)
Other expenses	8	(276)	(435)	(227)	(375)
		(1,529)	(1,874)	(1,313)	(1,596)
Surplus before contribution to Consolidated Fund and taxation		997	1,477	1,000	1,527
Contribution to Consolidated Fund	9	(170)	(260)	(170)	(260)
Income tax	10	(4)	(6)	-	-
Surplus for the year		823	1,211	830	1,267
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	(3)	-	-
Total comprehensive income		827	1,208	830	1,267
Surplus for the year attributable to					
Equity holders of the Corporation		824	1,215	830	1,267
Non-controlling interests		(1)	(4)	-	-
		823	1,211	830	1,267
Total comprehensive income attributable to					
Equity holders of the Corporation		828	1,212	830	1,267
Non-controlling interests		(1)	(4)	-	-
		827	1,208	830	1,267

See accompanying notes to financial statements.

Statements of Financial Position
Year Ended 31 March 2021

	Note	The Group 2021	The Group 2020	The Corporation 2021	The Corporation 2020
		$ Millions	$ Millions	$ Millions	$ Millions
ASSETS					
Current assets					
Cash and bank balances	11	7,117	7,682	6,770	7,252
Trade receivables	12	62	55	44	33
Other receivables	13	375	342	357	324
Lease receivables	14	13	12	13	12
Raw materials		856	745	856	745
Investment – debt securities	19	13	30	13	30
Financial assets at fair value through profit or loss (FVTPL)	20	248	-	248	-
		8,684	8,866	8,301	8,396
Non-current assets					
Property, plant and equipment	15	1,173	1,020	378	266
Investment properties	16	20,213	19,308	20,348	19,449
Investment in subsidiaries	17	-	-	683	716
Investment in associate and joint ventures	18	725	100	-	-
Lease receivables	14	706	719	706	719
Investment – debt securities	19	48	47	48	47
Other non-current assets	21	173	182	143	147
Total non-current assets		23,038	21,376	22,306	21,344
Total assets		31,722	30,242	30,607	29,740
LIABILITIES AND EQUITY					
Current liabilities					
Trade and other payables	22	641	492	470	416
Borrowings	23	26	25	20	19
Deferred income	24	224	220	224	220
Income tax payable		10	11	-	-
Provision for contribution to consolidated fund	9	170	260	170	260
Total current liabilities		1,071	1,008	884	915
Non-current liabilities					
Trade and other payables	22	11	13	1	6
Borrowings	23	984	498	353	372
Deferred income	24	4,683	4,583	4,817	4,725
Deferred tax liability	25	16	17	-	-
Total non-current liabilities		5,694	5,111	5,171	5,103
Capital and reserves					
Capital account	26	167	167	167	167
Currency translation reserve		(1)	(5)	-	-
Accumulated surplus		24,755	23,931	24,385	23,555
Equity attributable to owners of the company		24,921	24,093	24,552	23,722
Non-controlling interests		36	30	-	-
Total equity		24,957	24,123	24,552	23,722
Total liabilities and equity		31,722	30,242	30,607	29,740

See accompanying notes to financial statements.

Statements of Changes In Equity
Year Ended 31 March 2021

	Capital account $ Millions	Currency translation reserve $ Millions	Accumulated surplus $ Millions	Equity attributable to equity holders $ Millions	Non-controlling interests $ Millions	Total equity $ Millions
The Group						
Balance as at 1 April 2019	167	(2)	22,716	22,881	23	22,904
Surplus for the year	-	-	1,215	1,215	(4)	1,211
Other comprehensive income	-	(3)	-	(3)	-	(3)
Total comprehensive income for the year	-	(3)	1,215	1,212	(4)	1,208
Capital contribution by non-controlling interests	-	-	-	-	11	11
Balance as at 31 March 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

	Capital account $ Millions	Accumulated surplus $ Millions	Total equity $ Millions
The Corporation			
Balance as at 1 April 2019	167	22,288	22,455
Total surplus for the year, representing total comprehensive income for the year	-	1,267	1,267
Balance as at 31 March 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

See accompanying notes to financial statements.

Consolidated Statement of Cash Flows
Year Ended 31 March 2021

	Note	The Group 2021 $ Millions	The Group 2020 $ Millions
Operating activities			
Surplus before contribution to consolidated fund and taxation		997	1,477
Adjustments for:			
Depreciation of property, plant and equipment	15	57	44
Depreciation of investment properties	16	322	322
Raw materials written down	8	8	-
Amortisation of long-term lease premium	24	(221)	(212)
Loss in recoverable amount of investment properties	16	241	382
Gain on disposal of investment properties	5	(63)	(18)
Loss on disposal of property, plant and equipment	5	6	1
Loss allowance, net of reversal		29	11
Fair value loss on FVTPL	5	2	-
Gain on disposal of debt securities	5	-	(504)
Impairment loss on investment in associate and joint ventures	18	38	94
Share of profits of associate/joint ventures	5	(9)	(6)
Interest income	4, 5	(108)	(204)
Finance costs	7	16	16
Operating profit before working capital changes		1,315	1,403
Changes in working capital:			
Raw materials		(119)	170
Trade and other receivables		(115)	55
Trade and other payables		58	(109)
Cash generated from operations		1,139	1,519
Long-term lease premium received		345	145
Interest received		175	214
Interest paid		(16)	(17)
Contribution to Consolidated Fund paid		(260)	(255)
Income tax paid (net)		(6)	(6)
Net cash from operating activities		1,377	1,600
Investing activities			
Purchase of property, plant and equipment		(107)	(86)
Purchase of investment properties		(1,730)	(1,728)
Investment in a joint venture		(576)	-
Proceeds from disposal of property, plant and equipment and investment properties		114	76
Dividends received from associate and joint ventures		1	12
Proceeds from disposal/(Purchase) of investment – debt securities		16	(77)
Purchase of financial assets at fair value through profit or loss		(250)	-
Proceeds from disposal of debt securities		-	3,885
Net cash (used in)/from investing activities		(2,532)	2,082
Financing activities			
Government grants received for property, plant and equipment and investment properties		102	110
Capital contribution by non-controlling interest in a subsidiary		7	11
Proceeds from borrowings		512	37
Repayment of borrowings		(25)	(21)
Repayment of lease liabilities		(6)	(6)
Net cash from financing activities		590	131
Net change in cash and cash equivalents		(565)	3,813
Cash and cash equivalents at beginning of year		7,679	3,866
Cash and cash equivalents at end of year	11	7,114	7,679

1 GENERAL

Jurong Town Corporation (the "Corporation") is established in the Republic of Singapore under the Jurong Town Corporation Act (Cap. 150) with its 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 are set out in Note 17.

The financial statements for the year ended 31 March 2021 were authorised for issue by the Board on 8 June 2021.

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, Act 5 of 2018 ("PSG Act"), the Jurong Town Corporation Act (Cap.150) ("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.

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 2020, 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.

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.

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 a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned. 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.

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.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or fair value through other comprehensive income (FVTOCI) are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.

- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

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.

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.

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.

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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 40 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.

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	-	12 to 99 years
Wharf and base structures	-	50 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.

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.

<u>Rental income</u>

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

<u>Income from port operations</u>

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.

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, 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.

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.

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.

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 2021	The Group 2020	The Corporation 2021	The Corporation 2020
	$ Millions	$ Millions	$ Millions	$ Millions
Land rental income	1,353	1,356	1,342	1,344
Building rental income	691	794	677	780
Income from port operations	158	189	-	-
Agency fees	9	18	9	18
Interest income on finance leases	32	33	32	33
Sundry income	62	41	55	32
	2,305	2,431	2,115	2,207

5 OTHER INCOME

	The Group 2021	The Group 2020	The Corporation 2021	The Corporation 2020
	$ Millions	$ Millions	$ Millions	$ Millions
Interest income from loans and receivables	76	171	71	163
Dividend income	-	-	-	13
Loss on disposal of property, plant and equipment	(6)	(1)	-	-
Gain on disposal of investment properties	63	18	63	18
Share of profits of associate/ joint ventures	9	6	-	-
Income from transfer of raw materials to government agencies	64	211	64	211
Gain on disposal of debt securities	-	504	-	504
Fair value loss on financial assets (FVTPL)	(2)	-	(2)	-
Others	17	11	2	7
	221	920	198	916

In FY 2020, the gain on disposal of debt securities comprised an earn-out amount of $404 million which represented 40% of the capital gains in the value of the transferred properties and investments held by Ascendas Pte Ltd as at June 2015, net of any capital losses and a fee of $100 million for an early redemption of debt securities in FY2020.

6 EMPLOYEE BENEFITS EXPENSE

	The Group 2021	The Group 2020	The Corporation 2021	The Corporation 2020
	$ Millions	$ Millions	$ Millions	$ Millions
Salaries and other benefits	202	209	143	143
Employer's contribution to defined contribution plans including Central Provident Fund	24	24	16	16
	226	233	159	159

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

	The Group 2021 $ Millions	The Group 2020 $ Millions	The Corporation 2021 $ Millions	The Corporation 2020 $ 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 (2020 : $0.3 million).

7 FINANCE COSTS

	The Group 2021 $ Millions	The Group 2020 $ Millions	The Corporation 2021 $ Millions	The Corporation 2020 $ Millions
Interest expense	16	16	12	13

8 OTHER EXPENSES

	The Group 2021 $ Millions	The Group 2020 $ Millions	The Corporation 2021 $ Millions	The Corporation 2020 $ Millions
Security service expenses	39	44	33	39
Information technology expense	37	35	37	35
Professional fees	21	20	18	17
Cargo and container handling expenses	36	44	-	-
Raw materials written down	8	-	8	-
Allowance for impairment of receivables	29	11	29	11
Cost of raw materials transferred	39	173	39	173
Other expenses	67	108	63	100
	276	435	227	375

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 2021 $ Millions	The Corporation 2020 $ Millions
Surplus of the Corporation before contribution to Consolidated Fund	1,000	1,527
Contribution at 17%	170	260

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10 INCOME TAX

	The Group 2021 $ Millions	The Group 2020 $ Millions
Current tax	5	9
Deferred tax	-	(1)
Overprovision in prior year	(1)	(2)
	4	6

Domestic income tax of the Corporation is calculated at 17% (2020 : 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 2021 $ Millions	The Group 2020 $ Millions
Surplus before contribution to Consolidated Fund and taxation	997	1,477
Less: Surplus of the Corporation before contribution to Consolidated Fund and taxation not subjected to tax	(1,000)	(1,527)
	(3)	(50)
Income tax (benefit)/expense at statutory tax rate of 17% (2020 : 17%)	*	(9)
Expenses not deductible for tax purposes	7	13
Share of profit of joint ventures	(2)	(1)
Overprovision in prior years	(1)	(2)
Others	-	5
Total income tax expense	4	6

*less than $1 million

11 CASH AND BANK BALANCES

	The Group 2021 $ Millions	The Group 2020 $ Millions	The Corporation 2021 $ Millions	The Corporation 2020 $ Millions
Cash at bank and on hand	147	16	-	-
Cash with AGD	6,770	7,252	6,770	7,252
Fixed deposits	200	414	-	-
Cash and bank balances	7,117	7,682	6,770	7,252
Less: Restricted cash	(3)	(3)	(3)	(3)
Cash and cash equivalents in the statement of cash flows	7,114	7,679	6,767	7,249

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 2021 for the Group was 0.41% (2020 : 1.73%) 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 (2020 : $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	
	2021	2020	2021	2020
	$ Millions	$ Millions	$ Millions	$ Millions
Outside parties	108	76	90	54
Loss allowance:				
Balance at beginning of year	(21)	(13)	(21)	(13)
Allowance for the year	(29)	(11)	(29)	(11)
Reversal of allowance	2	-	2	-
Bad debts written off	2	3	2	3
Balance at end of year	(46)	(21)	(46)	(21)
	62	55	44	33

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.

The following is an aging analysis of trade receivables:

	The Group		The Corporation	
	2021	2020	2021	2020
	$ Millions	$ Millions	$ Millions	$ Millions
Not past due	49	39	31	19
Less than 3 months	4	7	4	5
3 to 6 months	3	5	3	5
More than 6 months	6	4	6	4
	62	55	44	33

13 OTHER RECEIVABLES

	The Group		The Corporation	
	2021	2020	2021	2020
	$ Millions	$ Millions	$ Millions	$ Millions
Outside parties	244	282	238	275
Less: Impairment loss	(110)	(105)	(110)	(105)
	134	177	128	170
Prepayment of property tax	90	94	90	94
Amounts owing by:				
- Government agencies	140	60	138	58
- Others	11	11	1	2
	375	342	357	324

Amounts owing by government agencies are unsecured, interest free and repayable on demand in cash. An impairment allowance of $110 million (2020 : $105 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 (2020 : $40 million).

14 LEASE RECEIVABLES

	The Group and Corporation	
	2021	2020
	$ Millions	$ Millions
Represented by:		
Current portion	13	12
Non-current portion	706	719
Total	719	731

These relate principally to rental receivable in respect of finance leases. Outstanding payments from lease receivables range from 12 to 394 months (2020 : 10 to 406 months). The discount rates implicit in the finance lease ranges from 2.56% to 5.50% (2020 : 2.56% to 5.50%) per annum.

	The Group and Corporation	
	2021	2020
	$ Millions	$ Millions
Amounts receivable under finance lease:		
Year 1	45	44
Year 2	46	45
Year 3	47	46
Year 4	48	47
Year 5	50	49
Year 6 onwards	970	1,019
Undiscounted lease payments, representing gross investment in the lease	1,206	1,250
Less: Unearned finance income	(487)	(519)
Present value of lease payments, representing net investment in the lease	719	731
Undiscounted lease payments analysed as:		
Recoverable within 12 months	45	44
Recoverable after 12 months	1,161	1,206
	1,206	1,250
Net investment in the lease analysed as:		
Recoverable within 12 months	13	12
Recoverable after 12 months	706	719
	719	731

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 in which the lessees operate, together with the value of deposits and bank guarantees held over these finance lease receivables, the Group considers that no 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.

15 PROPERTY, PLANT AND EQUIPMENT

The Group	Freehold land	Leasehold land*	Land development	Wharf and base structures	Bulk handling facilities	Tank storage facilities	Buildings	Other assets #	Capital projects-in-progress	Total
	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions
Cost:										
At 1 April 2019	73	115	167	493	159	-	209	161	177	1,554
Additions	-	5	-	-	-	-	-	1	80	86
Disposals/Write-offs	-	(13)	-	(4)	(1)	-	-	(2)	(1)	(21)
Transfer (to) from investment properties (Note 16)	6	6	-	-	-	-	11	(7)	17	33
Transfers/Reclassifications	-	-	-	30	2	155	14	11	(212)	-
At 31 March 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 (to) 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

The Group	Freehold land	Leasehold land*	Land development	Wharf and base structures	Bulk handling facilities	Tank storage facilities	Buildings	Other assets #	Capital projects-in-progress	Total
	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions
Accumulated depreciation:										
At 1 April 2019	-	20	48	251	98	-	63	120	-	600
Depreciation charge	-	(7)	2	17	7	5	7	13	-	44
Disposals/Write-offs	-	(4)	-	(3)	(1)	-	-	(2)	-	(10)
Transfer (to) from investment properties (Note 16)	-	2	-	-	-	-	3	(7)	-	(2)
At 31 March 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 (to) from investment properties (Note 16)	-	8	-	-	-	-	29	-	-	37
At 31 March 2021	-	26	50	279	111	10	106	121	-	703
Carrying amount:										
At 31 March 2021	122	139	117	249	50	135	201	55	105	1,173
At 31 March 2020	79	102	117	254	56	150	161	40	61	1,020

Other assets include computers, motor vehicles, furniture, equipment and renovation.

* These are right-of-use assets with upfront payments.

The Corporation	Freehold land $ Millions	Leasehold land* $ Millions	Land development $ Millions	Buildings $ Millions	Other assets # $ Millions	Capital projects-in-progress $ Millions	Total $ Millions
Cost:							
At 1 April 2019	65	46	6	162	117	2	398
Additions	-	1	-	-	1	18	20
Disposals/Write-off	-	-	-	-	(2)	-	(2)
Transfer (to) from investment properties (Note 16)	6	6	-	11	(7)	9	25
Transfers/Reclassifications	-	-	-	13	2	(15)	-
At 31 March 2020	71	53	6	186	111	14	441
Additions	-	-	-	-	1	9	10
Disposals/Write-off	-	-	-	-	(1)	-	(1)
Transfer (to) 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

The Corporation	Freehold land $ Millions	Leasehold land* $ Millions	Land development $ Millions	Buildings $ Millions	Other assets # $ Millions	Capital projects-in-progress $ Millions	Total $ Millions
Accumulated depreciation:							
At 1 April 2019	-	10	3	67	85	-	165
Depreciation charge	-	2	-	3	8	-	13
Disposals/Write-off	-	-	-	-	(1)	-	(1)
Transfer (to) from investment properties (Note 16)	-	2	-	3	(7)	-	(2)
At 31 March 2020	-	14	3	73	85	-	175
Depreciation charge	-	1	-	4	9	-	14
Disposals/Write-off	-	-	-	-	(1)	-	(1)
Transfer (to) from investment properties (Note 16)	-	8	-	29	-	-	37
At 31 March 2021	-	23	3	106	93	-	225
Carrying amount:							
At 31 March 2021	114	62	3	154	44	1	378
At 31 March 2020	71	39	3	113	26	14	266

Other assets include computers, motor vehicles, furniture, equipment and renovation.

* These are right-of-use assets with upfront payments.

16 INVESTMENT PROPERTIES

	The Group 2021 $ Millions	The Group 2020 $ Millions	The Corporation 2021 $ Millions	The Corporation 2020 $ Millions
Cost:				
Balance at beginning of year	29,451	27,951	29,622	28,121
Additions	1,635	1,623	1,635	1,616
Disposals/Write-offs	(74)	(90)	(74)	(90)
Transfer (to) from property, plant and equipment (Note 15)	(153)	(33)	(153)	(25)
Balance at end of year	30,859	29,451	31,030	29,622
Accumulated depreciation and loss in in recoverable amount of investment properties:				
Balance at beginning of year	10,143	9,469	10,173	9,493
Depreciation charge	322	322	326	326
Loss in recoverable amount	241	382	241	382
Disposals/Write-offs	(23)	(32)	(21)	(30)
Transfer (to) from property, plant and equipment (Note 15)	(37)	2	(37)	2
Balance at end of year	10,646	10,143	10,682	10,173
Carrying amount	20,213	19,308	20,348	19,449

The fair values of the investment properties are as follows:

	The Group and Corporation 2021 $ Millions	The Group and Corporation 2020 $ Millions
Fair value (Level 3)	47,611	45,595

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 2021 $ Millions	The Group and Corporation 2020 $ Millions
Rental income	2,011	2,115
Property tax and direct operating expenses arising from investment properties that generated rental income	(338)	(369)
Property tax and direct operating expenses arising from investment properties that did not generate rental income	(46)	(48)

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17 INVESTMENT IN SUBSIDIARIES

	The Corporation 2021 $ Millions	The Corporation 2020 $ Millions
Unquoted shares, at cost	683	716

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 2021 %	Proportion of ownership interest and voting power held 2020 %	Cost of investments 2021 $ Millions	Cost of investments 2020 $ 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	*	33
					683	716

*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 2021 %	Effective interest held by the Group 2020 %
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

Indirect subsidiaries	Principal activities	Country of incorporation/ place of business	Class of shares	Effective interest held by the Group 2021 %	2020 %
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[1]	-

[1]Newly incorporated in current financial year

18 INVESTMENT IN ASSOCIATE AND JOINT VENTURES

	The Group 2021 $ Millions	2020 $ Millions
Investment in associate		
Quoted equity investment, at cost	68	68
Add/(less):		
Share of post-acquisition accumulated profits, net of dividend	28	23
Translation differences	4	3
	100	94
Impairment loss	(62)	(24)
Net carrying value	38	70
Investments in joint ventures		
Unquoted equity investments, at cost	110	110
Add/(less):		
Additions	651	-
Share of post-acquisition accumulated profits/(loss), net of dividend	1	(2)
Translation differences	(5)	(8)
	757	100
Impairment loss	(70)	(70)
Net carrying value	687	30
Total net carrying value of investments in associate and joint ventures	725	100

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 2021 %	2020 %	Cost of investments 2021 $ Millions	2020 $ Millions
Associate of Jurong Port Rizhao Holding Pte. Ltd.						
Rizhao Jurong Ports Terminal 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	-	651	-
					829	178

Summarised financial information for significant associate is set out below:

The Group **Associates**	RZJP 2021 $ Millions	2020 $ Millions
Current assets	86	65
Non-current assets	397	401
	483	466
Current liabilities	18	23
Non-current liabilities	1	9
	19	32
Revenue	129	107
Net profit	30	28
Group's share of net profit	6	6

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

	2021	2020
Net assets	464	434
Group's equity stake	21.7%	21.7%
Group's share of net assets	100	94
Less: impairment	(62)	(24)
Net carrying value of associates	38	70

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 $38 million (2020 : $44 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	
	2021	2020	2021	2020	2021	2020
The Group ($ Millions)						
Joint ventures						
Current assets	186	-	13	10	31	37
Non-current assets	3,234	-	78	73	151	114
	3,420	-	91	83	182	151
Current liabilities	104	-	18	22	40	9
Non-current liabilities	1,824	-	-	-	-	-
	1,928	-	18	22	40	9
Revenue	7	-	18	19	28	20
Net profit/(loss)	1	-	5	3	*	(5)
Group's share of net profit/(loss)	*	-	3	1	*	(2)

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

	JPUT 2021	JPUT 2020	PTI 2021	PTI 2020	SDIC 2021	SDIC 2020
Net assets	1,492	-	73	61	142	142
Group's equity stake	41%	-	49%	49%	49%	49%
Group's share of net assets	612	-	36	30	70	70
Capitalised acquisition costs	39		-	-	-	-
Less: impairment	-	-	-	-	(70)	(70)
Net carrying value of joint ventures	651	-	36	30	-	-

*less than $1 million

During the financial year, 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 is expected to be paid in next financial year (Note 22).

19 INVESTMENT - DEBT SECURITIES

	The Group and Corporation	
	2021	2020
	$ Millions	$ Millions
Quoted debt securities at amortised cost:		
Current portion	13	30
Non-current portion	48	47
	61	77

The quoted debt securities have coupon rates ranging from 2.47% to 4.50% (2020 : 2.47% to 4.50%) per annum and maturity dates ranging August 2021 to February 2029 (2020 : April 2020 to November 2024).

The quoted 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 Group and Corporation	
	2021	2020
	$ Millions	$ Millions
Debt securities	194	-
Equity securities	54	-
Financial assets at fair value through profit or loss (FVTPL)	248	-

The financial assets at FVTPL are managed by an external fund manager in accordance with a documented and approved investment mandate. The fair values of the financial assets are based on valuation provided by external fund manager. 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	
	2021	2020	2021	2020
	$ 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	134	137	134	137
Others	39	45	9	10
	173	182	143	147

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

22 TRADE AND OTHER PAYABLES

	The Group		The Corporation	
	2021	2020	2021	2020
	$ Millions	$ Millions	$ Millions	$ Millions
Trade payables and accrued operating expenses	141	81	111	60
Other payables:				
- Capital expenditure	168	140	141	123
- Miscellaneous	43	53	25	31
Deposits and advance rentals collected	127	132	114	116
Accrued property tax	3	2	3	2
Accrued interest on borrowings	16	17	16	17
Accrued staff related costs	55	50	52	49
Lease liability	17	16	6	12
Amounts owing to joint ventures	75	-	-	-
Amounts owing to government agencies	7	14	3	12
	652	505	471	422
Represented by:				
Current portion	641	492	470	416
Non-current portion	11	13	1	6
	652	505	471	422

23 BORROWINGS

	The Group		The Corporation	
	2021	2020	2021	2020
	$ Millions	$ Millions	$ Millions	$ Millions
Unsecured term loans:				
- Current portion	26	25	20	19
- Non-current portion	984	498	353	372
	1,010	523	373	391

Unsecured term loans comprise:

- Loans of $373 million (2020 : $391 million), with fixed interest rates of 2.76% to 3.13% (2020 : of 2.76% to 3.13%) per annum. The loans are repayable in semi-annual instalments between 1 year to 36 years.
- Loans of $637 million (2020 : $132 million), with floating interest rates of 0.63% to 1.88% (2020 : 1.14% to 2.55%) per annum. The loan is repayable in semi-annual instalments between 1 year to 3 years.

24 DEFERRED INCOME

	The Group		The Corporation	
	2021	2020	2021	2020
	$ Millions	$ Millions	$ Millions	$ Millions
Balance at beginning of year	4,803	4,883	4,945	5,007
Additions	325	132	325	158
Amortisation	(221)	(212)	(229)	(220)
Balance at end of year	4,907	4,803	5,041	4,945
Represented by:				
Current	224	220	224	220
Non-current	4,683	4,583	4,817	4,725
	4,907	4,803	5,041	4,945

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			
	2021	2020	2021	2020
	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	
	2021	2020	2021	2020
	$ Millions	$ Millions	$ Millions	$ Millions
Amounts approved and contracted for	2,766	2,837	2,695	2,828

(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	
	2021	2020
	$ Millions	$ Millions
Lease receivables due:		
- Year 1	31	25
- Year 2	8	10
- Year 3	6	7
- Year 4	7	6
- Year 5	4	5
- Year 6 onwards	32	26
	88	79

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.

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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	
	2021	2020
	$ Millions	$ Millions
The Corporation's transactions with:		
Singapore Land Authority:		
- Purchase of land/lease extension	(1,034)	(337)
Agency for Science, Technology and Research:		
- Rental income and others	147	147
Key Management Personnel:		
- Fees paid to Board members and firms in which Board members are directors	1	1
- Income received from firms in which Board members are directors	14	8

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	
	2021	2020	2021	2020
	$ Millions	$ Millions	$ Millions	$ Millions
Financial assets				
At amortised cost	7,564	8,107	7,151	7,602
Fair value through profit or loss	248	-	248	-
Financial liabilities				
At amortised cost	1,662	1,028	844	813

(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.

(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 2021, if the SGD interest rate had increased/decreased by 0.5% (2020 : 0.5%) with all other variables including tax rate being held constant, the surplus for the year would have been higher/lower by $36 million (2020 : $38 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 indirect 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 2021, 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 $12 million (2020 : $Nil).

(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.

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						
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
2020						
Non-interest bearing	-	319	35	10	-	364
Variable interest rate instruments	-	7,252	-	-	-	7,252
Fixed interest rate instruments	1.9	444	47	-	-	491
Fixed rate lease receivables (Note 14)	4.0	44	187	1,019	(519)	731
		8,059	269	1,029	(519)	8,838
Financial liabilities						
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
2020						
Non-interest bearing	-	492	13	-	-	505
Variable interest rate instrument	2.7	10	122	-	-	132
Fixed interest rate instruments	3.0	32	129	387	(157)	391
		534	274	387	(157)	1,028

Corporation ($' Million)	Average effective interest rate %	Within 1 year	Within 2 to 5 years	More than 5 years	Adjust-ments	Total
Financial assets						
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
2020						
Non-interest bearing	-	263	-	10	-	273
Variable interest rate instruments	-	7,252	-	-	-	7,252
Fixed interest rate instruments	2.8	30	47	-	-	77
Fixed rate lease receivables (Note 14)	4.0	44	187	1,019	(519)	731
		7,589	234	1,029	(519)	8,333
Financial liabilities						
2021						
Non-interest bearing	-	470	1	-	-	471
Fixed interest rate instruments	3.0	32	129	355	(143)	373
		502	130	355	(143)	844
2020						
Non-interest bearing	-	416	6	-	-	422
Fixed interest rate instruments	3.0	32	129	387	(157)	391
		448	135	387	(157)	813

(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.

30 OTHER MATTERS

The outbreak of the Coronavirus Disease (COVID-19) in Singapore in early 2020 has caused disruptions to businesses and operations globally. To mitigate the effects of COVID-19 on Singapore's health and economy, the Singapore Government has implemented a series of precautionary and control measures, such as the implementation of the "Circuit Breaker", to control the outbreak of COVID-19 in Singapore.

The management have assessed that there are no material adverse effects arising from the COVID-19 situation on the Group's results for the financial year ended 31 March 2021. The Group continues to support the Singapore Government in implementing the various assistance measures.

The Group extended its support to tenants, among others, in the form of rental waivers and rebates that accounted about 5% of the Group normalised revenue.

Jurong Port

RELY ON US

Safeguarding Wellbeing and Maintaining Operational Readiness

Jurong Port (JP)'s FY2020 performance was impacted by COVID-19. Disruptions in construction activities caused by the April to June 2020 circuit breaker led to a decline of 42% in cement and steel throughput between May and August 2020. In spite of this, total lifts and throughput performance of JP's two lighter terminals increased 7% and 8% year-on-year (YoY) respectively due to increased vessel calls to Singapore for supplies. This was partly driven by Maritime and Port Authority of Singapore (MPA)'s calibrated port policies that support vessels' crew change and husbandry activities.

In FY2020, JP's key priorities included:

1 SAFEGUARDING OF THE WELLBEING AND SAFETY OF ALL PORT USERS

2 MAINTAINING OPERATIONAL READINESS AS AN ESSENTIAL GATEWAY

JP continued its development of port-centric ecosystems through Jurong Port Tank Terminal (JPTT) Phase 2 and the Ready-Mixed Concrete (RMC) Ecosystem. It capitalised on new business opportunities such as reefer storage, steel Prefabricated Prefinished Volumetric Construction (PPVC) and wheat stockpiling to increase supply chain resilience while embarking on its environmental sustainability strategy.

JP thanks its Board for guiding JP through an extremely challenging year. JP also thanks Mr Ng Lang, Mr Chew Men Leong and Mr Vaithilingam Sivarajan for outstanding leadership, stellar service, and dedication as Board of Directors till 31 August for Mr Ng Lang and 31 September 2020 for Mr Chew Men Leong and Mr Vaithilingam Sivarajan.

JP welcomes Mr Tan Boon Khai who joined the Board as of 1 September 2020 as well as Mr Wee Siew Kim, Mr Vincent Chong and Mr Muthukrishnan Ramaswami who joined as of 1 October 2020.

Business Growth

OVERALL VOLUMES

▼ 20% (FY20)

A 20% YoY drop in overall throughput in FY2020 is attributed to COVID-19. The halt of construction activities led to a 42% decline in cement and steel throughput. This mirrored a 36% YoY fall in Singapore's construction output (FY2020 vs FY2019).

The performance in 2HFY2020 reflected a V-shaped recovery for traditional cargoes as demand for construction materials returned to about 80% of pre-COVID levels despite labour and logistical constraints.

CONTAINERS

▼ 1% 313,000 TEUS (FY20)

Containers saw lower throughput figures in FY2020 due to dampened economic conditions brought about by COVID-19.

BULK CARGO (CEMENT)

▼ 48% 2.8 MIL TONNES (FY20)

Cement throughput for FY2020 dropped 48% YoY, impacted by the halt of construction activities. Cement throughput in 2HFY2020 recovered to 76% of 2HFY2019 as construction activities resumed.

GENERAL CARGO (STEEL)

▼ 33% 2.6 MIL TONNES (FY20)

Steel throughput for FY2020 dropped 33% YoY primarily due to the halt of construction activities. Steel throughput improved since March 2021 as consignees built up inventories in anticipation of construction activity recovery.

LIGHTER TERMINALS AND OFFSHORE MARINE CENTRE

▲ 9% 1.2 MIL TONNES (FY20)

Diversion of vessels to pick up bunkers and supplies at Singapore led to improvements in Lighter Terminals performance. Singapore vessel calls for supplies (in GT) and bunker sales grew 4% YoY for FY2020.

JURONG PORT TANK TERMINALS

▲ 27% 3.9 MIL TONNES (FY20)

JPTT saw higher YoY throughput in FY2020 as Phase 1 capacity was fully rented out throughout the year compared to 100% utilisation from 2HFY2019. JP sustained trading activities with partners despite uncertainty over the impact of COVID-19 on global oil trading and regional consumer markets.

Overseas Joint Ventures

▲ 13% 26 MIL

TONNES (FY20)

In FY2020, the general, bulk and container cargo volumes of overseas terminals totalled 26 million tonnes vs 23 million tonnes in FY2019.

Yangpu

Throughput increased 48% and financial performance improved by 92% YoY. The financial improvement was a result of higher volumes and higher margin cargos.

Rizhao

Throughput and net profit after tax (NPAT) increased 9% and 5% YoY respectively. The robust throughput in FY2020 indicates that China's domestic demand is continuing a path of gradual recovery.

PTI (Marunda)

Throughput and NPAT increased by 3% and 49% YoY respectively. The higher NPAT was a result of better control of direct expenses including stevedoring costs.

Waterfront Transformation

BULK CARGO (CEMENT) HANDLING PRODUCTIVITY

▼ 5% 556 TPH

TONNES PER HOUR (FY20)

586 to 556

TONNES PER HOUR OVER THE COURSE OF FY20

A slight decrease in cement handling productivity levels measured in Tonnes Per Hour (TPH) was due to scaling back of dual unloading operations to reduce preventative maintenance downtime and allow for continuous unloading operations.

GENERAL CARGO (STEEL) HANDLING PRODUCTIVITY

▼ 8% 349 TPH

TONNES PER HOUR (FY20

381 to 349

TONNES PER HOUR OVER THE COURSE OF FY20

A slight decrease in steel handling productivity was due to handling of more vessels with smaller shipment sizes and manpower constraints brought about by COVID-19.

OPERATIONAL SAFETY

1.37 to 1.08

ACCIDENTS PER MILLION MAN HOURS OVER THE COURSE OF FY20

▲ 21% REDUCTION IN ACCIDENT FREQUENCY RATE (AFR)

Accident Frequency Rate (FY20) – reduction to 1.08 accidents/million-man hours.

Safety improved by 21% as seen in Accident Frequency Rate (AFR) improvement from 1.37 in FY2019 vs 1.08 in FY2020.

JP's Workplace Safety and Health (WSH) department has continually improved AFR performance. The department also worked with Operations on a hatch CCTV project to enhance safety through vessel operations monitoring.

Maintaining Operational Readiness Amidst the Pandemic

JP's WSH team took guidance from Ministry of Health's health and travel advisories and took pre-emptive measures to inform users on prevailing measures and hygiene practices. In 1Q2020 when DORSCON level was raised to Orange, JP worked closely with MPA and Immigration and Checkpoint Authority to ensure that all vessels arriving at JP were required to declare health statuses before berthing. Staff monitored their health, conducted daily temperature checks and submitted travel and health declarations. JP also increased the frequency of cleaning and disinfection, deploying sanitisers at all common areas. In addition, JP implemented safe distancing, cessation of business travel, and SafeEntry digital check-in/out systems.

JP exercised work-from-home arrangements and implemented workplace segregation successfully. Employees worked remotely while critical business functions and frontliners practiced workplace segregation to minimise service disruption. When Malaysia implemented its Movement Control Order (MCO) in March 2020, JP offered immediate assistance to Malaysian staff and reached out to stevedore workers from companies affected by the MCO. Workers who commuted daily between Singapore and Malaysia were temporarily housed in hotels and rented flats, supplemented with an allowance to help tide them through this period.

In January 2021, Singapore became one of the first countries to prioritise COVID-19 vaccinations for frontline maritime personnel. Under the Sea-Air Vaccination Exercise (SAVE), 1,315 frontline workers at JP and stevedore companies were vaccinated. JP staff were also subjected to Rostered Routine Testing (RRT) every 14 days as part of enhanced surveillance measures.

Users can access well-maintained cargo handling equipment as part of the JP Forklift Pooling Policy

Introduced in February 2021, the JP Forklift Pooling Policy covers approximately 148 forklifts, which are in turn owned by 10 stevedoring companies. The pooling program mitigates equipment accounting issues as users are able to return forklifts to the centralised pool upon job completion, allowing stevedore companies and port users to enjoy access to well-maintained cargo handling equipment.

Development of Port-Centric Ecosystems

Developing port-centric ecosystems continues to be a key strategic thrust for JP. With JPTT Phase 1 running since 2019, JP commenced the construction of various ecosystem projects, namely RMC Ecosystem, JPTT Phase 2 and LNG Terminal within the construction and energy verticals respectively. To diversify its business portfolio, JP also successfully acquired a stake to manage JP Universal Terminal (JPUT) in Mar 2021.

Construction

Aerial view of the Ready-Mixed Concrete Ecosystem

READY-MIXED CONCRETE ECOSYSTEM

JP commenced Phase 1 construction of RMC ecosystem on 27 August 2020. Slated for completion in 1Q2022, the move of aggregates (i.e., sand and gravel) handling from the existing Tuas Aggregate Terminal to RMC ecosystem will enhance aggregate supply chain resilience. The ecosystem will have far-reaching benefits, including the facilitation of distant sourcing and multiplicity of sources for aggregate importation through JP's deep-water berths. It will handle approximately 6 million tonnes of aggregates per annum. As part of a larger construction ecosystem which includes cement and steel, the co-location of aggregates will enable shorter, leaner and greener construction material supply chains in Singapore. More than 600,000 truck trips will be cut annually as aggregates are transferred via conveyor systems directly from the wharf to fully enclosed storage and RMC batching facilities.

Energy

Aerial view of Jurong Port Tank Terminals

JURONG PORT TANK TERMINALS

Since becoming fully operational in October 2019, JPTT has enabled JP to play a meaningful role in the energy supply chain with our partners and contributing to the petrochemicals and clean petroleum products storage business. With the resumption of construction activities after the circuit breaker in 2020, JP resumed construction of JPTT Phase 2, which is expected to be commissioned by 4Q2021.

JP LNG TERMINAL

Since 2018, JP has been the choice facility for Truck-to-Ship (TTS) LNG bunkering with over 300 TTS LNG bunkering operations completed. JP commenced the construction of an LNG skid system that reduces time taken for LNG bunkering. This aids JP's sustainability efforts as LNG ISO-container trucks will not be required to ply public roads. In September 2020, JP commenced construction of the LNG terminal. Once completed in October/November 2021, JP can perform small-scale LNG breakbulk distribution and transhipment and ship-to-ship bunkering.

FORMATION OF JURONG PORT UNIVERSAL TERMINAL

JP acquired a 41% stake in Universal Terminal in Mar 2021, forming JP Universal Terminal Pte Ltd with MAIF Investments and PetroChina, with JP being the Terminal operator. This acquisition creates strategic depth and critical mass for JP's oil terminal and storage business, thereby making JP the largest independent tank storage terminal operator in Singapore.

Contributing to Supply Chain Resilience

Amidst these uncertainties in global supply chains over the past year, JP capitalised on new opportunities to strengthen supply chains resilience, mitigate disruptions and contribute as a strategic national asset. JP's Operations and Business Unit teams executed successful new projects for reefer storage, sand shipments as well as steel prefabricated PPVC shipments for quick-build dormitories and wheat storage.

In July 2020, JP worked closely with JTC to operationalise a reefer yard at short notice to store 600 FEUs of frozen food product in refrigerated containers. JP handled steel PPVCs to enable Singapore to quickly implement quick-build dormitories to mitigate the impact of COVID-19.

Accelerating Waterfront Transformation and Digitalisation

JP improved the safety and health of its operators by introducing automation and air-conditioned remote cabins for cement unloading operations. To ensure long term sustainability of its cement operations, JP plans to introduce more cement trimming process automation with a custom-designed multi wheeloader to improve the work environment for hatch trimming workers. JP successfully completed the implementation of its CCTV masterplan on 20 July 2020. There are an estimated 600 high-definition IP CCTVs, providing greater coverage of diverse operations within the port.

Digital Tally System (DTS) and Lighter Terminal Connect (LT Connect)

JP developed the Digital Tally System (DTS) for cargo tallying to improve efficiency in the handling of breakbulk cargo. DTS enables information to flow seamlessly across digital platforms and forms the foundation of real-time operations monitoring (i.e. Digital Twin virtual mapping of physical operations).

Frontline workers handling cargo on board a lighter boat

JP continues to accelerate digitalisation through the development of LT Connect (LTC) to improve operational productivity with real-time data, offering transparency and accountability on activity bookings as well as location of lighter boats and delivery trucks. This leads to faster turnaround time for ships and trucks and improved last-mile delivery efficiency at its Lighter Terminals.

Embarking On a Green Journey

In March 2020, JP appointed Mr Tan Wee Meng as its first Chief Sustainability Officer, supported by the newly formed Environmental Sustainability Office. The office shapes the sustainability agenda, supports the push for renewable energy, and facilitates Singapore's transition to future fuels. JP's Environmental Sustainability Strategy (ESS) comprises 3 main thrusts:

- ENVIRONMENTAL STEWARDSHIP AND BUILDING THE RIGHT CORPORATE CULTURE
- ENHANCE SUSTAINABILITY THROUGH PORT-CENTRIC ECOSYSTEMS
- ESTABLISH JP AS A GATEWAY FOR FUTURE FUELS

Recognising Workplace Safety and Our Frontline Workers

ISO 45001 CERTIFICATION FOR OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEMS

JP's commitment to workplace safety, security and health standards was recognised in its certification of regulatory compliance to ISO 45001:2018.

WORKPLACE SAFETY AND HEALTH (WSH) INNOVATION AWARDS 2020

JP won the Gold Award at the WSH Innovation Awards 2020 for the Logistics and Transport Sector with the winning entry 'Semi-Automation Cement Unloader Cabin'. This solution leverages technology and algorithms to enable automated operation of the unloader aided by sensors and cameras, thereby reducing the need for operators to be physically present.

NATIONAL WORKPLACE SAFETY AND HEALTH (WSH) INNOVATION AWARDS 2020

JP's 'Semi Automation Cement Unloader Cabin' was nominated by Singapore Logistics Association (SLA) and clinched the National WSH Innovation Award for the Logistics and Transport Sector 2020.

MURAL ART DISPLAY AT JP

Together with MPA, JP commissioned a wall mural art display as a gesture of appreciation for seafarers, port workers and frontline maritime personnel. The finishing touches to the artwork were added by [1]Senior Minister of State for Transport and Foreign Affairs Mr Chee Hong Tat along with leaders and representatives from MPA and unions.

1. Mr Chee held the appointment of Senior Minister of State for Transport and Foreign Affairs from 27 July 2020 to 14 May 2021.

2021 Jurong Port Board Of Directors

As at 31 July 2021

CHAIRMAN

Mr Ng Chee Keong

DEPUTY CHAIRMAN

Mr Wee Siew Kim

MEMBERS

Mr Robert Yap Min Choy
Independent Non-executive Director

Mrs Gina Lee-Wan
Independent Non-executive Director

Mr Lee Chiang Huat
Independent Non-executive Director

Mr Vincent Chong
Independent Non-executive Director

Mr Muthukrishnan Ramaswami
Independent Non-executive Director

Mr Tan Boon Khai
Director

Mr Teo Eng Dih
Director

Mr Ooi Boon Hoe
Director

Mr David Tan
Alternate Director

2021 Jurong Port Senior Leadership Team

As at 31 July 2021

MEMBERS

Mr Ooi Boon Hoe
Chief Executive Officer

Mr Samuel Siew
President, Operations & Technology

Mr Saw Kok Wei
President, Business Units

Mr Pay Cher Wee
Chief Financial Officer

Mr Michael Goh
Chief Corporate Services Officer

Mr Tan Wee Meng
Chief Technical Officer and Chief Sustainability Officer

Mr Desmond Lim
Chief Strategy Officer

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